

2021-22

Annual Report





The Australian Livestock Export Corporation Limited (LiveCorp) was established in April 1998 and operates under the *Australian Meat and Livestock Industry Act 1997 (Cth)* (AMLI Act) to deliver marketing and research, development and extension (RD&E) outcomes on behalf of Australia's livestock exporters. LiveCorp does not engage in agri-political activities. Responsibility for policy and advocacy rests with the Australian Livestock Exporters' Council (ALEC). This demarcation is a requirement of the AMLI Act and helps to reinforce that LiveCorp's operations are focused on service delivery within the industry.

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LiveCorp Vision

Leading the world in the health and welfare of livestock exports

LiveCorp Mission

- Generate positive animal health and welfare outcomes along the length of the livestock export supply chain
- Introduce innovative solutions and technical improvements to the performance of the livestock export supply chain
- Contribute to the opening and development of livestock export market access

LiveCorp is the service provider and research body for the Australian livestock export industry. LiveCorp works closely with exporters and other stakeholders to continuously improve performance in animal health and welfare, supply chain efficiency and market access.

Chair's Report

At the end of each of my three years as LiveCorp chair, I have thought 'this must be one of the toughest years the industry and company have faced'.

Challenges are not new to LiveCorp members and their customers. However, facing headwinds one after the other for an extended period has tested the resilience of exporters, importers and LiveCorp staff. Up front, I want to acknowledge their strength and thank them all for their commitment and support.

The fresh challenge in early 2022 was the detection of both lumpy skin disease (LSD) and foot & mouth disease (FMD) in Indonesia.

The immediate impact was a loss of confidence, with Australian exporters and Indonesian importers hesitant to ship cattle until vaccines were available and the spread of both viruses was more under control. This compounded the impact of high Australian livestock prices and low supply, along with ongoing effects of the COVID-19 pandemic, to put even more downward pressure on export numbers.

While Australia remains free from both viruses, the outbreaks so close to our northern coastline prompted a strong and immediate response from the red meat industry and Australian Government, including offers of assistance to Indonesia.

Around the same time, the federal election delivered a Labor Government with a stated policy to phase out live sheep exports. It was encouraging that the new Minister for Agriculture, Fisheries and Forestry, Senator the Hon Murray Watt, made time to talk to exporters in Western Australia and visit Indonesia soon after taking up the role.

Senator Watt has also engaged well with LiveCorp, and I welcome him to the portfolio. I look forward to continuing to work with him on topics such as biosecurity and the future of the trade. My thanks to outgoing Minister, the Hon David Littleproud, for his strong support of the industry and interest in LiveCorp's activities over recent years.

The bright spot for the industry in 2021-22 was dairy, with that segment of the trade remaining resilient when export numbers dropped in all other categories.

The number of dairy cattle being exported increased by 9% to almost 100,000 head. The value jumped by a third, year on year, showing the impact of continued price rises. China remained the biggest market, taking 95% of all dairy cattle exported during the year.

In contrast, just over 500,000 beef cattle were exported in 2021-22, a drop of 37% in volume and 32% in value, year on year. Vietnam led the fall, down almost 60% in volume, but remained the second largest market after Indonesia.

Total sheep export numbers fell again, to fewer than half a million head. Volumes dropped by 19% but values by just 9%, again illustrating how much prices were a factor in demand. Kuwait, Israel and the United Arab Emirates were the top three markets.

Goat exports dropped 78% year on year to just 3,366 head. This was almost entirely caused by Malaysian demand falling from almost 8,000 to just over 2,000 head.

Overall, live export volumes were down 28% in 2021-22, continuing the trend of the past few years. As a consequence, LiveCorp recorded a deficit of \$1,177,394 and tapped into financial reserves built up in earlier periods of strong trade. The board closely monitored

numbers and forecasts, and ensured the activities of the company balanced delivery against both immediate challenges and strategic objectives. The organisation is lean, but with an eye on the future as well as managing the current environment.

The industry showed incredible resilience during COVID-19, continuing to operate when many others could not, or required subsidies to remain viable. Our thanks to suppliers, staff in Australia, on ships and in market, and our customers, for their efforts.

Key events in 2021-22:

- The LSD and FMD situation placed additional demand on LiveCorp's time, including participation in numerous committees; however, it was pleasing to have a seat at the table to contribute technical input from a livestock export industry perspective.
- The Strategic Response Group held a simulation involving the theoretical detection of LSD in Australia, as the first step in identifying information needs specifically around live exports and developing an action plan to increase preparedness.
- Community sentiment toward live exports strengthened slightly between the first and second surveys conducted for the industry. Meanwhile, LiveCorp, the Australian Livestock Exporters' Council (ALEC) and The Livestock Collective established a steering group to ensure the community sentiment findings were considered when setting priorities and workload.
- LiveCorp provided technical advice and input into the review of the northern summer prohibition on live sheep shipments and collated information regarding the industry's improved performance over recent years.
- The new Labor Government committed to a phase out of the live sheep trade, although not in its first term. The Prime Minister and Minister Watt both stated that live cattle exports will not be affected.
- Ongoing COVID-19 travel restrictions prompted the postponement of LIVEXchange for 12 months, with planning re-focused on the new dates in November 2022.

Lisa Dwyer resigned from the LiveCorp board, and my thanks for her commitment over the past eight years. She remained part of the industry by assisting AniMark with its board selection process. Su McCluskey was appointed as the new independent director and brings knowledge of regulation as well as practical farming. She has made a great contribution to our strategic thinking.

David Galvin and Mark Harvey-Sutton have led ALEC through a challenging year, and I thank the whole team for its efforts. Working together to make the most of each organisation's respective strengths helped us all deliver for our members.

Finally, thank you to Wayne Collier, who became Chief Executive Officer late in 2021. It was a seamless transition, given his nine year history with LiveCorp and strong engagement with exporters and the Australian Government; something much appreciated in turbulent times.




Troy Setter
Chair

CEO's Report

Being able to pivot quickly in the face of a disease outbreak was put to the test once again this year. Just as COVID-19 restrictions began to ease, Indonesia detected first LSD and then FMD.

Biosecurity became the number one priority for industry and government in both countries, and LiveCorp became involved in a multitude of taskforces and discussions both here and in-market.

We worked with exporters to develop resources and share information about biosecurity for workers right along the supply chain, including translations into Indonesian Bahasa; prepared materials to reassure producers and the public about the industry's biosecurity practices; provided input into updates of Australia's preparedness plans; and reviewed trade protocols to understand the live export industry's exposure.

Exporters continue to provide regular on-the-ground intelligence about the evolving situation in Indonesia, which is guiding further activity in 2022-23.

Results of the second community sentiment survey were released, showing positive movement on several key questions about live exports. The report showed there was still room for improvement, of course, and this is helping to focus the industry's activities.

LiveCorp worked on several initiatives to improve the availability of information about the industry to help overcome the knowledge gap highlighted in the surveys. A new magazine, *Ruminations*, shared stories of those working along the supply chain and received excellent feedback from within and outside of industry. A partnership with The Livestock Collective produced a website with 360° photos and videos from inside a livestock export ship, providing everyone with access to a virtual tour.

These materials and others produced by LiveCorp were all provided to a wide range of stakeholders, including members of the incoming Labor Government by ALEC as part of industry's engagement on the future of the trade.

Prior to this, LiveCorp provided technical advice and submissions on the review of live sheep exports to the Middle East during the northern hemisphere summer, and the review of heat and cold stress in *Bos taurus* cattle from southern Australia during long haul voyages by sea.

Regular meetings continued throughout the year with the Department of Agriculture, Fisheries and Forestry (the department) on regulatory reform. This included discussions on the deployment of Independent Observers on ships, with LiveCorp moving forward with a proposal to trial video technology as an alternative.

The industry's reporting tool, LIVEXCollect, proved useful for both the department and exporters, with more than a year's worth of data now available. LiveCorp rolled out dashboards to provide exporters with an easy way to visualise data from their own voyages. Work also began, via a traceability grant from the department, to develop a prototype LIVEXCollect application.

This was the first full year of LiveCorp managing the research, development and extension (RD&E) program, which is jointly funded with Meat & Livestock Australia (MLA) through the Livestock Export Program (LEP).

There was a strong focus on engagement and communication, including the development of a 'snapshot' survey to assess exporter and producer attitudes toward the RD&E Program and gaps in its activities. Exporters were provided with updates on current research via a series of webinars, which were very well received, while foundational projects were completed to assess the industry's training and data needs.

It was also the first full year with a statutory dairy levy in place. LiveCorp engaged with Dairy Australia and other stakeholders to explore opportunities for closer collaboration. An economic study of the benefits of live exports to Australia's dairy industry got underway and a flyer promoting the benefits of Australian dairy genetics and productivity was produced for use in our markets.

LiveCorp also continued to be a key contributor to the National Arbovirus Monitoring Program, an important surveillance tool for enabling dairy cattle market access.

Despite the addition of the dairy cattle levy, there were significant budget constraints during 2021-22 due to lower export numbers overall. This required a delicate balancing act to maintain core 'business as usual' operations, ensure progress was made on strategic priorities, and deal with the additional workload created by the LSD and FMD situation in Indonesia.

This was my first year as Chief Executive Officer of LiveCorp, and my thanks to the entire team for their dedication and commitment, especially in the face of such challenging times. Thanks also to the board, and to former CEO Sam Brown for his guidance and support while at LiveCorp and the comprehensive handover.

I also acknowledge the staff of ALEC, MLA and the LEP, as well as the department. Their ongoing collaboration is a highly valued component of LiveCorp's work to deliver benefits for the industry.

Finally, we farewelled Liesel Alexander as our Chief Commercial Officer after eight years with LiveCorp and wish her well.



W.P. Collier

Wayne Collier
CEO

Industry Overview

Total livestock export volumes decreased 27.5% year on year in 2021-22. While overall cattle numbers were down 32%, an increase of 9% in dairy cattle partially offset a 37% drop in beef cattle exports. Sheep numbers were down 19%. Goat exports decreased 78% from 15,008 to 3,366 head.

There was a 21% decrease in the total value of livestock exports, despite a 33% increase in the value of dairy cattle. Beef cattle fell 32% in value and sheep fell 8%. Goats were 70% lower in value, although from a very low base.

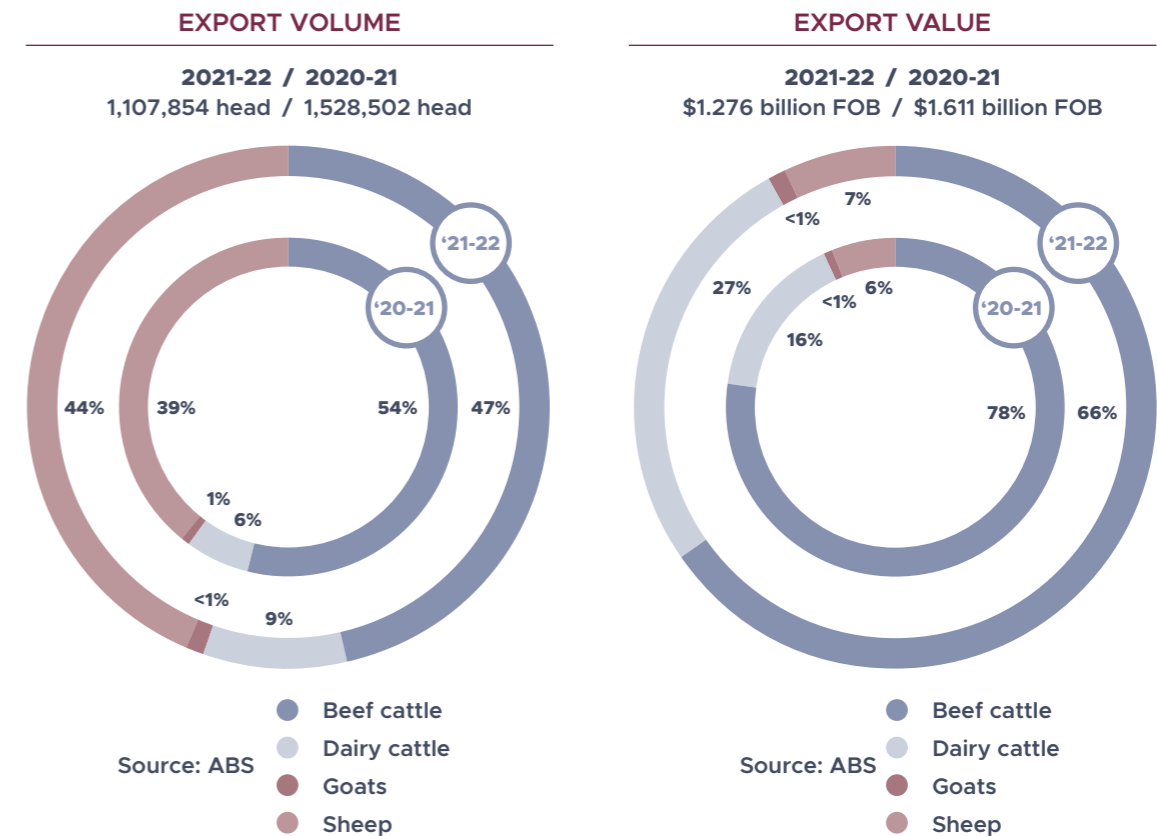
The export of cattle, sheep and goats by air made up 1.9% of the total trade volume in 2021-22 and 1.2% of the value. This compared to 3.4% of the volume in 2020-21 and was heavily impacted by a drop in goat exports to Malaysia, China and the Philippines.

Throughout 2021-22, high livestock prices and competition from re-stockers for domestic supply influenced the volume of livestock exports. Several key markets also faced ongoing disruption from the COVID-19 pandemic in the latter parts of 2021.

Outbreaks of lumpy skin disease (LSD) and foot & mouth disease (FMD) in Indonesia in early 2022 further impacted and disrupted its domestic livestock sector and slowed imports as it sought to initiate response and control strategies.

With international travel slowly returning to normal, the industry took the opportunity to reconnect with partners in market to reaffirm relationships and offer support.

Australia is a world leader in the export of live cattle, sheep and goats, underpinned by a commitment to animal welfare which extends into importing countries.



Cattle

Overall cattle numbers continued their recent downward trend, falling 32% in 2021-22 to 615,024 head. The value of exports was 21% below the previous year, at \$1.19 billion. While feeder and slaughter export volumes fell 37%, there was an increase of 9% in dairy exports.

Far from easing, cattle prices remained a challenge for the industry. Northern Australia's wet season did not fulfil its promise, resulting in the herd re-build in that region lagging behind southern states. Competition for cattle was strong across the country and the Eastern Young Cattle Indicator reached an all-time high of 1,191c/kg in January 2022.

Indonesia remained Australia's key export market despite the challenges presented by high prices and disease outbreaks, taking 67% of Australian beef cattle exported during 2021-22. Numbers were down 22% on the previous year to 347,086 head, valued at \$544 million.

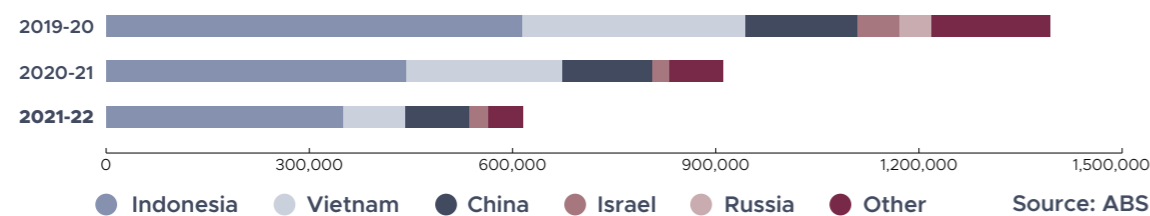
Vietnam saw the biggest fall in absolute numbers, down 60% in both volume and value to 92,488 head worth \$168 million. China also significantly decreased its beef cattle imports, down from the third largest importer at 47,102 head the previous year to just 1,009 cattle in 2021-22.

Japan continued to be a consistent market for Australian beef cattle exports at 11,119, down 12% on the previous year.

Against the trend, some markets increased in volume. Israel, for instance, went up 13% to 26,717 head valued at \$41 million.

China increased its imports of dairy cattle from Australia by 8% to 93,258 head. Higher prices saw the value jump by 33% to \$329 million, year on year. China accounted for 95% of Australia's total dairy cattle exports.

CATTLE EXPORTS BY DESTINATION



Sheep

Live sheep exports fell again in 2021-22, down 19% in volume to 489,064 head, and 8% in value to \$85 million.

Overall demand for sheepmeat remained strong in Europe, the Middle East and North Africa (EMENA), and the region continued to dominate Australian sheep exports, taking 97% of the total volume in 2021-22.

