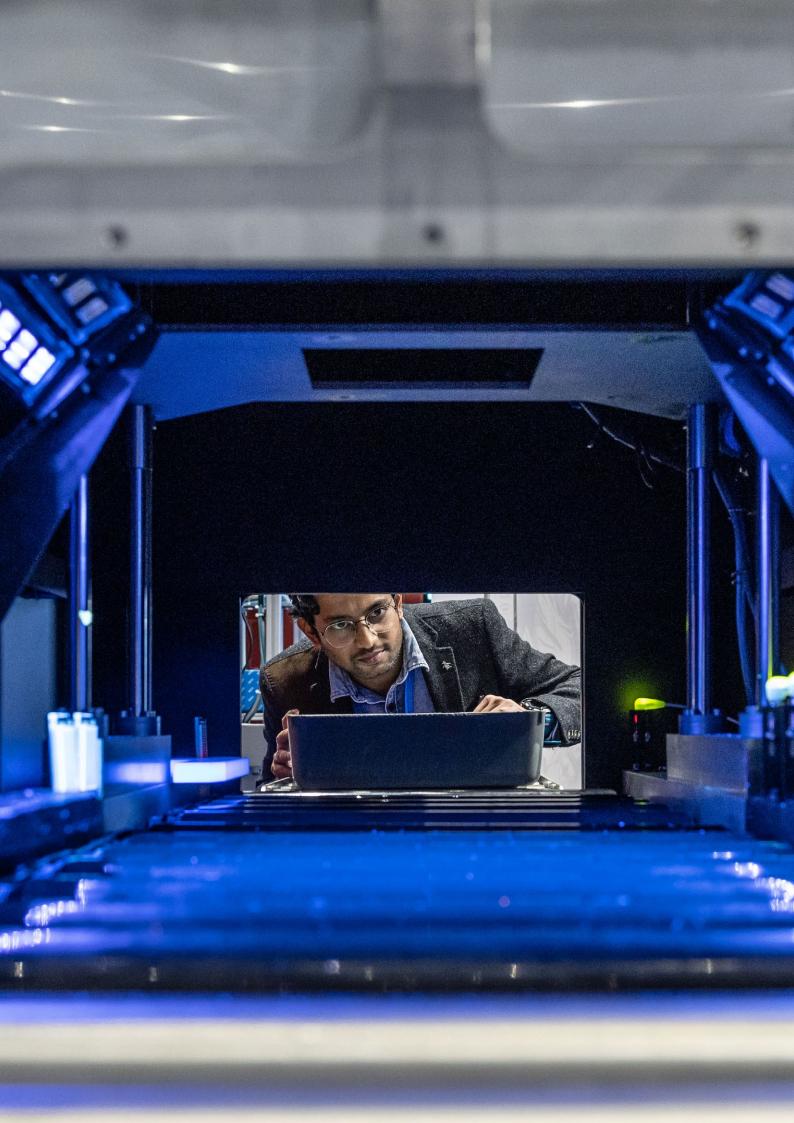


Annual report 2021–2022 Driving innovation in red meat processing





About AMPC

The Australian Meat Processor Corporation (AMPC) is the specialist Research and Development Corporation (RDC) for the red meat processing industry in Australia.

AMPC is the red meat processing industry's trusted partner in innovation and its purpose is to invest in research and development and marketing initiatives that improve the competitiveness, profitability and sustainability of the industry.

Investments are funded by statutory levies, private contributions, and the Australian Government and are designed to deliver a range of benefits for the industry and the broader Australian community.

AMPC engages with leading research organisations and marketing providers and fund joint activities with our value-chain partners to address the priorities of the red meat processing industry.

The Annual Report provides an overview of the financial year's activity as outlined in AMPC's Annual Operating Plan (AOP). The AOP is prepared yearly to guide the delivery of AMPC's long-term investment priorities and outcomes. The programs in the R&D portfolio have come from direct engagement with levy payers and the Australian Meat Industry Council.

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Chairman's report



It is my great pleasure to present AMPC's Annual Report 2021–22.

Operating environment

The past year has continued to pose a challenging operating environment for the Australian red meat industry through the combined impact of ongoing COVID-19 and people shortages, together with challenges around livestock supply, and logistical challenges including container access and global port disruptions.

The volume of red meat produced declined marginally by 1.3% to 2,555,524 tons during 2021–22, following a 16% drop in the previous year. This was further reflected in export volumes which fell by 11% compared to the previous financial year.

Maintaining and enhancing the Australian processing industry's global competitiveness is a key focus for AMPC and the Board, and it is important that our investment portfolio reflects the right balance between short, medium, and long-term strategic focus, and at the same time responding to a changing operating environment. As Chairman, I am confident through our engagement with levy payers and the strategy together with the direction set by the AMPC Board, and its effective execution by the AMPC team, that we are getting the focus, balance and value for industry right.

In addition to the significant value of the Australian domestic market, our stable sustained competitive access to global markets is imperative for long-term growth. There are significant opportunities which will come our way as an industry with ratification of the UK free trade deal.