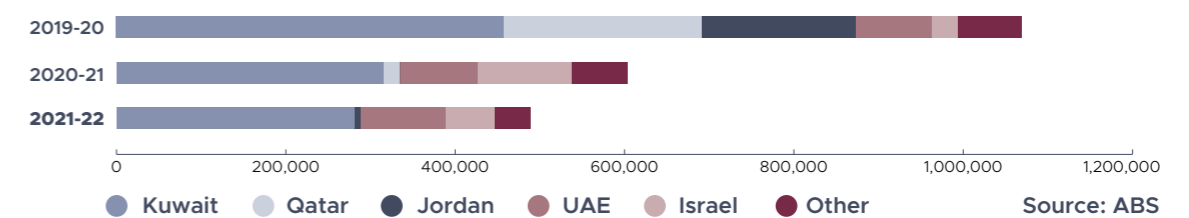
However, high prices for Australian sheep continued despite a strong start to the season in Western Australia and growth of the national flock, which had an impact on export

numbers. The prohibition on sheep exports to the Middle East for part of the year also remained a factor.

Kuwait remained the key market, taking 57% of all sheep exported in 2021-22. Export numbers dropped 11% year on year to 281,018 head, valued at \$47 million. Sheep numbers to Israel also dropped, down 49% to 57,600 head. This made it the third largest destination behind the United Arab Emirates, which jumped up a place with a 10% increase to 100,130 head.

Exports to Jordan went from nil in 2020-21 to 7,200 head, still well down from the 182,500 head of just two years ago. Qatar, the third largest market in 2019-20, did not import any Australian sheep in 2021-22 following changes to the subsidy arrangements on Australian animals and sheepmeat.

SHEEP EXPORTS BY DESTINATION

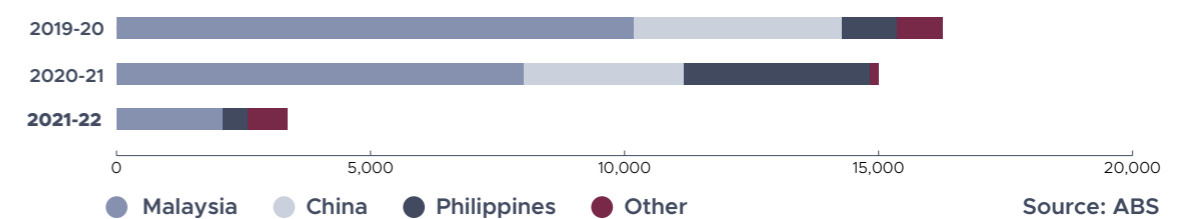


Goats

There was a significant drop in goat numbers in 2021-22, with just 3,366 head exported, all for feeder and slaughter purposes. This represented a fall of 78% in volume, with activity impacted by high livestock prices, high freight costs and limited access to aircraft. Total value was \$2.1 million, down 70% year on year.

Malaysia continued to take the bulk of exports, at 62% of the total or 2,074 head. This was down 74% year on year in volume and valued at \$1.2 million.

GOAT EXPORTS BY DESTINATION





LiveCorp 2021-22 achievements at a glance

LSD/FMD PREPARATION

LiveCorp participation in cross-sectoral taskforce, trade working group and multiple committees

ACTION PLAN

developed to boost preparedness for potential disease incursion

600 VIEWS

of *Ruminations* magazine on website within two months of launch

LIVEXCollect DASHBOARDS

used by exporters representing approximately 70% of livestock exported by sea

SECOND SURVEY

on community sentiment canvases views of 4,411 Australians

VIRTUAL TOUR

of a livestock export ship launched

83%

of survey respondents happy with information received about LEP research

67% OF AUSTRALIANS

agree live exports help provide people overseas with safe sources of meat

4 WEBINARS

held by LEP RD&E Program

16

stockpersons trained virtually

14

new RD&E projects initiated

This year was the second for LiveCorp under its *Strategic Plan 2025*. This sets the aims, objectives and outcomes of the company to guide the investment of levy payer funds.

1 Animal welfare

Lead in materially advancing animal health and welfare along the export supply chain through research, development and extension.

STRATEGIC GOALS

- By 2025, LiveCorp will have developed and introduced in the Australian livestock export industry an effective framework for monitoring and reporting on the health and welfare of animals across the various stages of the export supply chain.

KEY DELIVERABLES DURING 2021-22:

- Conducted a stocktake of data collection along the supply chain to identify opportunities for improvement (see p37)
- Conducted a stocktake of the training environment to guide the development of new materials (see p37)
- Deployed dashboards to display analysis from LIVEXCollect data (see p30)
- Completed scoping study for LIVEXCollect digital application (see p30)

- By 2025, LiveCorp will have generated, through investment in R&D, information to increase the skills, knowledge and capability of people in the livestock export supply chain.

KEY DELIVERABLES DURING 2021-22:

- Delivered an online stockpersons accreditation course (see p30)
- Developed training materials focused on the low stress handling of buffalo (see p30)
- Developed guidelines for independent audits of ventilation on ships (see p30)
- Published a best practice manual for the export of livestock by air (see p37)

- By 2025, LiveCorp will have extracted maximum value from its research by investing in extension and adoption pathways from research inception to completion, and effectively communicating the progress and outcomes.

KEY DELIVERABLES DURING 2021-22:

- Delivered regular webinars to allow exporters to hear from consultants delivering research projects (see p37)
- Delivered regular updates of RD&E activities through monthly e-newsletters (see p34)
- Delivered an AAV RD&E Forum and two AAV e-newsletters (see p30)

- By 2025, LiveCorp will have raised knowledge and awareness of the livestock export sector and its commitment to animal health and welfare through engagement and communication activities among the audiences that matter, including exporters, but also in the wider community, industry partners, and with the department as the industry regulator.

KEY DELIVERABLES DURING 2021-22:

- Developed a brochure detailing changes to regulations and industry practices related to live sheep exports (see p34)

INVESTMENT

Research	\$1,160,333	Marketing	\$1,058,067	Total	\$2,218,400
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2 Livestock export supply chain efficiency improvement

Spearhead efficiency gains in the livestock export supply chain through innovative solutions and technical and technological improvements, within the framework of relevant regulation (e.g. ASEL and ESCAS).

STRATEGIC GOALS

- By 2025, LiveCorp will have assisted the industry to introduce the information and communication technology (ICT) capabilities required for the close monitoring, management and reporting of animal health and welfare throughout the supply chain and the operational and environmental conditions that underpin it.

KEY DELIVERABLES DURING 2021-22:

- Continued the implementation of a digital transformation initiative to enable efficiency, integration and standardisation in the collection of data for insights, analytics and reporting (see p30)
- Developed a framework to trial video technology as an alternative to Independent Observers on ships (see p28)

- By 2025, LiveCorp will have put in place (a) those mechanisms that enable it to access industry-wide, reliable and quality live export data essential to its evidence-based research and advice; as well as (b) the data gathering, quality control, management and storage infrastructure that offers the robustness, resilience and functionality required to serve the organisation's purpose.

KEY DELIVERABLES DURING 2021-22:

- Deployed dashboards to display analysis from LIVEXCollect data (see p30)
- Completed scoping study for LIVEXCollect digital application (see p30)

- By 2025, LiveCorp will have produced effective research that translates to real, measurable performance enhancements along the livestock export supply chain.

KEY DELIVERABLES DURING 2021-22:

- Conducted trials exploring stocking density, bedding and ammonia (see p37)
- Developed a mobile sheep counting device (see p37)

INVESTMENT

Research	\$533,753	Marketing	\$756,821	Total	\$1,290,574
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3 Livestock export market access

Advance the export of Australian livestock to overseas countries through services in market access, development and growth.

STRATEGIC GOALS

1. By 2025, LiveCorp will have maintained and enhanced its reputation as a particularly valuable expert in, and contributor to, the development and maintenance of market access for Australian livestock.

KEY DELIVERABLES DURING 2021-22:

- Participated in discussions and various committees regarding potential impacts to market access should lumpy skin disease (LSD) and foot & mouth disease (FMD) be detected in Australia (see p26)
- Ran a crisis response simulation on the hypothetical detection of LSD in Australia and developed an action plan identifying measures to take in preparation (see p26)
- Managed Protocol Committee and maintained a strong relationship with the Department of Agriculture, Fisheries and Forestry (the department) to deliver technical advice on market access discussions (see p28)
- Engaged with Australia's Agricultural Counsellors to Indonesia and India (see p26)

2. By 2025, LiveCorp will have established a solid reputation for innovative approaches and contributions to the promotion of Australian livestock in overseas countries.

KEY DELIVERABLES DURING 2021-22:

- Developed a marketing flyer, outlining the characteristics of Australian dairy cattle (see p33)

3. By 2025, LiveCorp will be able to point to a record of continuous investment in, and technical advice on, priority livestock biosecurity systems, as a material contribution to the development and advancement of market access priorities.

KEY DELIVERABLES DURING 2021-22:

- Participated in a range of committees and other activities to support Australia's response to exotic disease detection in Indonesia, and provide technical advice on market access protocols (see p26)
- Provided funding, representation and technical advice to the National Arbovirus Monitoring Program (see p33)

INVESTMENT

Research	\$487,340	Marketing	\$372,769	Total	\$860,109
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4 Livestock export industry advancement

Contribute materially to a growing acceptance of the livestock export industry within the community; to the industry's ability to present its case; and to the ongoing development of a world-leading regulatory framework for the export of livestock.

STRATEGIC GOALS

1. By 2025, LiveCorp will have made a material contribution to the greater acceptance of the livestock export industry in the community at large.

KEY DELIVERABLES DURING 2021-22:

- Released findings from the second community sentiment survey of 4,411 Australians (see p37)

2. By 2025, LiveCorp will have fostered a significantly better understanding of the industry's nature, of its operations and of its performance among influential stakeholder audiences.

KEY DELIVERABLES DURING 2021-22:

- Developed a virtual ship tour in conjunction with The Livestock Collective (see p34)
- Released the first edition of *Ruminations* magazine (see p34)
- Continued the development of the program for the LIVEXchange conference (see p34)
- Regularly updated content on the LiveCorp website, including resources on exotic diseases to raise awareness of the importance of biosecurity (see p34)

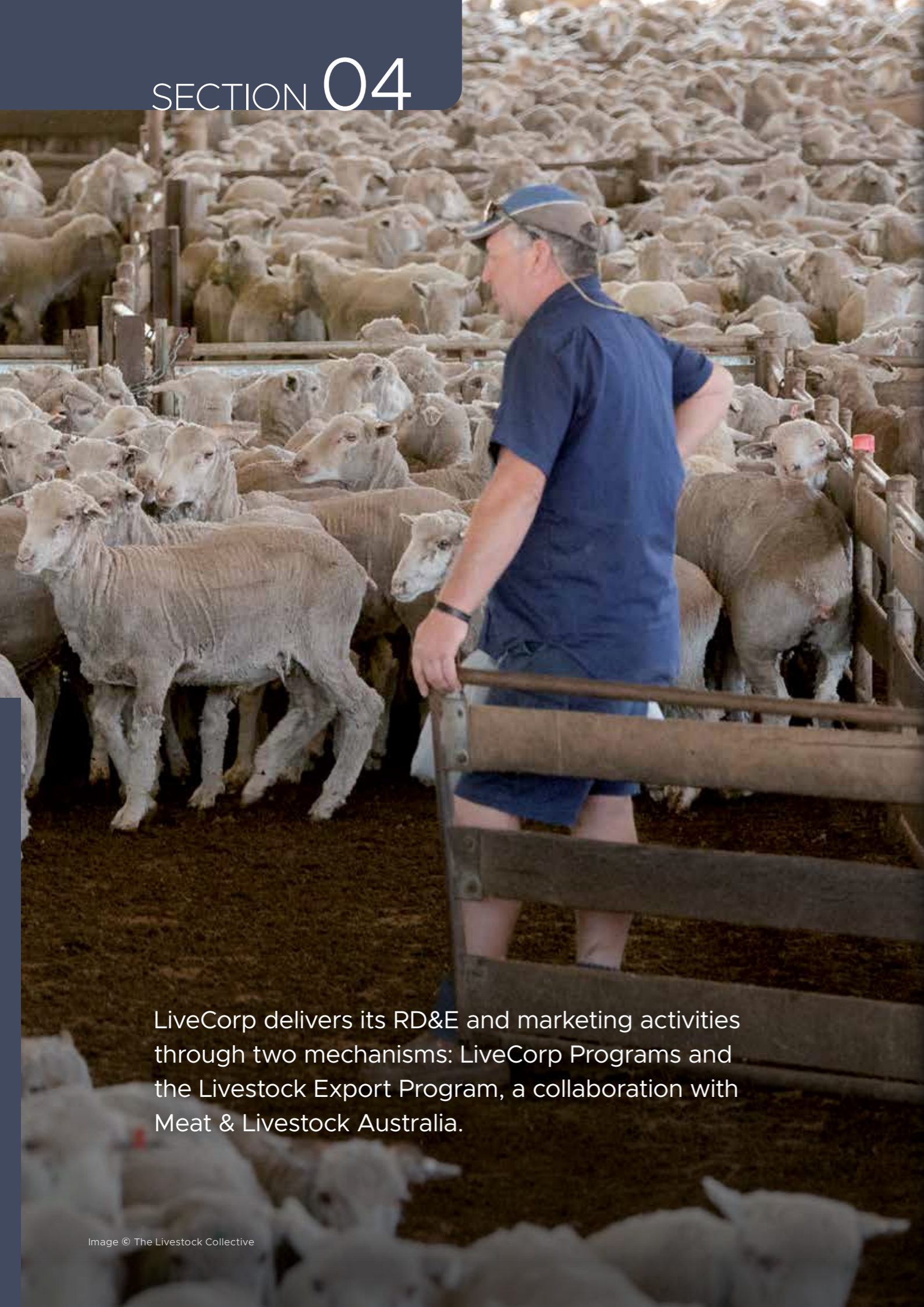
3. By 2025, LiveCorp will have demonstrated its unique expertise and value in the collaborative shaping of well-balanced regulation for the livestock export industry, through research products that speak to the insightful use of high quality data.

KEY DELIVERABLES DURING 2021-22:

- Participated in the Live Animal Exports Roundtable Working Group (see p26)
- Provided technical input into the department's review into heat and cold stress in *Bos taurus* cattle from southern Australia during long-haul export by sea (see p33)
- Provided technical input into the review of the northern summer prohibition on live sheep shipments (see p28)

INVESTMENT

Research	\$139,240	Marketing	\$688,926	Total	\$828,166
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LiveCorp delivers its RD&E and marketing activities through two mechanisms: LiveCorp Programs and the Livestock Export Program, a collaboration with Meat & Livestock Australia.

LiveCorp Program Overview

LiveCorp receives both research and marketing levies, as well as government grant funding on occasion. These are used to deliver activities that directly benefit members and the Australian livestock export industry.

The Exporter, Industry Capability, Services & Innovation, Dairy and Communications Programs are funded through the marketing levy and support activities such as LiveCorp's engagement with the Department of Agriculture, Fisheries and Forestry (the department), work on market access, training of shipboard stockpersons and corporate services.

Key Performance Indicators

Key performance area	Measure	Performance
Member consultation and engagement	75% of members contributing to 80% of export levies are consulted at least twice in 2021-22.	
Increased supply chain efficiency	LiveCorp's input and technical advice contribute to the identification and implementation of efficiencies in the livestock export supply chain, including by the regulator.	
Member satisfaction with market access activities	There is continued member support and demand for LiveCorp's input and technical advice in the development of market access opportunities.	
LIVEXCollect app	A prototype is developed, investigating the feasibility of a LIVEXCollect digital application for data collection.	
Community acceptance	An improvement in knowledge and awareness of the livestock export industry is demonstrated in the second community sentiment survey.	
Awareness of LiveCorp's investment of levies in delivering against the Strategic Plan 2025	Key stakeholders demonstrate increased access to the website, e-newsletters and other communication materials developed by LiveCorp.	
Management of the LEP RD&E Program	Systems and procedures are established and embedded for the ongoing management of the program by LiveCorp.	

Not achieved Partially achieved Achieved

Investment of Levies

LiveCorp is primarily funded by statutory levies on exports of beef cattle, dairy cattle, sheep and goats. Export levies are collected, administered and disbursed by the department on a cost-recovered basis and invested on behalf of the industry through marketing and research activities in proportion to the allocation of funding received.

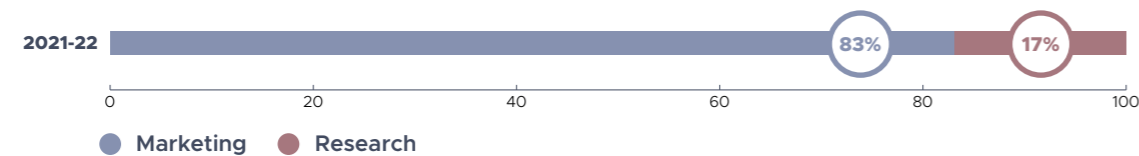
The current levy rates are:

LEVIES FROM	MARKETING \$	RESEARCH \$	TOTAL \$
Beef cattle	\$0.007936 / kg	\$0.001587 / kg	\$0.009523 / kg
Dairy cattle	\$5.00	\$1.00	\$6.00
Sheep	\$0.50	\$0.10	\$0.60
Goats	\$0.40	\$0.10	\$0.50

The levy rates are divided into a marketing and a research component as presented in the chart below:

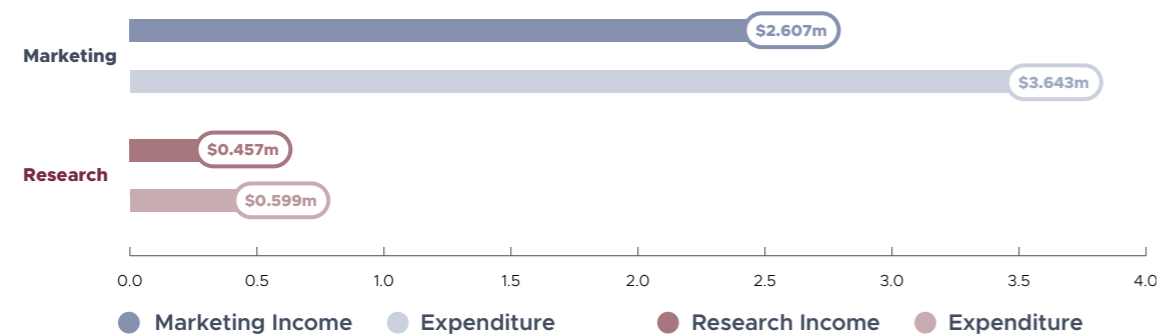
Investment of 2021-22 levies

LEVY ALLOCATION (%)



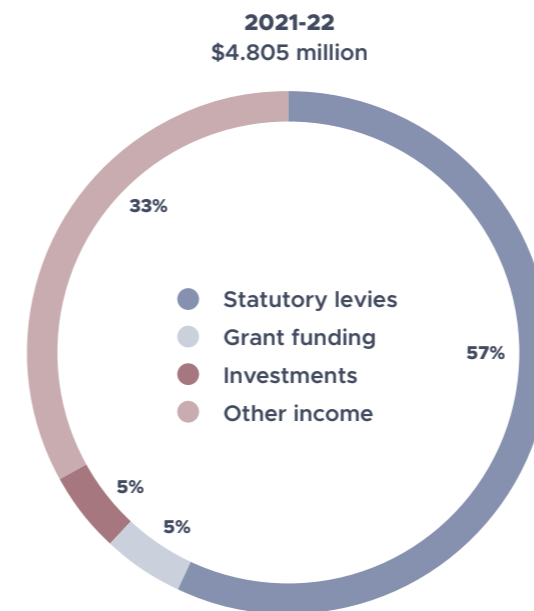
The majority of the levy funding received by LiveCorp is marketing dollars and in accordance with the Cost Allocation Policy, the ratio of levy income informs LiveCorp's allocation of expenditure across research and marketing activities.

ALLOCATION ACROSS MARKETING & RESEARCH ACTIVITIES (\$m)

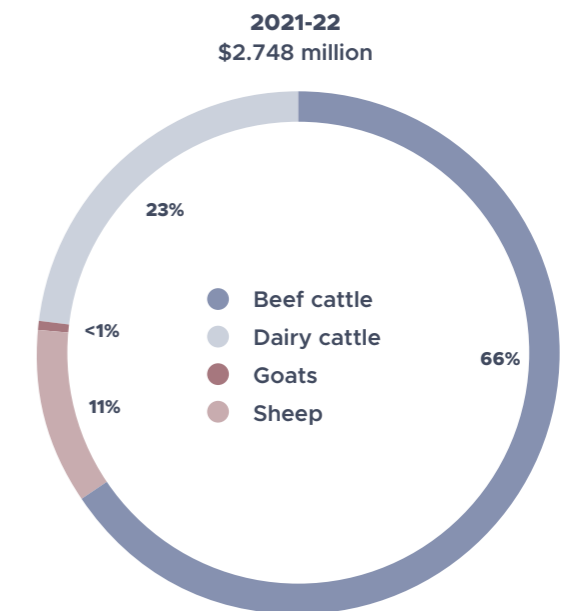


Investment of 2021-22 levies cont.

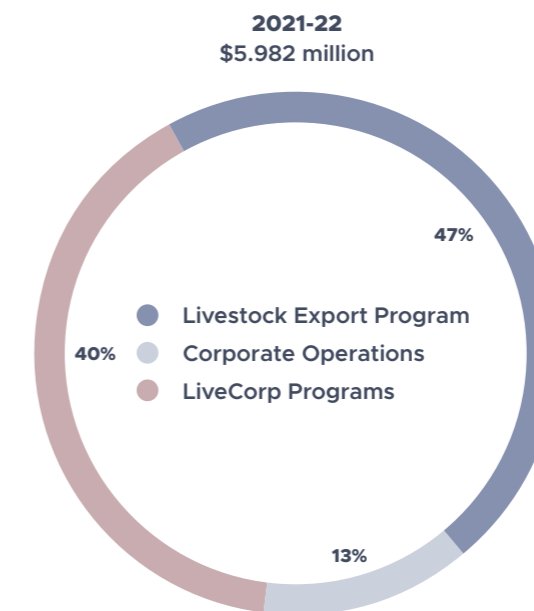
SOURCES OF INCOME (%)



LEVY INCOME (%)



TOTAL EXPENDITURE (%)



LiveCorp acknowledges the provision of funding by livestock export levy payers, producers (through MLA) and the Australian Government.

Livestock Export Program Overview

Collaboration between LiveCorp and Meat & Livestock Australia (MLA) through the Livestock Export Program (LEP) leverages both exporter and producer levies.

The LEP RD&E Program, which also receives Australian Government matching of expenditure for eligible projects, is managed by LiveCorp.

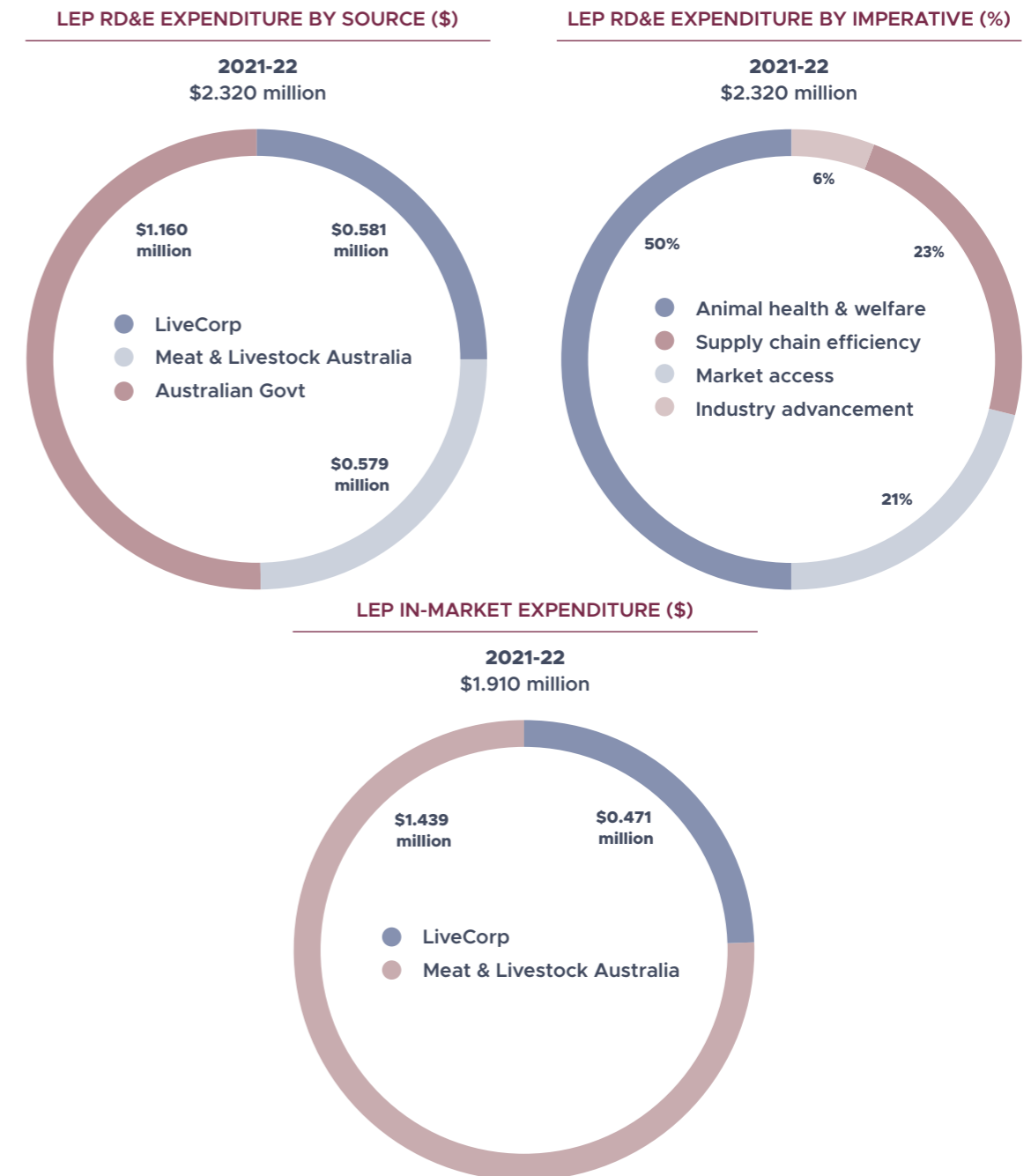
MLA administers the LEP in-market program, which operates in three key livestock export regions – Indonesia; Asia Pacific; and Europe, the Middle East and North Africa (EMENA). It targets activities that support the growth, productivity and sustainability of the livestock export industry through the delivery of risk mitigation strategies, activities to build capability and address issues specific to the regions, and extension and adoption of best practice livestock management.

In-market progress against 2021-22 live export priorities

Key performance area	Performance
Increase stunning rates in Indonesia by 5%, to 93% (one new facility adopted stunned slaughter; work continues with others).	
Deliver a fresh beef consumer awareness and promotional campaign for select Indonesian wet markets (ongoing in 2022-23).	
Identify and either trial or provide feasibility assessments for two new technologies or innovative approaches to mitigate potential heat stress risks in sheep and/or cattle.	
Maintain relationships in Indonesia and continue to work with government-supported breeder cattle programs.	
70% of exporters make use of LEP support services while unable to travel in-market due to COVID-19 travel restrictions.	

● Not achieved
 ● Partially achieved
 ● Achieved

LEP Investment



While LiveCorp manages the LEP RD&E Program, MLA is responsible for administering the process to access matching funding from the Australian Government. The contributions made by LiveCorp to MLA for the RD&E investments in 2021-22 totalled \$580,906.

(As per Section 12 of the Funding Agreement dated 23 March 2021, these contributions are the 'donations made by LiveCorp to MLA'.)

Exporter Program

The Exporter Program facilitates and coordinates activities that directly benefit LiveCorp members and the Australian livestock export industry. These include issues management and time-critical projects, consultation, driving specific animal welfare-related initiatives, and preparing and responding to government inquiries and reviews.

The program is also responsible for regular consultation with the Australian Livestock Exporters' Council (ALEC) on industry issues, strategy and planning, and technical support for policy development and implementation.

Key activities

- ◆ *Consulted with ALEC as the peak industry council on industry priorities, issues, planning, policy direction and implementation.*
- ◆ *Engaged with LiveAir and state Livestock Export Associations to provide updates on activities.*
- ◆ *Identified and responded to key emerging sensitivities and issues relating to market access and the supply chain, and provided technical advice.*
- ◆ *Participated in committees and discussions with industry and government in Australia and industry in Indonesia regarding lumpy skin disease (LSD) and foot & mouth disease (FMD), and provided technical advice related to trade access and preparedness.*
- ◆ *Contributed to industry-government roundtables and working groups to bring about improvements and efficiencies in regulatory processes, including the Livestock Animal Exports Regulatory Roundtable.*
- ◆ *Participated in Strategic Response Group (SRG) meetings, including simulation exercises.*
- ◆ *Established a community sentiment steering group with ALEC and The Livestock Collective to ensure a strategic response to the community sentiment survey findings.*
- ◆ *Supported the implementation of initiatives that enhanced animal welfare and sustainability of the trade.*
- ◆ *Engaged with AniMark and ALEC to support a refreshed implementation plan and approach for the Livestock Global Assurance Program.*
- ◆ *Engaged with the LEP on priority in-market projects regarding stunning, abattoir infrastructure, wet market promotion, breeding livestock and biosecurity.*
- ◆ *Provided input into the department's review of reporting requirements for the Australian Standards for the Export of Livestock (ASEL) to support the continuous collection of high quality data.*
- ◆ *Provided funding to SAFEMEAT, which oversees and promotes sound management systems to deliver safe and hygienically produced meat products.*
- ◆ *Supported investment and collaboration in cross-industry agricultural issues of national importance through Agricultural Innovation Australia.*

- ◆ *Engaged with drought and innovation hubs, including meeting with the northern WA and NT hub to discuss priorities and service offerings, and collaborated with the other red meat RDCs to provide the hubs with a summary of red meat industry research activities.*

Progress against AOP 2021-22 objectives

Key performance area	Performance
LiveCorp and ALEC are aligned and coordinated on industry priorities.	
Improvements and efficiencies in the livestock export regulatory framework are identified and implemented.	
Strong relationships are maintained with ALEC, the department and other stakeholders.	
The Strategic Response Group maintains its ability to act effectively in the event of an industry crisis.	

Not achieved Partially achieved Achieved

Key project updates

Engagement with members

LiveCorp engages regularly with its members to ensure a thorough understanding of their businesses and operating environments, to provide updates on activities, and to consult on priorities for R&D and market access. This includes two formal meetings each year, several rounds of one on one meetings, and having exporter representatives on a range of committees. LiveCorp also responds to ad hoc requests for support from individual exporters, such as assistance with presentations and statistics.

Exotic disease response

LiveCorp is involved in ongoing discussions and multiple committees set up by the red meat industry and Australian Government following the detection of LSD and then FMD in Indonesia in 2022. This included membership on a cross-industry LSD/FMD taskforce and working groups on trade and protocols, and in-country support, set up by the Red Meat Advisory Council (RMAC).

LiveCorp also provided advice and support to Indonesia via the LEP, participated in meetings in Indonesia alongside the LEP Expo, and worked with exporters to develop a range of communication materials and resources for industry.

Industry Response Plan

The industry's SRG met over two issues during the year, both relating to reports of non-compliance with the Exporter Supply Chain Assurance System (ESCAS). It also carried out a simulation exercise around the hypothetical detection of LSD in Australia, from which an action plan was developed outlining preventative and preparatory

measures that could contribute to a more effective response should an incursion occur. Members of the SRG, which is responsible for maintaining and managing the Industry Response Plan, are senior representatives from LiveCorp, ALEC and MLA.

Engagement with international agricultural representatives

During 2021-22, representatives of LiveCorp met with Dane Roberts and Dean Merrilees, the Agricultural Counsellor and Minister Counsellor to Indonesia, and with Kiran Karamil, the Agricultural Counsellor to India. The Ankara Ambassador also had a meeting with LiveCorp representatives.

Industry Capability Program

The Industry Capability Program supports the industry in gaining access to new markets and maintaining and improving access to existing markets, to ensure market diversity and increased opportunities for Australian exporters and producers.

It also supports regulatory reform and improvements in supply chain activities by identifying and implementing efficiencies that reduce regulatory burden or improve effectiveness.

Key activities

Regulatory reform and implementation

- ◆ Participated in and/or prepared submissions to government reviews, including the review of the Australian Standards for the Export of Livestock (resulting in ASEL 3.2), amendments to the Export Control (Animals) Rules 2021, a review into heat and cold stress in Bos taurus cattle from southern Australia during long-haul export by sea, and a review of the northern summer prohibition on live sheep exports to the Middle East.
- ◆ Conducted analysis and provided technical advice to industry bodies and the department to support regulatory reform and effective and scientifically informed regulation.
- ◆ Supported the implementation of regulatory frameworks, including updates to the ASEL Handbook digital application.
- ◆ Developed a proposal to trial body cameras on ships as a potential component of the regulatory assurance system and a possible alternative to physical deployment of Independent Observers.
- ◆ Supported research projects to update the heat stress risk assessment software, including through the development of guidelines for independent audits of ventilation on ships.
- ◆ Participated in industry and government committees, working groups and consultative engagements, including the Live Animal Exports Roundtable Working Group, Live Export Animal Welfare Advisory Group and the Livestock Exports Animal Welfare Collaborative Working Group.

Market access

- ◆ Provided secretariat support and technical advice to the Protocol Committee to set market access priorities and develop technical strategies to guide discussions for priority markets (including associated exporter consultation).
- ◆ Provided expert advice to support the Australian Government in its export protocol and market access negotiations, protocol issues management and engagement with trading partners.
- ◆ Investigated and trialled the feasibility of conducting remote audits of Registered Establishments to meet the requirements of international authorities.

Progress against AOP 2021-22 objectives

Key performance area	Performance
LiveCorp's technical advice and submissions to industry and government reviews are well informed and support best practice animal welfare.	  
Preferential market access for Australian livestock is maintained and developed.	  

● Not achieved ● Partially achieved ● Achieved

Key project updates

Protocol Committee and market access developments

The livestock export Protocol Committee's membership is composed of exporters, ALEC, the LEP, LiveCorp, Sheep Producers Australia, Cattle Council of Australia, and the department. Its purpose is to prioritise the market access interests of the livestock export industry and to provide a consultative mechanism for the government to receive feedback on proposed protocols.

One Protocol Committee meeting was held in 2021-22 due to COVID-19 restrictions and lockdowns, in Canberra. LiveCorp also engaged throughout the year to provide technical advice to the department and coordinate input from the Committee and exporters on the practicality and effectiveness of proposed health conditions.

Market access priorities in 2021-22 included engaging with Japan to review the feeder cattle protocol and supporting discussions around new protocols with several South American and Middle Eastern countries.

Regulatory and government engagement

LiveCorp had representatives on multiple government/industry committees through the year. This included the high level Live Animal Exports Roundtable Working Group, which progressed activities identified in the previous year to increase efficiencies and improve the regulatory framework.

A data and digital working group was also established to enable LiveCorp and the

department to share information about projects being conducted, either independently or collaboratively, in this space. The group aims to share information on the high level strategic direction and objectives of the two organisations, to ensure they are aligned and duplication is avoided.

LiveCorp supported the industry and provided technical advice to the department on several regulatory reviews, including heat and cold stress in *Bos taurus* cattle from southern Australia during long-haul export by sea, and the northern summer prohibition on live sheep exports to the Middle East. LiveCorp also engaged with the Inspector-General of Live Animal Exports as he continued to deliver against his work plan.

Technology and Independent Observers

LiveCorp initiated a project to trial currently available camera technologies on livestock ships to determine whether they could provide a reliable assurance mechanism as an alternative to physical deployments of Independent Observers. LiveCorp engaged with the department to get feedback on the design and objectives of the trial, which will commence in 2022-23.

Services and Innovation Program

The Services and Innovation Program increases the capacity and capability of Australia's livestock export industry by delivering training services to meet and exceed standards, compliance and reporting obligations. The Program also develops improved and innovative information systems and tools to create regulatory efficiencies.

Key activities

People, skills and capability development

- ◆ *Delivered the Shipboard Stockperson Accreditation Program, including one virtual training course, to educate participants on best practice animal handling and husbandry and enhance their knowledge of animal welfare and regulatory requirements.*
- ◆ *Began development of a buffalo component to the shipboard stockperson training course, including a series of videos, and updated resources to align with ASEL 3.2.*
- ◆ *Administered and then closed out the short-term stockperson accreditation program, which was introduced in response to COVID-19 pandemic travel restrictions.*
- ◆ *Provided input into the review of industry training materials carried out by the LEP RD&E Program.*
- ◆ *Supported skills and capability development in the next generation of talented people in the industry, including through sponsorship of the Young Livestock Exporters' Network (YLEN).*

Digital transformation

- ◆ *Supported and administered the ongoing digital transformation initiative to enable efficiency, integration and standardisation in the collection of data for insights, analytics and reporting.*
- ◆ *Improved internal governance processes to support more effective and efficient use of data within LiveCorp.*
- ◆ *Maintained and managed the LIVEXCollect data system and investigated opportunities to include commercially relevant insights.*
- ◆ *Rolled out dashboards for LIVEXCollect to exporters, to provide access to their own data for basic analytics and reporting.*
- ◆ *Provided input and support to the department as it reviewed its reporting requirements with a focus on improving quality in data collection.*
- ◆ *Managed a special grant to develop a LIVEXCollect digital application prototype, completing the discovery and scoping phase of the project.*

Progress against AOP 2021-22 objectives

Key performance area	Performance
Livestock exporters have access to LiveCorp Accredited Stockpersons trained in best practice animal handling, husbandry and ASEL requirements.	
The LIVEXCollect data management system continues to improve standardisation of data collection to support meaningful animal health and welfare outcomes.	
Special grant funding is used effectively to investigate a LIVEXCollect digital application prototype.	

● Not achieved ● Partially achieved ● Achieved

Key project updates

Shipboard Stockperson Accreditation Program

Virtual delivery of shipboard stockperson training continued, with a course conducted in March 2022. Applicants were once again asked to outline their practical experience in animal handling and husbandry to ensure the integrity of the accreditation process. The 16 participants included exporter nominated attendees, international stockpersons and members of YLEN.

Planning began for a pilot course in Darwin, to be held in August 2022. This provided an ideal opportunity to boost the buffalo component of the training materials, as the number of buffalo being exported is growing. Presentations on low stress livestock handling and treatments were developed with the assistance of a grant from AgriFutures Australia, which included videos to demonstrate the handling techniques and explain the unique characteristics of buffalo.

The short-term stockperson accreditation pathway was reinstated for part of the 2021-22 year after new COVID-19 variants again restricted travel within Australia and internationally. Most short-term accredited stockpersons have transitioned to full accreditation; the remainder have until December 2023 to meet the necessary requirements.

Since the inception of the Shipboard Stockperson Accreditation Program, LiveCorp has delivered training to 791 participants. There are currently 132 stockpersons who have full accreditation, with 67 provisionally accredited.

Engagement with Australian Accredited Veterinarians

Two dedicated e-newsletters were distributed as part of LiveCorp’s ongoing commitment to keep Australian Accredited Veterinarians (AAVs) informed of industry developments. Content included updates on RD&E projects, LIVEXCollect, insurance for shipboard staff and the activities of the Australian Veterinary Association’s AAV Working Group. The e-newsletters were delivered to more than 140 recipients and achieved an average open rate of 48.7%.

An online AAV RD&E Forum was held during November 2021, with the LEP RD&E Program partnering with the Australian Cattle Veterinarians and AAV Working Group. The program included presentations on the industry training stocktake, research on stocking density and bedding, safety at sea, insurance, LIVEXCollect and the department’s review of ASEL.

The forum is a unique opportunity for AAVs to network and share insights on common issues, and provides a valuable extension platform for the LEP RD&E Program.

LIVEXCollect

LiveCorp continued to administer LIVEXCollect as the industry’s mandatory system to collect data during pre-export quarantine, sea and air journeys to meet ASEL reporting requirements. During 2021-22, dashboards were developed to provide exporters with a way to analyse and visualise their data to support decision-making. Training resources and support continued to be provided to users.

LiveCorp also managed a grant from the Australian Government under its Traceability Grants Program to scope and develop a prototype smart device application to replace the current Excel spreadsheets. The project will allow greater standardisation and automation of the data being captured. It will also provide a foundation on which to further develop LIVEXCollect as technology becomes available to provide stronger traceability, commercial and trade outcomes for users.

A structured discovery and scoping phase for the app was completed in 2021-22, which included interviews of users such as exporters, stockpersons, veterinarians and department representatives. In agreement with the department, the scoping process was put on hold while it conducted a data review of the ASEL reporting requirements.

HSRA ventilation audit guidelines

Under regulation, ventilation values for livestock export ships carrying sheep to the Middle East are required to be verified by an independent, qualified mechanical engineer before being included in the Heat Stress Risk Assessment (HSRA) model. LiveCorp developed guidelines in collaboration with the department to assist vessel owners identify appropriate experts and ensure audit reports meet regulatory requirements.

Dairy Program

The Dairy Program was introduced for 2021-22 following the establishment of a statutory levy for the export of dairy cattle. A voluntary levy for dairy cattle exports had been operating prior to this. The dairy trade represents a unique part of the industry, as the export of high value breeding animals involves different challenges, opportunities and stakeholders compared to the trade of feeder and slaughter cattle.

From next year, these activities will be incorporated for reporting purposes into LiveCorp’s established programs, recognising that many core services, research and marketing activities support the dairy trade.

Key activities

- ◆ *Maintained regular dialogue with dairy cattle exporters, Dairy Australia and other stakeholders to discuss market access priorities, protocol requirements, technical advice and issues management.*
- ◆ *Provided dairy cattle exporters with technical support and advice on animal health and welfare issues and regulatory requirements.*
- ◆ *Developed marketing material to help exporters explain the benefits of Australian dairy cattle.*
- ◆ *Initiated an economic review of dairy cattle exports (through the RD&E Program).*
- ◆ *Provided funding, representation and advice on the ongoing management of NAMP to support market access.*
- ◆ *Engaged with key stakeholders and representative groups on opportunities to collaborate on key areas of investment or research in line with the RD&E Blueprint.*
- ◆ *Provided technical input into the department’s review into heat and cold stress in Bos taurus cattle from southern Australia during long-haul export by sea.*

Progress against AOP 2021-22 objectives

Key performance area	Performance
Effective processes are developed to engage with key stakeholders in the dairy cattle export industry regarding priorities and activities for live exports.	
Strong relationships and ongoing engagement exist between the livestock export industry and overseas and Australian Governments, to establish market priorities and monitor in-market conditions.	
Australia’s animal health systems and structures are efficient and effective in supporting market access and improving Australia’s animal health reputation.	
Current market access is maintained and market access priorities are advanced.	

● Not achieved ● Partially achieved ● Achieved

Key project updates

Stakeholder engagement

LiveCorp engaged with a range of stakeholders on a regular basis throughout the year, including Dairy Australia and Australian Dairy Farmers (ADF). LiveCorp and ADF co-chaired an overseas support working group set up through RMAC in response to LSD and FMD in Indonesia; discussions were held on research and market access priorities; and Dairy Australia collaborated on a project run by the LEP RD&E Program to carry out an economic analysis of the value of live exports to Australia's dairy industry.

At the request of exporters, LiveCorp developed marketing material to explain the genetic and production benefits of Australian dairy cattle. This was translated into two languages and shared with prospective customers by exporters.

National Arbovirus Monitoring Program

LiveCorp provided funding, representation and technical advice to NAMP during 2021-22. Ongoing promotion of the surveillance program to exporters, importing country governments/officials and funding partners is critical in maintaining and improving market access.

The administrative and governance arrangements of NAMP were tested during the year via a simulation exercise (Exercise Tiliqua). This aimed to ensure there was a clear understanding of responsibilities in various Bluetongue virus scenarios. LiveCorp communicated the outcomes of the simulation to industry.

Communications Program

The Communications Program provides the effective transfer of information to exporters, industry stakeholders, government and the community on research and marketing activities undertaken by LiveCorp and the LEP. There is a strong focus on understanding community sentiment and supporting the industry's response by developing communication materials that provide greater visibility in areas of interest, including animal welfare.

Key activities

- ◆ Supported the community sentiment research, including the development of materials to help the industry demonstrate and communicate to the community its commitment to animal health and welfare throughout the supply chain.
- ◆ Provided briefings on the findings of the community sentiment research, including to Livestock Leaders courses and alumni, and Murdoch University lectures.
- ◆ Developed informative materials and publications to support increased awareness and understanding of industry practices, requirements and regulations. These included a virtual ship tour and a brochure on changes to the live sheep industry.
- ◆ Created and launched Ruminations magazine, focused on sharing the stories of people in the industry and providing an engaging way to learn more about the trade.

- ◆ Developed a dedicated web page for information on LSD and FMD, and resources for the public and industry regarding biosecurity practices.
- ◆ Developed resources and participated in select events to communicate to exporters and stakeholders on LiveCorp's marketing and research activities, including engagement with industry sustainability frameworks, grow^{AG} and other RDCs.
- ◆ Developed the program for LIVEXchange and promoted the conference, including communications around the decision to postpone for 12 months.
- ◆ Provided input into the Australian Beef Sustainability Framework and Sheep Sustainability Framework annual update reports.
- ◆ Supported communication activities carried out by the LEP RD&E Program.

Progress against AOP 2021-22 objectives

Key performance area	Performance
Communication materials and resources are developed to enable the industry to raise community knowledge and awareness of those aspects of acceptance identified from the community sentiment research.	
Livestock exporters and stakeholders are informed of LiveCorp's activities and research and development projects.	
LiveCorp's website provides a valued and well-utilised source of information and resources on RD&E and training for the livestock export industry.	
The LIVEXchange conference in Darwin is successfully delivered in November 2021. (postponed to November 2022 due to COVID-19)	

● Not achieved ● Partially achieved ● Achieved

Key project updates

Ruminations magazine

The first edition of the *Ruminations* magazine was launched in November 2021. It aims to provide insights into the human faces of the industry, by telling stories about people working in the supply chain.

The magazine received a significant amount of positive feedback and was one of the top pages on LiveCorp's website for the month following its release. Distribution included links in the LiveCorp Insider e-newsletter, sharing individual stories via LiveCorp's social media accounts, and posting hard copies to LiveCorp members, representatives of the department, and to the Minister's office.

Virtual ship tour

LiveCorp worked with The Livestock Collective (TLC) to develop a virtual tour of a livestock export ship. It provides an opportunity for members of the community to view 360 degree photos and videos of the livestock pens, and to view other parts of the ship and videos from people along the supply chain.

Around 40% of the traffic to TLC's website now enters via the virtual tour page, which had more than 3,600 visitors in its first four months. It has also been shared widely on social media by supporters of the industry.

LIVEXchange

A decision was made in September 2021 to postpone the LIVEXchange conference, which was to have been held in Darwin in November 2021. This was widely anticipated, given the COVID-19 situation at the time, and a majority of delegates, sponsors and speakers transitioned their involvement to the new dates of 9-10 November 2022.

The development of the program, sponsorship arrangements and communications activities have continued, including promotional videos, regular e-newsletters and social media posts. The theme remains *From here to there together: strengthening our foundations and creating connections*.

LiveCorp successfully applied for grants from the Northern Territory Government to assist with running the conference. Tourism NT is providing support to increase registrations from outside the Territory and to encourage delegates to extend their stay beyond the LIVEXchange dates.

Other industry communications

The LiveCorp Insider e-newsletter and LiveCorp's website continued to provide opportunities to share information about LiveCorp's progress in key operational areas and to help fill information gaps identified by the community sentiment survey. This included the creation of a dedicated exotic disease web page and publication of a range of materials to raise awareness regarding biosecurity measures.

LiveCorp participated in working groups for the Australian Beef Sustainability Framework and the Sheep Sustainability Framework to ensure appropriate measures for the industry were included in annual updates. This experience also proved useful in starting to scope out the potential for sustainability reporting specifically around live exports.

RD&E Program

This was the first full year of LiveCorp's administration of the jointly funded LEP RD&E Program.

The program is managed to ensure that it has a balanced portfolio of projects, with investments guided by the RD&E Blueprint, which was developed through extensive consultation with producers and livestock exporters.

RD&E projects are designed to gather and analyse data, build knowledge and capability, increase productivity, and develop, trial and implement practical extension outputs. Working groups are established, where appropriate, to allow exporters, producers and other relevant stakeholders to contribute in a meaningful way and ensure practical outcomes. Communication, extension and adoption activities are also delivered to increase awareness and impact from the research being carried out.

The largest area of investment for the RD&E Program in 2021-22 remained the delivery of animal health and welfare improvements (50%). Supply chain efficiency and regulatory performance received 23% of the budget, market access 21% and industry advancement 6%.

The Program has well-established governance systems and processes. This includes the Livestock Export Research and Development Advisory Committee (LERDAC) and the RD&E Management Committee. Both have the same independent RD&E Program Chair and are supported by an independent scientist.

Intellectual property (IP) and its ownership is decided and clearly defined at the time of project establishment. LiveCorp aims to maintain an ownership position of IP that is appropriate to the level of LiveCorp's investment in the creation of that project IP and the intended commercialisation/ adoption pathway. No intellectual property license agreements were made in 2021-22.

Key activities

Animal welfare

- ◆ Supported ongoing research to improve heat management during shipping, through an update to the heat stress risk assessment model.
- ◆ Continued research in bedding management and stocking densities through an ongoing partnership with the University of New England (UNE).
- ◆ Reviewed the industry training environment as a basis for determining further investment to encourage the uptake of leading animal health and welfare practices across industry.
- ◆ Published a best practice manual for the export of livestock by air.
- ◆ Commenced the development of factsheets on the best practice treatment of cattle during export by sea.
- ◆ Commenced a review of domestic and international standards and guidelines for the export of livestock by air to identify opportunities for alignment or improvement.

- ◆ Developed plans for a project to investigate ways to aggregate animal welfare indicators to provide more accurate and comprehensive insights, to commence in 2022-23.
- ◆ Engaged with the department and, where appropriate, the recipients of its Business Research and Innovation Initiative grants.

Supply chain efficiency

- ◆ Developed a version of the automated sheep counting technology using a mobile device.
- ◆ Reviewed data collection along the supply chain to guide future work to promote completeness of information, transparency and benchmarking.
- ◆ Developed plans for trials to investigate connectivity solutions on livestock ships, to commence in 2022-23.
- ◆ Commenced the development of standardised exporter declaration forms to support an efficient and consistent approach to meeting regulatory requirements.
- ◆ Initiated a review of costs to industry of complying with regulation to support the identification of opportunities for improvement.
- ◆ Worked with the Industry Capability Program to update the ASEL Handbook application.

Market access

- ◆ Conducted an analysis of the economic benefits of live exports to the dairy industry.
- ◆ Conducted an analysis of the economic benefits of live exports to northern Australia.

Industry advancement

- ◆ Conducted a survey to better understand community sentiment towards the livestock export industry.
- ◆ Conducted a survey of exporters and producers to get their feedback on the RD&E Program and any project gaps or priorities.

Communication, extension and adoption

- ◆ Introduced quarterly exporter and stakeholder webinars on key RD&E projects.
- ◆ Provided targeted communications regarding the UNE Project Partnership and animal welfare indicators project.
- ◆ Communicated research, development and adoption outcomes and program performance to stakeholders, including through the LiveCorp Insider e-newsletter.
- ◆ Published a brochure, summarising projects underway in 2021-22.

Progress against AOP 2021-22 objectives

Key performance area	Performance
Animal welfare surveillance framework adopted and refined according to outcomes from the animal welfare indicator and SAWS research, and in line with ASEL reporting requirements.	
Livestock export animal welfare surveillance framework adopted by all exporters.	
A whole livestock export supply chain data audit completed and resulting recommendations presented to livestock export stakeholders.	
Investment in key research projects that improve and manage heat stress, bedding and stocking densities during shipping is continued and delivered in a timely manner.	
Industry stakeholders demonstrate increased awareness of current R&D activities and the avenues to contribute new research ideas.	
Undertake an economic analysis of regulation in the livestock export industry.	
Review and update the LEP RD&E Blueprint.	

Not achieved Partially achieved Achieved

Key project updates

Community sentiment

Results of a second national survey examining community sentiment regarding livestock exports were released in March 2022, with respondents generally more positive about the industry. There was even stronger recognition of the benefits of live exports to people living overseas, such as improved nutrition and food security, as well as the economic benefit of the trade to the domestic economy. However, animal welfare was still very important, and what happens on ships and once animals arrive overseas were the primary areas of concern.

The project continued to guide LiveCorp communications activities through the year, with a third and final survey to be conducted late in 2022.

Data stocktake

A project was completed to understand how animal welfare and productivity data is being collected through the livestock export supply chain. It identified more than 400 data points, with duplication occurring at 80 points. The stocktake also noted the duplication of systems, processes and forms by different entities, which impacts the accuracy and efficiency of the information being collected.

Recommendations were made on how collection may be streamlined and shared to inform business and animal welfare decisions and create greater value for industry. These will be considered as part of planning for 2022-23.

University of New England project partnership

The long-term project partnership between the LEP RD&E Program and UNE is exploring the shipboard infrastructure, environmental and management factors that affect animal health and welfare, with findings to be validated on voyages during 2022-23.

In 2021-22, trials were carried out to gather information on stocking density for cattle and to understand how much ammonia is produced by cattle based on their diet and protein intake, and the impact this has on bedding.

Communication and extension

There was an increased focus on extension and adoption from the RD&E Program during 2021-22, including the establishment of a dedicated stakeholder communications and extension position. A summary brochure of current projects was produced, and quarterly webinars were initiated to provide updates on key research projects such as the UNE Project Partnership, the online HSRA platform, and technology and data-based projects.

An industry ‘snapshot’ survey was conducted to collect feedback from exporters and producers and identify knowledge gaps. The survey will be carried out annually to inform research and communications activities going forward.

2021-22 project list

Strategic imperative 1: Animal welfare

Project	Start date	Investment in 2021-22	Status at 30 June 2022
Livestock export by air best practice manual and training	May 2021	30,000	Ongoing
Updating shipping route data for HSRA	Jun 2022	79,251	Ongoing
Validating the shipping routes to ports for the HSRA model	Jan 2021	65,500	Completed
UNE Project Partnership into stocking density, bedding and ammonia	May 2019	240,000	Ongoing
Best practice factsheets for the treatment of cattle at sea	Jul 2021	22,000	Ongoing
Improving the uptake of training and animal health and welfare practices	Aug 2021	144,900	Completed
Comparison of Australian and international air freight welfare requirements	Feb 2022	60,467	Ongoing
SAWS training	Feb 2022	42,000	Terminated

Strategic imperative 2: Livestock export supply chain efficiency improvement

Project	Start date	Investment in 2021-22	Status at 30 June 2022
Data stocktake and implementation roadmap	Dec 2021	194,643	Completed
Improving regulatory efficiency and consistency through standardised export declarations	Aug 2021	135,000	Ongoing
Economic analysis of regulation in the livestock export industry	Aug 2021	174,868	Ongoing
Automated sheep counting on mobile devices	Nov 2021	154,000	Ongoing
Update the ASEL Handbook app	Jan 2022	14,400	Completed

Strategic imperative 3: Livestock export market access

Project	Start date	Investment in 2021-22	Status at 30 June 2022
Impact of the northern cattle export industry on the Australian economy	Dec 2021	199,875	Ongoing
Value of the live dairy cattle export trade	Dec 2021	102,605	Ongoing

Strategic imperative 4: Livestock export industry advancement

Project	Start date	Investment in 2021-22	Status at 30 June 2022
Livestock export industry 2021 snapshot (survey)	Oct 2021	19,500	Completed
Community sentiment survey	May 2019	100,000	Ongoing

In-market Program: Indonesia

Operating environment

Demand for Australian cattle was subdued in Indonesia even before the detection of LSD in March 2022 and FMD in May. The overall volume fell 22% year on year, on top of significant reductions in recent years.

COVID-19 continued to impact consumer demand throughout the year, with new variants increasing the number of cases just as restrictions from the previous wave started to ease. High Australian cattle prices placed pressure on the profitability of Indonesian feedlots and abattoirs, while the Indonesian government continued to import Indian buffalo meat and beef from Brazil.

LSD has been overshadowed by the outbreak of FMD, despite both presenting an escalation in biosecurity risk within the Asia Pacific region, including to Australia's livestock sector. It was estimated around 30,000 cattle had been vaccinated against LSD by the end of June 2022, with the process constrained by resources and logistical challenges.

An inter-agency taskforce was formed to manage the escalating FMD situation, using a similar approach to COVID-19 measures such as lockdowns, vaccinations, integrated data management, and public communication and awareness. Vaccination was underway in East and Central Java provinces by the end of June, following the arrival of around 810,000 doses.

Despite the challenges, the LEP continued to deliver services to the industry. There were 2,816 participants in training sessions, workshops and webinars covering topics such as animal welfare standards and professional development. Support for infrastructure upgrades helped to improve safety and efficiency as well as encourage greater use of stunning. Around 1,200 people participated in the LEP Expo and conference in Jakarta on 9-10 June 2022. The event plays an important role in sharing information with the broader industry and government regarding market outlook, animal health products and processing tools for the ruminant industry.

A highlight was the launch of Daging Sapi Kita (Our Beef), an umbrella brand for locally processed Australian fresh beef which aims to help defend and maintain market share in wet markets. It supports educational tools for consumers and promotional tools for meat sellers, as well as providing personal protective equipment to improve hygiene at wet market stalls.

Case study: Professional development and training

Animal Welfare Officers (AWOs) employed in feedlots and abattoirs receiving Australian cattle are responsible for reporting and monitoring compliance with ESCAS, and for training new staff about Australian standards for animal handling and slaughter.

As individual exporters and their partners in market have limited resources to focus outside their own supply chains, the LEP plays a significant role in coordinating these efforts to ensure a collective approach in areas such as capacity building, leadership, monitoring and evaluation, market intelligence, and research that can assist in better business management.

An AWO certification scheme has also been developed to assess 16 competency units in animal management, welfare, Work Health and Safety, and product handling. One hundred AWOs from Sumatra, Java and Kalimantan were certified in 2021-22, including personnel from feedlots, abattoirs and integrated cattle/palm plantations, as well as government officials.

The program provides much more than just training. Interviews with competent AWOs showed that it helped with performance reviews and supported their roles as advocates of animal welfare within their companies. Indonesian laws require facilities that process animal products to have competent personnel in animal welfare practices.

As the certification is valid for four years and recognised by other facilities, it therefore also provides an avenue for career advancement.

The next step in professional development is the LEP Master Trainer program, a 'train the trainer' initiative which was delivered to the first ten participants in 2021-22. It covers low-stress animal handling, animal welfare best practices, public speaking, training module preparation and effective communication, to ensure qualified and competent animal welfare trainers are available in facilities which handle Australian cattle.



In-market Program: Asia Pacific

Operating environment

Difficult trading conditions across the region saw volumes of feeder and slaughter cattle drop by around 60%, year on year. Vietnam had the greatest influence over this number, due to a significant reduction in demand as COVID-19 took hold, combined with record high prices for cattle in Australia.

This difficult period for Vietnamese importers led to an exploration of new pathways for securing fresh beef. Lower cattle prices and a lack of ESCAS requirements contributed to the arrival of a shipment of cattle from Brazil to Vietnam for the first time, further eroding demand for Australian animals. No protocol has been agreed between Brazil and Vietnam and the shipment was allowed under special conditions, as a food security program.

Sheep and goat exports to the region were down around 50% year on year, with Malaysia the key market importing small volumes of feeder and slaughter stock. The main factors behind the drop were high Australian livestock prices, logistical challenges and the impact of COVID-19 on demand.

As well as continuing a cooperative project with the Department of Animal Health in Vietnam, the LEP established an animal welfare ecosystem to deliver training and program support for Australian exporters to the market. This project delivered animal welfare handling and ESCAS training. It also looked for system improvements, including trials of remote auditing and beginning to investigate the potential for secondary verification technology, such as facial recognition and biometric markers for cattle.

Case study: Growing acceptance of chilled meat products in Vietnam

Local production of chilled beef products is still in its infancy in Vietnam, where 'hot' meat sold through wet markets is seen as the freshest option and preferred by many consumers. However, companies that can access premium markets have an opportunity to increase profitability and this encourages them to continue importing Australian cattle despite current high prices.

The LEP worked with a company already selling beef tenderloins through a food service wholesaler and sending the remainder of the meat from each carcass to wet markets, to expand its chilled product offering into cube rolls and striploins.

Technical advice and assistance were offered through an experienced butcher/abattoir consultant, including how to improve cutting lines, packing requirements and product integrity. They were able to help with customer complaints in the initial stages and adjust systems to get the most out of the products.

The company is now well placed to identify additional cuts which may be suitable for food service, and to meet market demand as acceptance of chilled local product grows. Other importers and processors in Vietnam are now also developing chilled products, which should benefit the sustainability of Australia's live cattle trade.

**In-market Program:
Europe, the Middle East and North Africa**

Operating environment

EMENA is limited by its own production and breeding capacity, so remains a major importer of livestock to help meet the growing population's demand for sheepmeat, beef and dairy products.

Australia's share of these markets has been impacted by several factors, including the high price of Australian livestock, the prohibition on sheep exports to the Middle East during the northern summer, and the requirement for Australian livestock to be sold and processed through an approved supply chain. During 2021-22, Australia's closed international border continued to prevent visits from potential buyers, leading them to find alternative sources of livestock.

There was a decline in the volume of both sheep and cattle exported to the region in 2021-22. Live sheep exports dropped 19% year on year, while cattle exports were down 11%. The most significant drop was in Jordan, which is traditionally a strong market and imported just 7,200 sheep in 2021-22 compared to 66,134 in 2020-21.

Livestock prices across the region rose due to the high cost of feed resulting from the Ukraine-Russian conflict, increased freight costs and general global inflationary pressures.

The COVID-19 pandemic has heightened concerns around food security and food safety

standards, prompting the closure of ageing slaughterhouses and subsequent investment in new infrastructure for red meat processing. These projects provide an opportunity for new pathways-to-market for Australian livestock exporters.

The LEP is providing support to this network of new operators, including access to Australian expertise in the design of these facilities to enhance efficiency and improve livestock handling conditions, with the medium to long-term aim of having them import and process Australian livestock.

Case study: Infrastructure upgrade to improve animal and human welfare

Poor infrastructure can lead to adverse animal welfare outcomes even with the best training for livestock handlers. Through its co-funding program, the LEP helped to modify the design of the area where cattle arrive at an abattoir in the United Arab Emirates, providing benefits to both the animals and workers.

While it was newly built, the abattoir did not meet ESCAS requirements and therefore was not able to receive Australian cattle.

The project provided expert advice in how to modify the facility. This included the installation of new gates, posts and rails; upgrades to the cattle unloading platform; and strengthening of existing yards and laneways. Once the new design was tested to ensure it encouraged the flow of cattle through the facility with minimal need for human intervention, on-site training in low stress stock handling and slaughter techniques was also provided.

The new infrastructure provides increased capacity, better animal welfare outcomes, greater skills for local livestock handlers, and improved workplace safety. It also means a third facility is now available in the UAE to process Australian cattle. Local municipal authorities were impressed with the success of the project and are looking to make similar enhancements to other abattoirs.



Progress against AOP 2021-22 objectives

Key performance area	Performance
Produce one livestock export program of work case study per region that has provided insights and impacted government/industry policy.	● ● ●
Produce one program of work case study per region that showcases livestock export activities that have improved industry's ability to maintain existing market share or have contributed to industry's competitiveness.	● ● ●

● Not achieved ● Partially achieved ● Achieved

Collaboration

Agricultural Innovation Australia

Agricultural Innovation Australia (AIA) was formed in October 2020 with funding from all 15 Rural Research and Development Corporations (RDCs). It facilitates joint investment and collaboration in the big, cross-sectoral agricultural challenges of national importance to drive sustainability, productivity and profitability across Australian agricultural value chains.

As a single point of contact for cross-industry strategies of scale, AIA makes it easier for investors to navigate and partner with the Australian agricultural system.

As one of the founding members, LiveCorp engaged with AIA's strategic planning through the year to provide input into project development opportunities.

grow^{AG}.

LiveCorp is one of 15 RDCs supporting the grow^{AG} initiative, along with the Department of Agriculture, Fisheries and Forestry (the department). It is designed to create a global gateway into the Australian research and innovation system, with a focus on attracting capital investment and driving collaboration.

The grow^{AG} website positions Australia as a global agrifood innovation hub and makes it easy to explore, find and connect with potential partners and opportunities. It also makes research and development outcomes transparent for growers and the community. The website featured more than 2,600 research projects, including 28 led by LiveCorp, and attracted more than 50,000 visitors from 170 countries in 2021-22.

National Animal Welfare RD&E Strategy

The National Animal Welfare RD&E Strategy (NAWDRES) is one of eight cross-sectoral strategies under the National Primary Industries RD&E Framework. In 2021-22, LiveCorp supported the strategy through participation in its annual forum and strategy review discussions.

The purpose is to deliver strong collaboration to address the seven strategic themes:

- animal welfare assessment
- pain assessment and management
- management, housing and husbandry
- transport, euthanasia and slaughter
- public attitudes, social science and community
- education, training and extension
- policy and market access.

National Animal Biosecurity RD&E Strategy

The National Animal Biosecurity RD&E Strategy (NABDRES) is a cross-sectoral strategy LiveCorp continued to support in 2021-22 through the provision of membership funding

Collaboration allows LiveCorp to leverage its levy investments, share knowledge with other industries and ensure its activities align with priorities across the red meat sector.

and committee representation. This strategy aims to provide Australian livestock industries with innovative and integrated ways of preparing for, responding to and recovering from disease, pest and weed incursions.

It has engagement from all nine animal-based RDCs, Animal Health Australia (AHA) and the Australian Government.

NABRDES focuses on prevention, preparedness, eradication, containment, management, communication, community attitudes and awareness.

National Arbovirus Monitoring Program

Since 1989, the AHA-managed NAMP has been used to monitor the distribution of specific arboviruses (insect borne viruses) of ruminant livestock and associated insect vectors in Australia. This has provided industry and government with valuable information to support international market access for Australian livestock and to provide early warning of potential changes to arboviral livestock diseases. There continues to be an interest in Australia's bluetongue virus status and monitoring from overseas countries.

LiveCorp provides funding and support for this valuable program along with the State, Territory and Australian Governments, Cattle Council of Australia, Australian Dairy Farmers, Australian Lot Feeders' Association, Goat Industry Council of Australia, Sheep Producers Australia and WoolProducers Australia.

Community trust in rural industries

The community trust in rural industries program is a partnership across multiple agricultural industries and research organisations, to build the capacity of food and fibre industries to productively engage with the community and improve trust.

Key project: Community trust in rural industries

*Delivery organisation: AgriFutures Australia | Project value: \$1,445,622
Status: Ongoing*

Partner organisations: Australian Eggs, Australian Pork Limited, Cotton Research and Development Corporation, Dairy Australia, Fisheries Research and Development Corporation, Grains Research and Development Corporation, Hort Innovation, Meat & Livestock Australia, Sugar Research Australia, National Farmers' Federation, NSW Department of Primary Industries.

Over a three-year period, an annual survey will provide insights on changes in community trust in rural and agricultural industries. The program is a capacity building initiative that developed out of the Emerging National Rural Issues forum and aims to drive a productive and cohesive response to these cross sector issues and promote best practice approaches. It complements community sentiment work undertaken separately by LiveCorp, with both projects being run by Voconiq.

Australian Government grants

LiveCorp works in partnership with the Australian Government, fellow RDCs and research providers on grant funded projects.

Key project: Traceability grant

Project lead: LiveCorp | Project value: \$150,000 | Status: Ongoing

The grant was provided to LiveCorp by the Australian Government to develop and test a prototype to assess the feasibility of replacing the current Excel spreadsheets for LIVEXCollect. Transitioning to an application-based data collection model will support its use throughout the livestock export supply chain and provide end-to-end traceability of animal performance and welfare. It will also support the expansion of the platform up and down the supply chain, automation, and its ability to track information linked to individual animals and mobs of livestock.

Alignment of Research

The primary objective of research for the livestock export industry is to improve and implement best practice animal health and welfare outcomes as directed by LiveCorp's Constitution and Funding Agreement.







Investment is made, where possible, into areas that align with the Australian Government's priorities.

The Science and Research Priorities and corresponding Practical Research Challenges came into effect from 1 July 2016. They are designed to ensure that appropriate levels of public funding are allocated to research that addresses the most immediate and critical areas of importance to Australia.

A National Agricultural Innovation Policy Statement was released in October 2021, as the latest step in the modernisation of Australia's R&D system. The statement establishes four long-term priorities:

1. Australia is a trusted exporter of premium food and agricultural products by 2030.
2. Australia will champion climate resilience to increase the productivity, profitability and sustainability of the agricultural sector by 2030.
3. Australia is a world leader in preventing and rapidly responding to significant pests and diseases through futureproofing our biosecurity system by 2030.
4. Australia is a mature adopter, developer, and exporter of digital agriculture by 2030.

LiveCorp received a letter in December 2021 from the then Minister for Agriculture, noting the requirement to report against the National Agricultural Innovation Priorities starting from 1 January 2022 instead of the Australian Government's Rural Research, Development and Extension Priorities. For the purposes of this report, LiveCorp is reporting solely against the new priorities.

LIVECORP'S ALIGNMENT TO RED MEAT 2030 OBJECTIVES		Programs in 2021-22	Exporter program	Industry capability program	Services and innovation program	Dairy program	Communications	Corporate operations	Livestock export program – in-market	Livestock export program – RD&E	2021-22 Investment (\$M) LiveCorp exporter levies
Our people				✓		✓	✓	✓	✓	✓	0.338
	People see being part of the Australian red meat and livestock industry as attractive now and into the future.										
Our customers, consumers and communities		✓	✓		✓	✓	✓	✓	✓		0.466
	People feel good about eating Australian red meat. Our customers, consumers and communities recognise the vital role our industry plays in food production and food security, and trust us to deliver high value, high quality products.										
Our livestock		✓	✓	✓	✓	✓	✓	✓	✓	✓	2.409
	We set the standard for world class animal health, welfare, biosecurity and production practices.										
Our environment		✓				✓	✓			✓	0.486
	We demonstrate leadership in sustainability, delivering on community expectations in the areas of land, water, biodiversity, climate variability and biosecurity.										
Our markets		✓	✓		✓	✓	✓	✓	✓	✓	0.769
	We improve the economic resilience for our industry by increasing access to, and the performance of existing and new markets.										
Our systems		✓	✓	✓	✓	✓	✓	✓	✓	✓	1.515
	We are a trusted brand because of our integrity systems, built on trust and respect that supports strong partnerships and sharing of information, reducing unnecessary industry and government regulation.										

LIVECORP'S ALIGNMENT TO AUSTRALIAN GOVERNMENT PRIORITIES	Animal health and welfare	Supply chain efficiency	Market access	Industry advancement
National Science and Research Priorities				
Food	✓		✓	✓
Soil and water				
Transport	✓	✓		
Cybersecurity		✓		
Energy				
Resources				
Advanced manufacturing				
Environmental change				
Health				
National Agricultural Innovation Priorities				
Premium food	✓		✓	✓
Climate resilience		✓		
Biosecurity	✓		✓	
Digital agriculture	✓	✓		

Board of Directors

The following persons were directors of LiveCorp during the financial year and at 30 June 2022:



Troy Setter

CHAIR (NON-EXECUTIVE)

Bachelor of Rural Science, ARLP, GAICD, Harvard Business School - Agribusiness program

Mr Setter is the Chief Executive Officer of Consolidated Pastoral Company Pty Ltd (CPC), Australia's largest private beef producer with two feedlots in Indonesia. Before this, Mr Setter was the Chief Operating Officer of the Australian Agricultural Company. Mr Setter has held key management and director positions in agribusinesses including North Australian Cattle Company, Torrens Investments, Killara and Twynam Group. He has worked across the agribusiness industry from production through to processing, live export, and marketing for beef, sheep, grains, cotton, land development, and logistics. Mr Setter is currently Chair of non-profit Dolly's Dream, a member of the Indonesian Australian Red Meat Partnership, a member of the Rabobank advisory board and was previously a director of the Australian Livestock Exporters' Council.



Lisa Dwyer

NON-EXECUTIVE DIRECTOR (RESIGNED 9 NOVEMBER 2021)

GCert (AgrBus), AdvDip(Agr), GAICD, ARLF, GCert Australian Rural Leadership

Mrs Dwyer is a primary producer in Purnim in Western Victoria. As well as operating a successful dairy operation with a beef and dairy heifer export enterprise, she is a dairy industry leader with extensive experience in the engagement and representation of multiple groups and concentrates on strong governance, animal welfare and strategic input.

Mrs Dwyer was a director of Dairy Australia Limited and Murray Goulburn Co-operative Co Ltd. She is a current director of Racing Analytical Services Ltd, Managing Director of Kangertong Farming Pty Ltd, Chair of the Great South Coast Regional Partnership, and a member of the Victorian Government's Regional Development Advisory Committee and the Victorian Agricultural Climate Change Council.

Special Responsibilities

Mrs Dwyer is the former Chair of the Finance, Audit and Remuneration Committee.

LiveCorp's corporate governance framework is set by its Board of Directors, having regard to the best interests of members, the values of the company and obligations set out under its Funding Agreement.



Angus Adnam

NON-EXECUTIVE DIRECTOR

Mr Adnam was an Australian livestock exporter with an extensive background in the red meat and livestock sector, trade finance and international marketing and government relations.

Mr Adnam was a director of the Australian Livestock Exporters' Council, Director of Beef Australia Ltd., Chairman of Flinders Land Access Advisory Board, President of the Queensland Livestock Export Association and President of the Northern Territory Livestock Export Association. He is currently Managing Director of AAA Livestock Services Pty Ltd, Vice President of the Royal National Agricultural and Industrial Association of Queensland Council and Chairman of Flinders International Pty Ltd.



Michael Gordon

NON-EXECUTIVE DIRECTOR

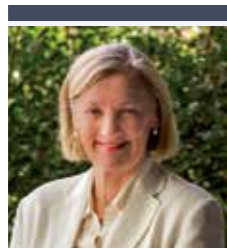
Diploma of Export

Mr Gordon has over 40 years' experience as an exporter, feedlot and ship operator, principally to Middle Eastern markets. Mr Gordon is an Executive Director of Rural Export & Trading (WA) Pty Ltd, a wholly owned subsidiary of Kuwait importer and ship owner, Kuwait Livestock

Transport and Trading Co. He was a director of the Australian Livestock Export Reserve Fund and an industry representative on the Livestock Export Research and Development Advisory Committee.

Special Responsibilities

Mr Gordon is a member of the Finance, Audit and Remuneration Committee.



Prue Bondfield

NON-EXECUTIVE DIRECTOR

Bachelor of Law, Dip(ProjMan), GAICD, FAIM

Mrs Bondfield and her husband David owned and operated Palgrove seedstock and commercial cattle enterprise for more than 30 years. Palgrove has been awarded numerous state and national business and industry awards, including the 2016 Coles/Weekly Times Australian

Farmer of the Year.

Mrs Bondfield has a background as a solicitor and securities advisor and is an experienced board director as well as industry and government advisory committee member. She was the inaugural Chair of the Steering Group appointed to develop a Beef Sustainability Framework for the industry, and is currently a Director of the Regional Investment Corporation and Black Box Co PL.

Special Responsibilities

Mrs Bondfield is the Chair of the Finance, Audit and Remuneration Committee.



Su McCluskey

NON-EXECUTIVE DIRECTOR (APPOINTED 9 NOVEMBER 2021)

Bachelor of Commerce, MAICD, FCPA

Ms McCluskey has extensive experience across agriculture, rural research and regulation. She is Australia's first Special Representative for Australian Agriculture. She is also currently a director of Australian Unity, Australasian Pork Research Institute and Energy Renaissance,

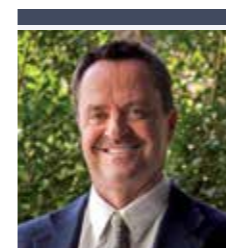
and a Commissioner for International Agricultural Research, as well as a beef cattle farmer at Yass, NSW.

Previous positions include Commissioner on the National COVID-19 Advisory Board, director of the NSW Rice Marketing Board and the Foundation for Young Australians, and a member of the Deregulation Taskforce Advisory Panel, the Charities Review and the Small Business Digital Taskforce. Ms McCluskey was also a member of the Independent Review Panel for CPA Australia, the Harper Review of Competition Policy and the NSW Review of the Regulatory Framework.

Ms McCluskey has been the Chief Executive Officer of the Regional Australia Institute and the Council of Rural Research and Development Corporations, and the Executive Director of the Office of Best Practice Regulation. She also held senior positions with the Business Council of Australia, the National Farmers' Federation and the Australian Taxation Office.

Special Responsibilities

Ms McCluskey is a member of the Finance, Audit and Remuneration Committee.



David Galvin

EX-OFFICIO DIRECTOR

Master's Degree in International Development Studies, Bachelor of Arts

Mr Galvin comes from an extensive rural background in the Northern Territory and overseas. He is the former CEO of Indigenous Land Corporation (ILC), a position that he held for nearly 12 years before standing down in 2012. The ILC is a major beef producer and has considerable pastoral holdings and pastoral enterprise agreements on the Indigenous held land across Northern Australia to Tasmania.

Mr Galvin is currently Chair of Woorabinda Pastoral Company Pty Ltd, a director of the Red Meat Advisory Council, a director of Paga Hill Development Company (PNG) Ltd, a director of Aboriginal Medical Services Alliance Northern Territory (AMSANT), and the Managing Director of Tubarao Investments Pty Ltd. He is also a former member of the Advisory Board of the National Recovery and Resilience Agency.

Chief Executive Officer



Sam Brown

CHIEF EXECUTIVE OFFICER (RESIGNED 8 OCTOBER 2021)
Bachelor of Agricultural Science

Mr Brown graduated from the University of Melbourne in 2002 with a Bachelor of Agricultural Science. He served as the CEO of LiveCorp from 2012. Prior to this, Mr Brown served as LiveCorp's Industry Capability Manager of the joint Livestock Export Program for four years.

Mr Brown has extensive experience in strategy development, research and project design, corporate affairs, crisis management and stakeholder extension and adoption planning. He has also had extensive exposure to both Australian and state legislative development and policy issues across a range of controversial issues including single desk reform, equine influenza and industry reform program.

Working in a high pressure, socially sensitive agricultural industry, Mr Brown has experienced the pressures of change management and adaption arising from a volatile political and regulatory environment. This experience has also involved extensive international travel to engage, maintain and support commercial and diplomatic relationships.



Wayne Collier

CHIEF EXECUTIVE OFFICER (APPOINTED 11 SEPTEMBER 2021)
Bachelor of Applied Science (Natural Resource Management), Bachelor of Law

During nine years working for LiveCorp before being appointed CEO in 2021, Mr Collier led the delivery of its activities in areas such as market access, regulation, innovation, training and, most recently, research and development.

His experience in critical analysis and his understanding of the industry have allowed him to provide detailed technical advice and evidence-based submissions to the regulator, to feed into government reviews and policy development. Mr Collier has worked with the Australian Government and industry to facilitate market access for more than 21 markets, and represented LiveCorp and the industry multiple times in the Middle East, China and Indonesia.

His interest in land management and primary industries led to a lengthy career with first the Australian and then Victorian departments of agriculture. This provided Mr Collier with a strong knowledge of governance, program management, policy formulation and legislative processes, and experience analysing complex issues and providing technical advice.

Funding Agreement Principles

Stakeholder engagement

LiveCorp has a positive and cooperative working relationship with its members, the Australian Livestock Exporters' Council (ALEC), the Minister and the Department of Agriculture, Fisheries and Forestry (the department). This is built around a strong culture of engagement to provide updates on key activities, seek input on priorities and feedback on performance, and to collaborate in a meaningful way to identify activities that provide benefits to the industry. Strong relationships are also maintained with stockpersons, veterinarians, other Research and Development Corporations (RDCs), red meat bodies and research providers. This is done through relationship management, regular communication updates, holding and participating in events, managing industry committees and other collaborative activities.

LiveCorp has published a stakeholder consultation plan on its website, outlining its approach to consultation and the mechanisms used. The *Strategic Plan 2025*, also on the website, provides details of stakeholders consulted as part of its development. ALEC is provided with a briefing on feedback received during the strategic planning process, including details of any input which was not incorporated and the reason for that decision.

LiveCorp has a cycle of engagement with its members and levy payers on marketing and RD&E activities over the course of the year. This includes individual meetings with exporters, and an industry forum to identify and discuss priorities and emerging risks ahead of the development of the Annual Operational Plan (AOP). Exporters are provided updates with another round of individual meetings following the conclusion of the financial year, and brought together for the Annual General Meeting. Other industry events are linked to the AOP and AGM gatherings, to provide further opportunities for collaboration and engagement.

The Chair, CEO and other staff are also in regular phone and email contact throughout the year, seeking feedback and providing advice and support on issues and operational matters. This includes a quarterly CEO email to provide visibility of LiveCorp's investments and achievements against strategic priorities.

Strategic and targeted RD&E and marketing activities

LiveCorp strives to deliver a balanced portfolio of RD&E activities, which includes identifying short, medium and longer-term projects with a mix of high and low risk, to deliver strategic as well as practical and adaptive research outcomes.

An advisory committee of producer and exporter representatives ensures projects contribute to improved profitability, productivity and competitiveness across the whole supply chain.

Market access and in-market activities are targeted at improving competitiveness, collaboration with industry groups and governments overseas, and meeting challenges such as community expectations regarding animal welfare.

The LEP RD&E Program develops extension and adoption plans at the outset of new projects, to ensure that research outputs are consistent with the primary objectives and optimal pathways for adoption. Regular webinars provide exporters with updates on RD&E activities and investments, and final reports are made available to the public on the LiveCorp website. Summaries of completed and current projects, and commercialisation opportunities, are also accessible through the grow^{AG} platform.

The Annual Report summarises investment activities against the Strategic Plan 2025, as well as key extension and adoption activities.

Collaboration

As the smallest RDC, leveraging levy investment through collaboration on cross-industry and cross-sectoral activities is vital. This includes the long-running collaboration with Meat & Livestock Australia (MLA) through the Livestock Export Program (LEP) in recognition of the contribution of producers in the livestock export supply chain, participation in the annual Emerging National Rural Issues forum, engaging with Agricultural Innovation Australia, and using the grow^{AG} platform to showcase research projects. Details are outlined elsewhere in this Annual Report. The ability to draw on experience from other RDCs and industries brings benefits and maximises the opportunity to address shared challenges.

LiveCorp is a partner in the Community Trust in Rural Industries project, which aims to provide insights on changes in community trust across the whole of the agricultural landscape. The partnership developed out of the Emerging National Rural Issues forum and involves 10 other rural RDCs, the National Farmers' Federation and New South Wales Department of Primary Industries.

Governance

LiveCorp's corporate governance framework is set by its Board of Directors, having regard to the ASX Corporate Governance Principles and Recommendations, best interests of members, the values of the company and obligations set out under its Funding Agreement with the Australian Government. Regular meetings with the department are used to report on compliance with the Funding Agreement.

As a public company limited by guarantee, LiveCorp also reports to members and the Australian Securities and Investments Commission (ASIC) in the form required by the *Corporations Act 2001 (Cth)*.

LiveCorp has a skills-based Board with the majority being independent directors. It is responsible for approving and monitoring corporate policies, procedures and internal controls to ensure they align with best practice and reflect any changes to legislative requirements. Relevant documents are published on the website or referenced in the Annual Report.

LiveCorp's financial statements are independently audited each year, after which they are provided to members in the Annual Report. The Annual Report is also tabled in Parliament and made available to the public on LiveCorp's website.

Monitoring and evaluation

Animal welfare has been a long-term focus of both RD&E and marketing activities, and its importance to both levy-payers and the Australian community has been highlighted by LiveCorp's community sentiment research. The outcomes of the project have been used to improve understandings, increase communication about the industry's continuous improvement and guide the development of further research activities.

In addition, select RD&E projects are subject to monitoring and evaluation review. The results are published in the Annual Report or communicated to stakeholders via email or newsletter, and implementation plans developed for recommendations identified through those reviews.

As part of its commitment to continually improve communication, the LEP RD&E Program developed a snapshot survey during the year. This collected feedback from exporters and producers to assess attitudes toward the Program and its communication efforts, and to identify gaps in knowledge regarding its activities and investments. This set a benchmark which will be measured annually to inform both research and communications activities going forward.

Corporate Governance

LiveCorp's corporate governance framework is set by its Board of Directors, having regard to the best interests of members, the values of the company, obligations set out under the Funding Agreement dated 23 March 2021, and following the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition) where relevant. This framework has been implemented to ensure that LiveCorp remains accountable to its stakeholders. Governance arrangements are reviewed regularly to reflect industry developments, stakeholder expectations and regulation.

Board composition

LiveCorp has a six-member board, consisting of three independent skills-based directors nominated by the Selection Committee, two exporter representative directors nominated by members and an ex-officio director appointed by the Australian Livestock Exporters' Council (ALEC).

The ex-officio director has no roles, responsibilities or rights on the LiveCorp board except to attend meetings of the board and has no vote in any proceedings of the board.

Directors are appointed at LiveCorp's Annual General Meeting (AGM) for a three-year term, after which time a director may re-apply. Each director can serve no longer than nine consecutive years. The chair of the board must be an independent skills-based director.

Expertise

LiveCorp has a skills-based board, with directors collectively bringing expertise and experience in export, transportation, livestock husbandry, management and welfare, international markets and trade, business and financial management, legal, compliance and risk management, and research and development.

The board is required to include at least one director who can demonstrate that they are highly skilled in corporate governance.

Directors may obtain independent legal and professional advice at LiveCorp's expense to enable them to discharge their duties effectively, subject to approval from the chair and in consultation with the board and Chief Executive Officer (CEO).

Responsibilities of non-executive directors

The roles and responsibilities of directors are set out in LiveCorp's governance manual, which underpins the conduct of the board. Functions include:

- providing leadership and setting the strategic direction, targets and performance indicators for the company
- establishing and upholding the values and ethical standards of the company
- ensuring long term viability through adequate financial resources and safeguarding the assets
- overseeing management's implementation of the strategic objectives and monitoring the performance of the company
- approving annual reports, financial statements and budgets
- approving and monitoring policies, procedures and internal controls to manage business and financial risk
- ensuring the integrity of accounting and corporate reporting systems and controls, including the external audit and legal and regulatory compliance
- appointing, setting expectations and evaluating the performance of the CEO, overseeing senior management appointments, and approving the remuneration framework.

Risk management

Due primarily to the small size of the board, it does not operate a separate risk committee as the directors maintain the view that oversight of the company's risk management is a whole of board responsibility and forms part of each board meeting agenda. The directors regularly review the adequacy and effectiveness of internal controls, including its policies and procedures, to assess, monitor and manage business risk and compliance.

LiveCorp's risk management policies and assessments are documented in its Risk Management Plan which was reviewed by the LiveCorp board during the year and a number of changes endorsed. These included the addition of new risks as a result of changes to the operating environment.

Finance, audit and remuneration committee

The Finance, Audit and Remuneration Committee (the FAR Committee) met five times in 2021-22. The primary role of the FAR Committee is to ensure LiveCorp's financial reporting is a true and fair reflection of its financial position and transactions.

The FAR Committee has oversight responsibility of LiveCorp's financial reporting, internal control structure, remuneration structure and the external audit function. In keeping with the ASX Corporate Governance Principles, the chair of the FAR Committee is an independent director and is not the chair of the board.

The FAR Committee is required to meet at least three times a year and meets separately with the external auditor at least once each year. The FAR Committee is responsible for making recommendations to the board for the approval of the annual audit plan and yearly financial statements.

The Chair of the FAR Committee for 2021-22 was Lisa Dwyer until her resignation. Prue Bondfield took on the role in November 2021. They were supported on the FAR Committee by Michael Gordon, Su McCluskey and the Company Secretary, with the CEO attending all committee meetings by invitation.

The chair of the FAR Committee provides a verbal update of each meeting to the board and minutes of FAR Committee meetings are available to the board.

The external auditor for the reporting period was Nexia Sydney Audit Pty Ltd. The FAR Committee holds discussions with the external auditors and management before the annual financial statements are submitted to the board.

The Committee oversees the relationship with Nexia Sydney Audit Pty Ltd, including:

- making recommendations to the board about the appointment of the auditor based on their qualifications, independence, engagement, fees and performance
- reviewing and assessing the performance, independence and objectivity of the auditor
- reviewing the auditor's proposed annual audit scope and audit approach.

Selection Committee

The role of the Selection Committee is to review the board for appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. The Selection Committee nominates independent, skills-based director candidates for consideration by the board and upon approval, for election by members at annual general meetings.

LiveCorp's constitution sets out the requirements for the proceedings of the Selection Committee and the qualifications and skills of candidates which the Selection Committee must consider.

The Selection Committee assesses candidates against a range of criteria, including

experience and skills, personal qualities and their available time commitment. In line with good governance practice, appropriate checks of each candidate are undertaken before each nominee is put forward to members as a candidate for election as a director.

The board established the Selection Committee in 2021-22 as the term of one non-executive director was due to expire at the AGM in November 2022.

The Selection Committee consists of:

- three people nominated by state-based livestock export associations
- one person nominated by ALEC
- one person appointed by the board (non-voting), and
- one person appointed by the board to chair the committee.

Induction

Following appointment to the board, each director is provided with information about LiveCorp, its operations and current environment and the rights, responsibilities and obligations of directors.

The induction process is tailored to the needs of the new directors. For skills-based directors in particular, it often includes an in-market or domestic supply chain visit to provide for an enhanced understanding of the trade and the relationship to LiveCorp's strategic objectives.

Independence

The board considers each director's independence annually and provides the opportunity at every board meeting for each director to disclose any new or changed interests.

Directors are considered to be independent if they are not a member of management and are free of any interest, position or relationship that materially interferes with, or could reasonably be perceived to materially interfere with, their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of LiveCorp and its members generally.

The board has determined that a majority of the board members are independent and all skills-based non-executive directors are currently independent.

Conflicts of interest

Under the requirements of the *Corporations Act 2001 (Cth)* and LiveCorp's Conflict of Interest Policy, a director who considers that he or she may have a direct or indirect pecuniary or non-pecuniary interest in a matter to be discussed by the board must disclose the existence and nature of the interest before the discussion. The onus of the obligation to disclose material and personal interests rests solely with the director.

All disclosures are recorded in the minutes of a meeting.

Depending on the nature and significance of the interest, directors may be required to absent themselves from the board's deliberations.

Further, at the time of appointment each director is required to provide disclosure about their business and other interests and the board has a standing notice of directors' interests that is tabled and reviewed at each meeting.

Board meetings

The board convened 11 meetings during 2021-22. Meeting agendas are formulated in preparation for each meeting and incorporate items from an annual agenda to ensure regular review of key aspects of the business. The board continually strives to ensure its meetings are conducted efficiently to enable sufficient discussion and contribution from all directors.

Remuneration

The total annual limit for directors' remuneration, in aggregate, is \$250,000. This limit was determined by members at the 2013 AGM, when the LiveCorp constitution was amended. There was no increase to directors' remuneration in the financial year ended 30 June 2022. The remuneration arrangements for each member of staff, including the CEO, are reviewed each year to ensure the remuneration structure aligns management effort with organisational objectives and attracts, retains and motivates quality personnel.

Board evaluation

Every three years the board undertakes either an internal or external assessment to obtain feedback on its overall performance and identify opportunities for ongoing development and improvement.

All recommendations from the last external board performance review conducted in April 2019 have been addressed and are complete. The next internal assessment will be completed in 2022.

Diversity and equal employment opportunity

LiveCorp is committed to a merit-based, non-discriminatory recruitment policy where directors and staff are identified and chosen strictly according to their skills and qualifications for the job. The company recognises the importance of diversity in areas such as gender, age, ethnicity and disability, and flexibility for caregivers.

The Selection Committee is directed by the board to ensure that its selection practices are appropriately structured so that a diverse range of director candidates are considered.

The Selection Committee must be aware of conscious or unconscious biases that might discriminate against specific candidates relating to age, disability, ethnicity, marital or family status, religious or cultural background, sexual orientation and gender identity. This ensures these biases are minimised or eliminated from the Selection Committee's assessment.

At 30 June 2022, LiveCorp director and staff gender diversity was:

GENDER DIVERSITY	DIRECTORS	EMPLOYEES
Male	4	3
Female	2	9
Total	6	12

STAFF DIVERSITY	DIRECTORS	EMPLOYEES
Full-time	-	9
Part-time	-	2
Maternity leave	-	1
Total full-time equivalent	-	10

Code of business conduct and ethics

LiveCorp directors and employees are required to:

- act honestly, with integrity and in a way that upholds LiveCorp's values and reputation at all times
- act legally, professionally, ethically and responsibly in the performance of duties
- treat everyone with respect, courtesy, and without harassment and bullying
- act with due care and use LiveCorp's resources appropriately
- promote active, honest and effective communication
- protect confidential information
- disclose and take appropriate steps to avoid any conflict of interest (real or apparent) or business interests that may conflict with their employment
- be accountable to stakeholders
- create a safe, non-discriminatory workplace
- act responsibly in relation to safety, health and the environment
- comply with and promote best practice in corporate governance.

The Code also establishes a framework to enable employees to report any breach of the Code. A copy of the Code is provided to all directors and employees on commencement.

Reporting framework

LiveCorp is not a publicly listed company and is not subject to ASX listing rule disclosures. However, as a public company limited by guarantee, it reports to members and ASIC in the form required by the *Corporations Act 2001 (Cth)*.

LiveCorp also operates under a Funding Agreement with the Australian Government. The Funding Agreement sets out the requirements for LiveCorp's expenditure of levy funds and provides a framework under which LiveCorp must report to the department.

Key reporting obligations include:

- the Strategic Plan which sets out LiveCorp's objectives, performance indicators and resource allocations
- the AOP which covers intended operations of LiveCorp for the current year and RD&E and marketing programs and activities to be undertaken
- the Annual Report which covers sources of income and expenditure and progress against the Strategic Plan and AOP key performance indicators
- annual meetings with the department to report on LiveCorp's performance against the Funding Agreement and any significant matters

- the Risk Management Plan which specifies measures to manage identified risk
- the Fraud Control Plan which sets out measures to minimise the risk of fraud and corruption within LiveCorp
- the Intellectual Property Management Plan which prescribes procedures for the management, adoption and commercialisation of intellectual property.

Members

A person is eligible to be a member of LiveCorp in the following classes, provided they meet the criteria outlined in the LiveCorp constitution:

- Exporter Member
- Associate Member
- Industry Member

Two types of Exporter Member categories are available:

1. Active Exporter Member (those that have paid levies in the past four quarters and are not in arrears by more than one month)
2. Inactive Exporter Member

Only Active Exporter Members are eligible to vote on resolutions at general meetings. Ordinary Resolutions are considered on one vote per Active Exporter Member and Special Resolutions are determined by one vote for every \$100.00 of levy paid by the Active Exporter Member in the past four quarters.

The board encourages full participation of members and other stakeholders at the AGM to ensure a high level of organisational accountability and an understanding of LiveCorp's strategy and achievements.

If a member is unable to attend the AGM, they are encouraged to appoint a proxy to express their views by completing and lodging an approved Proxy Form.

LiveCorp currently has 40 active Exporter Members and 3 Associate Members.

Ministerial directions

LiveCorp complies with written Ministerial directions and legislative requirements of the Australian Government.

On 17 December 2021, then Minister for Agriculture and Northern Australia, David Littleproud, provided LiveCorp with *Guidelines for statutory funding agreements*, to take effect from 1 January 2022. These were accompanied by a *Knowledge transfer and commercialisation guide* and a *Best practice guide to stakeholder consultation*. The documents have been published on LiveCorp's website, along with a stakeholder consultation plan informed by the Guide.

LiveCorp was also formally advised that the National Agricultural Innovation Priorities announced in October 2021 would replace the Australian Government's Rural Research, Development and Extension Priorities, as Guidelines in the Funding Agreement.

Company changes

LiveCorp did not form any subsidiary companies or joint ventures during the year.

Directors' Report

The Board of Directors present their report on LiveCorp for the financial year ended 30 June 2022.

Meetings of Directors

During the period 1 July 2021 to 30 June 2022 the LiveCorp Board held 11 meetings of directors. The attendances of the directors at meetings of the Board and its committees were:

DIRECTORS	DIRECTORS' MEETINGS		FINANCE, AUDIT AND REMUNERATION COMMITTEE MEETINGS	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Troy Setter	11	11	-	-
Lisa Dwyer	6	6	3	3
Prue Bondfield	11	11	5	5
Angus Adnam	11	8	-	-
Michael Gordon	11	10	5	5
David Galvin	11	8	-	-
Su McCluskey	5	5	2	2

Objectives and strategies

LiveCorp's mission is to generate positive animal health and welfare outcomes along the length of the livestock export supply chain; introduce innovative solutions and technical improvements to the performance of the livestock export supply chain; and contribute to the opening and development of livestock export market access.

This mission is being delivered through the following strategies:

1. Animal welfare - Lead in materially advancing animal health and welfare along the export supply chain through research, development and extension.
2. Livestock export supply chain efficiency improvement - Spearhead efficiency gains in the livestock export supply chain through innovative solutions and technical and technological improvements, within the framework of relevant regulation (e.g. ASEL and ESCAS).
3. Livestock export market access - Advance the export of Australian livestock to overseas countries through services in market access, development and growth.
4. Livestock export industry advancement - Contribute materially to a growing acceptance of the livestock export industry within the community; to the industry's ability to present its case; and to the ongoing development of a world leading regulatory framework for the export of livestock.

Principal activities

The principal activities of LiveCorp during the financial year comprised undertaking research, development and extension (RD&E), and providing technical services/support for the benefit of Australian livestock exporters.

There have been no significant changes in the nature of these activities during the year.

Operating result

The deficit for the financial year amounted to \$1,177,394 (2021: surplus of \$514,042). This was an improvement on the budgeted deficit of \$1.35 million for the financial year ended 30 June 2022. The positive variance of \$176,000 against budget is due to a number of factors including operating revenue being down by \$267,000 as a result of weaker than forecast cattle and sheep exports; \$470,000 less in investment income due to turbulence in the stock markets; and \$403,000 less in LEP funding revenue. These were offset by an underspend in the LEP RD&E Program and cost savings in consultants, payroll and travel expenses.

Operating environment

A combination of high livestock prices, lack of supply, and coronavirus (COVID-19) impacts on export market economies led to a reduction in exports of feeder and slaughter cattle and sheep below prior year levels. The outbreak of lumpy skin disease (LSD) and foot & mouth disease (FMD) in Indonesia, Australia's largest export market, in late 2021-22 provided further challenging conditions for exporters and their trading partners.

The impact of COVID-19 is ongoing and while it has been unfavourable up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

Performance measures

LiveCorp's performance against its Strategic Plan and Annual Operational Plan (AOP) takes into account:

- a. The performance of LiveCorp in meeting its obligations under the Funding Agreement was reviewed twice in 2021-22 by the Department of Agriculture, Fisheries and Forestry. At both times LiveCorp was confirmed to be meeting its commitments under the Funding Agreement.
- b. The development and implementation of the AOP measured by the effectiveness of LiveCorp in meeting the targets and budgets.
- c. Independent performance reviews of delivery of benefits to the industry.
- d. Increased collaboration between LiveCorp, MLA and other Research and Development Corporations (RDCs).
- e. Adoption of RD&E outcomes and industry services.

Key performance indicators (KPIs) are in place to monitor performance against the strategic themes.

Members' guarantee

LiveCorp is a company limited by guarantee. If LiveCorp is wound up, the constitution states that each member is required to contribute a maximum of \$100 towards any outstanding obligations of LiveCorp. At 30 June 2022 the number of members was 40 (2021: 36) and the maximum amount which could be contributed is \$4,000 (2021: \$3,600).

Company secretary

The company secretary during the year and to the date of this report is Liesel Alexander - BCompt (South Africa), ACMA, CGMA, CPA, GAICD.

Auditor's independence declaration

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

Signed in accordance with a resolution of the Board of Directors:



Troy Setter
Director



Prue Bondfield
Director

Dated: 23 August 2022

To the Board of Directors of Australian Livestock Export Corporation Limited

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

As audit partner for the audit of the financial statements of Australian Livestock Export Corporation Limited for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely



Nexia Sydney Audit Pty Ltd



Mark Boyle
Director

Dated: 23 August 2022, Sydney

Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2022	NOTE	2022 (\$)	2021 (\$)
Revenues from continuing operations	2(a)	5,362,344	4,876,176
Other income	2(c)	(556,986)	636,621
Total revenue		4,805,358	5,512,797
Stakeholder communication program		(494,727)	(589,643)
Exporter program		(1,204,907)	(1,108,909)
Industry capability program		(340,382)	(828,064)
Services and innovation program		(365,218)	(649,074)
Joint program	3	(2,792,015)	(913,477)
Corporate costs		(785,503)	(909,588)
Total expenditure		(5,982,752)	(4,998,755)
Net (deficit)/surplus from continuing operations		(1,177,394)	514,042
Other comprehensive income		-	-
Total comprehensive income		(1,177,394)	514,042

Statement of Financial Position

FOR THE YEAR ENDED 30 JUNE 2022	NOTE	2022 (\$)	2021 (\$)
Current Assets			
Cash and cash equivalents	5	1,018,189	1,589,365
Trade and other receivables	6	947,900	987,154
Other current assets	7	59,147	76,973
Total Current Assets		2,025,236	2,653,492
Non-Current Assets			
Financial assets	8	6,688,895	7,030,256
Property, plant and equipment	9	2,873	4,597
Right of use assets	10	91,636	160,363
Total Non-Current Assets		6,783,404	7,195,216
Total Assets		8,808,640	9,848,708
Current Liabilities			
Trade and other payables	11	1,152,026	851,689
Contract liabilities	12	138,359	145,851
Employee entitlements	13	180,356	218,308
Lease liability	14	82,148	79,498
Total Current Liabilities		1,552,889	1,295,346
Non - Current Liabilities			
Employee entitlements	13	44,283	85,479
Lease liability	14	29,723	108,744
Total Non - Current Liabilities		74,006	194,223
Total Liabilities		1,626,895	1,489,569
Net Assets		7,181,745	8,359,139
Equity			
Statutory Marketing accumulated funds	15(a)	6,092,294	7,128,180
Statutory R&D accumulated funds	15(b)	1,089,451	1,230,959
Total Equity		7,181,745	8,359,139

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2022	RETAINED EARNINGS (\$)
Balance at 30 June 2020	7,845,097
Total comprehensive income	<u>514,042</u>
Balance at 30 June 2021	8,359,139
Total comprehensive income	<u>(1,177,394)</u>
Balance at 30 June 2022	<u>7,181,745</u>

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2022	NOTE	2022 (\$)	2021 (\$)
Cash Flows from Operating Activities			
Receipts from customers		5,674,836	4,978,299
Payments to suppliers and employees		<u>(6,183,404)</u>	<u>(5,532,716)</u>
Net cash flows from operating activities	17(a)	<u>(508,568)</u>	<u>(554,417)</u>
Cash Flows from Investing Activities			
Net payments for investments		(215,625)	(248,678)
Dividends received		228,999	268,018
Interest received		6,165	10,404
Interest paid		<u>(5,776)</u>	<u>(8,657)</u>
Net cash flows from investing activities		<u>13,763</u>	<u>21,087</u>
Cash Flows from Financing Activities			
Repayment of lease liabilities		<u>(76,371)</u>	<u>(70,332)</u>
Net cash flows from financing activities		<u>(76,371)</u>	<u>(70,332)</u>
Net decrease in cash held		(571,176)	(603,662)
Cash and cash equivalents at beginning of the year		<u>1,589,365</u>	<u>2,193,027</u>
Cash and cash equivalents at end of the year	5	<u>1,018,189</u>	<u>1,589,365</u>

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022

1. Statement of Significant Accounting Policies

The following is a summary of the material accounting policies adopted in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of Preparation

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

Reporting basis and conventions

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected financial assets. The amounts presented in the financial statements have been rounded to the nearest dollar.

New or amended Accounting Standards and Interpretations adopted

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

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The company has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the company's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, and financial instruments.

(b) Income Tax

LiveCorp is exempt from income tax under section 50-40 item 8.2 of the Income Tax Assessment Act 1997.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022

(c) Property, Plant and Equipment

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

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure that it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Office Equipment is depreciated on a straight-line basis. Leasehold Improvements are depreciated on a straight-line basis over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Computer Equipment and Plant and Equipment are depreciated on a diminishing value basis.

The depreciation rates used for each class of depreciable asset are:

CLASS OF FIXED ASSET	DEPRECIATION RATE
Leasehold improvements	20%
Office equipment	20%
Computer equipment	37.5%
Plant & equipment	25%

(d) Investments and Other Financial Assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses.

The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(e) Fair Value Measurement

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

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

(f) Impairment of Non-Financial Assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022

relating to the asset using a pre-tax discount rate specific to the asset of cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(g) Research and Development

Expenditure on research is recognised as an expense when incurred.

(h) Employee Benefits

Provision is made for LiveCorp's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Provision for Long-term Employee Benefits

A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data.

(i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(j) Revenue*Revenue from contracts with customers*

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

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

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022

uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Revenue from the collection of levies is recognised upon the export of livestock.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when it is received.

Export Marketing Development Grant revenue is recognised on an accrual basis when the qualifying expenses are incurred, to the extent that it is probable that the grant will be received, and the amount of the grant income can be reliably measured. Receipt of the grant is probable when a license has been granted by Austrade, and qualifying expenditure has been incurred during the licensed period. The grant is reliably measurable up to the initial payment ceiling when this is announced by the Minister for Trade and Investment, and the balance of the grant is recognised when notification of final distributions is received.

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

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

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(m) Trade Receivables

Trade receivables are recognised at the amount invoiced and are generally due for settlement within 30 days, less any allowance for expected credit losses. The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance.

(n) Right-of-Use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability,

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022

adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

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

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

(o) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition.

(p) Contract Liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

(q) Lease Liabilities

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

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties.

When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022

(r) Current and Non-Current Classification

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

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

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

(s) Significant Management Judgement in Applying Accounting Policies and Estimation Uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Accrued levy revenue

Management uses the most up to date information available in determining the number of livestock exported to determine the year end accrual, together with uncertainties related to data provided by Live Animal Exports and the time delay of payments made by exporters.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Fair value of financial instruments

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 2022 (\$) 2021 (\$)

2. Revenue**a) Revenue from continuing operations**

Statutory levies	2b)	2,748,316	3,542,478
Voluntary contributions		-	1,200
Dividends received		228,999	268,018
Interest received		6,165	10,404
Grant funding		220,192	378,783
LEP project management fees		2,044,760	553,073
Other revenue		113,912	122,220
		5,362,344	4,876,176

b) Statutory Levies

Marketing levies		2,290,674	2,952,324
R&D levies		457,642	590,154
		2,748,316	3,542,478

c) Other Income

Revaluation of investments		(556,986)	636,621
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3. Joint Program Expenses**Livestock Export Program**

Animal welfare		294,855	237,839
Market access		75,841	42,627
Research and development		2,320,666	489,653
Supply chain efficiency		100,653	143,358
		2,792,015	913,477

4. Auditor's Remuneration

Remuneration of Nexia Sydney Audit Pty Ltd for auditing the financial report.

		23,300	21,744
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Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022	NOTE	2022 (\$)	2021 (\$)
5. Cash and Cash Equivalents			
Cash at bank		<u>1,018,189</u>	<u>1,589,365</u>
6. Trade and Other Receivables			
Trade receivables		<u>692,512</u>	<u>486,472</u>
Other receivables		<u>4,523</u>	<u>85,960</u>
Other receivables - statutory levy accrual		<u>250,865</u>	<u>414,722</u>
		<u>947,900</u>	<u>987,154</u>
7. Other Current Assets			
Prepayments		<u>59,147</u>	<u>76,973</u>
8. Financial Assets			
Designated as at fair value through profit and loss:			
Fixed interest securities		<u>2,091,378</u>	<u>3,390,289</u>
Managed funds		<u>4,597,517</u>	<u>3,639,967</u>
		<u>6,688,895</u>	<u>7,030,256</u>
9. Property, Plant and Equipment			
Office and computer equipment			
At cost		<u>9,807</u>	<u>9,807</u>
Accumulated depreciation		<u>(6,934)</u>	<u>(5,210)</u>
Total Property, plant and equipment		<u>2,873</u>	<u>4,597</u>
		Office and Computer Equipment	Office and Computer Equipment
Movements in carrying amounts:			
Balance at 30 June 2021		<u>4,597</u>	<u>8,773</u>
Additions		-	-
Disposals		-	(1,020)
Depreciation expense		<u>(1,724)</u>	<u>(3,156)</u>
Carrying amount at 30 June 2022		<u>2,873</u>	<u>4,597</u>

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022	NOTE	2022 (\$)	2021 (\$)
10. Right of Use Assets			
At cost		<u>297,817</u>	<u>297,817</u>
Accumulated depreciation		<u>(206,181)</u>	<u>(137,454)</u>
Total right of use assets		<u>91,636</u>	<u>160,363</u>
11. Trade and Other Payables			
Payables and accrued expenses		<u>543,615</u>	<u>444,156</u>
Unearned income		<u>24,778</u>	<u>4,000</u>
Other liabilities		<u>583,633</u>	<u>403,533</u>
		<u>1,152,026</u>	<u>851,689</u>
12. Contract Liabilities			
Deferred income		<u>138,359</u>	<u>145,851</u>
Deferred income consists of government grants and sponsorship income received in advance for services to be rendered by the Company. Deferred income is amortised over the life of the contract.			
13. Employee Entitlements			
Current			
Annual leave		<u>129,508</u>	<u>135,316</u>
Long service leave		<u>50,848</u>	<u>82,992</u>
		<u>180,356</u>	<u>218,308</u>
Non-current			
Long service leave		<u>44,283</u>	<u>85,479</u>
14. Lease Liability			
Current			
Property lease		<u>82,148</u>	<u>79,498</u>
Non-current			
Property lease		<u>29,723</u>	<u>108,744</u>
Lease liability is a sub-lease of premises which has an expiry date of 31 October 2023. Interest expense relating to leases was \$5,776 (2021: \$8,657).			

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022	NOTE	2022 (\$)	2021 (\$)
15. Accumulated Funds			
a) Statutory Marketing funds			
The Marketing funds records surpluses contributed by the Marketing portion of the exporter levy in accordance with the Statutory Funding Agreement 2021-2031:			
<i>Movements during the financial year:</i>			
Opening balance		7,128,180	6,785,917
Allocation of current year surplus		(1,035,886)	342,263
		<u>6,092,294</u>	<u>7,128,180</u>
b) Statutory R&D funds			
The R&D funds records surpluses contributed by the R&D portion of the exporter levy in accordance with the Statutory Funding Agreement 2021-2031:			
<i>Movements during the financial year:</i>			
Opening balance		1,230,959	1,059,180
Allocation of current year surplus		(141,508)	171,779
		<u>1,089,451</u>	<u>1,230,959</u>
16. Commitments			
a) Other commitments			
Service agreement - ALEC			
- Within 12 months		<u>250,000</u>	<u>325,000</u>
b) Research and development expenditure commitments			
Livestock Export Program			
- Within 12 months		<u>550,000</u>	<u>550,000</u>
c) Marketing expenditure commitments			
Livestock Export Program			
- Within 12 months		<u>500,000</u>	<u>500,000</u>

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2022	NOTE	2022 (\$)	2021 (\$)
17. Cash Flow Information			
a) Reconciliation of cash flows from operations with surplus after income tax			
(Deficit)/Surplus		(1,177,394)	514,042
Depreciation		70,451	71,883
Revaluation of investments		556,986	(636,621)
Investment income recognised in surplus or deficit		(235,164)	(278,422)
Interest paid		5,776	8,657
Loss on disposal of property, plant and equipment		-	1,020
Decrease in receivables		39,254	85,465
Decrease/(increase) in other current assets		17,826	(1,694)
(Increase)/decrease in payables		300,337	(201,355)
Decrease in deferred income		(7,492)	(157,493)
(Decrease)/increase in provisions		(79,148)	40,101
Cash flows from operating activities		<u>(508,568)</u>	<u>(554,417)</u>
b) Credit standby facilities			
LiveCorp has a facility within investments held to enable a cash recall as required within 10 working days.			
18. Key Management Personnel Compensation			
Remuneration paid to key management personnel		<u>766,938</u>	<u>805,534</u>
Key management of the Company are the members of LiveCorp's Board of Directors and senior management.			
19. Capital Management			
LiveCorp's capital is its retained earnings. The capital is managed by the Board, which acts to ensure that LiveCorp has sufficient capital to fund its progress, program commitments and debts as they fall due			
20. Post-reporting Date Events			
No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.			
21. Contingent Liabilities			
The company had no contingent liabilities as at 30 June 2022 and 30 June 2021.			

Notes to the financial statements**FOR THE YEAR ENDED 30 JUNE 2022****22. Company Details**

The registered office and principal place of business of LiveCorp are at:

Australian Livestock Export Corporation Limited
Level 1, 40 Mount Street, North Sydney, NSW 2060

Directors' Declaration

In the Directors' opinion:

- a. The financial statements and notes, as set out on pages 70 to 86, are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the period ended on that date; and
- b. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Troy Setter

Director



Prue Bondfield

Director

Dated: 23 August 2022

Independent Auditor's Report to the Members of Australian Livestock Export Corporation Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Livestock Export Corporation Limited (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- i. giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis for opinion

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in Australian Livestock Export Corporation Limited's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Directors' responsibility for the financial report

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

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

Auditor's responsibility for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



Nexia Sydney Audit Pty Ltd



Mark Boyle

Director

Dated: 23 August 2022, Sydney

Consultants and providers

PARTY/ CONSULTANT	PROJECT/ SERVICES	CONTRACT START DATE
ACIL Allen	Impact of the northern cattle export industry on the Australian economy	Dec 2021
Australian Pork Limited	Management agreement - National Animal Welfare RD&E Strategy	Sept 2021
BDO Services	Value of the dairy cattle export industry	Dec 2021
Ernst & Young	Economic analysis of regulation in the livestock export industry	Aug 2021
Exogee	Development of a secure environment for interaction with LIVEXCollect data	Dec 2021
Exogee	Updating shipping route data for HSRA	June 2022
Harris Park Group	Best practice treatment factsheets for cattle	July 2021
Harris Park Group	Comparison of Australian and international airfreight welfare requirements	Feb 2022
Intuitive Solutions	Livestock export industry 2021 snapshot (survey)	Oct 2021
KPMG	Data stocktake, analysis and implementation	Dec 2021
MINTRAC	Uptake of training and animal health and welfare practices	Aug 2021
MINTRAC	Development of observer training material for shipboard animal welfare surveillance	Feb 2022
Newton Green Technologies	Update of ASEL handbook app to ASEL 3.2	Jan 2022
Oliver & Doam Pty Ltd	LIVEXCollect data analysis	June 2022
Surge Ahead	LIVEXCollect prototype app discover and scoping	Mar 2022
The Livestock Collective	2021-22 sponsorship agreement	July 2021
Unique Excellence	Standardisation of export declarations	Aug 2021
University of Technology	Automated sheep counting on mobile devices	Nov 2021
Young Livestock Exporters' Network	2021-22 sponsorship agreement	July 2021

Livestock exports by destination 2021-22

COUNTRY	VOLUME				MARKET %			
	Cattle	Dairy	Goats	Sheep	Cattle	Dairy	Goats	Sheep
Brunei	10,072	-	-	-	1.9	-	-	-
China	1,009	93,258	-	-	0.2	94.7	-	-
Indonesia	347,086	2,193	521	294	67.2	2.2	15.5	0.1
Israel	26,717	-	-	57,600	5.2	-	-	11.8
Japan	11,119	-	-	-	2.2	-	-	-
Jordan	-	-	-	7,200	-	-	-	1.5
Kuwait	613	-	-	281,018	0.1	-	-	57.5
Malaysia	10,431	2,836	2,074	12,680	2.0	2.9	61.6	2.6
Oman	-	-	-	29,000	-	-	-	5.9
Other*	1,725	125	96	991	0.3	0.1	2.9	0.2
Philippines	10,674	-	509	145	2.1	-	15.1	-
Qatar	-	-	-	-	-	-	-	-
Thailand	3,835	90	21	6	0.7	0.1	0.6	-
UAE	749	-	-	100,130	0.1	-	-	20.5
Vietnam	92,488	4	145	-	17.9	-	4.3	-
TOTAL	516,518	98,506	3,366	489,064				
FOB Value (\$)	\$847,227,931	\$341,257,730	\$2,153,061	\$85,317,699				

*Other includes Russia & Sri Lanka

TOTAL BY REGION	VOLUME				MARKET %			
	Cattle	Dairy	Goats	Sheep	Cattle	Dairy	Goats	Sheep
Asia Pacific	139,628	96,188	2,749	12,831	27.0	97.6	81.7	2.6
EMENA	28,079	-	-	474,948	5.4	-	-	97.1
Indonesia	347,086	2,193	521	294	67.2	2.2	15.5	0.1
Other	1,725	125	96	991	0.3	0.1	2.9	0.2
TOTAL	516,518	98,506	3,366	489,064				

Source: ABS



**Australian Livestock Export
Corporation Limited**

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