Processors are also keenly aware of the recent emergence of Lumpy Skin Disease and Foot and Mouth Disease in Indonesia. And while this does not pose an immediate threat to the Australian red meat industry, it does highlight the importance of strong biosecurity and traceability systems which AMPC will continue to support through our investment into R&D and marketing activities and participation in industry forums.

Strategy update

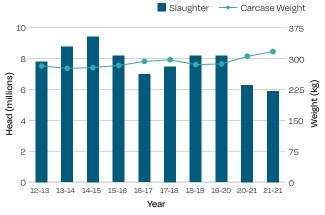
AMPC is progressing well against its strategic plan with investments into R&D and marketing activities delivering value for levy payers.

Innovation and technology continue to be an important part of our DNA as an industry and the need to invest in leading technology and innovation solutions is key to remain competitive in the international animal protein market. The AMPC team have achieved many key milestones and delivery of high impact projects during the year.

The Board is confident that AMPC investments deliver real tangible value for processors through commercialisation of R&D outputs across both plant-based and core-funded projects during the year. An example of this relates to the commercial adoption of MEQ Probe, which can be used to identify premium, high intramuscular fat (IMF) beef and lamb products.

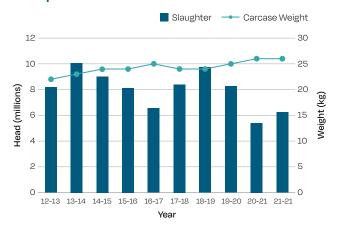


Beef/cattle*

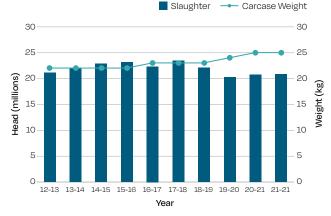


*Adult cattle only (excludes calves)

Sheep



Lamb



(Data sourced from ABS)

AMPC supported the commercial trials of the technology, which have enabled its endorsement as a measure of IMF under the AUS-MEAT standards. It is exciting to see such investments progress through Technology Readiness Levels (TRLs) to a point of commercial application.

While technology will continue to be an investment priority for AMPC, the Board has supported management during the year to explore strategic issues in new and relevant ways. In the past year AMPC conducted research into the reputation of the red meat processing industry in regional communities, which found that there is widespread support for red meat processors and that the industry is valued as a major contributor to the economy and employment. This is an important piece of work that will give guidance to future, targeted investment into areas of strategic importance.

Governance

The board recognises that effective governance is critical in supporting the organisation to achieve our mission to drive world-class innovation, adoption and strategic policy development through genuine partnerships built on trust.

I am pleased to report to levy payers that all actions arising from the 2020 independent review into AMPC's performance have been closed out during the year. The board has a continuous improvement approach to governance, and accordingly we have implemented several changes during 2021–22. A modernisation of AMPC's constitution was supported during the year, which introduced caps on director terms, increased executive accountability, and enhanced operational efficiency.

During the year the Board has welcomed two new independent directors, Saranne Cooke and Allira Hudson-Gofers, who replaced Bruce Rathie and Leanne Heywood. Our new directors bring a wealth of experience that further bolster the strong and relevant skillset of the full board, and as Chair I am confident that we have the right skill set and experience around the table to provide and direct a strong strategic direction and governance framework for AMPC to operate within.

John K Berry Chairman



CEO's report

The first year of our strategic plan was about setting strong foundations through building closer relationships with processors and expanding our network with research partners. Now, as we close out the second year of our strategic plan, AMPC is progressing activity and has achieved several targets and outcomes across our each of our five strategic pillars.

The financial year 2021-22 has seen the end of COVID-related lockdowns and AMPC has resumed face-to-face visits to processing sites and engaging with our levy payers. We completed 216 site visits to 39 processors across the year. We also resumed in person events and delivered our first Work, Health and Safety Conference in June undertaken preparations for our inaugural AMPC Innovation Showcase in October 2022.

It is also pleasing to see that our investments are yielding strong returns for levy payers. Our latest program evaluation for investments conducted in 2021–22 indicates a cost-to-benefit ratio of 7.5:1, which is a terrific result.

Delivering our strategy

Despite a challenging operating environment, we have delivered strong progress against our strategic aspirations during the year.

Advanced manufacturing

Our Advanced Manufacturing program has continued to build momentum and the focus for the program over the year was on progressing foundational developments for carcase deboning, cutting, traceability, and materials handling solutions.

These developments embraced new technology, artificial intelligence (AI), augmented reality, virtual reality, and robotics. Significant progress has been made in remote operation developments and the use of enhanced AI sensing has enhanced semi-automated cutting, product identification and objective measurement technologies.

People and culture

Our People and Culture program has continued its journey to improve safety in the workplace and the focus for the program over the year was on delivering investments on retention, attraction, development, and safety and wellbeing. A major retention project was completed and included working with processing plants to embed frameworks which improve systems and drive down turnover. The first stage of a schools program sought to understand the perceptions of the red meat industry from a teacher, student and parent perspective. We will now use the results to develop an evidence-based program of activities to attract the next generation of workforce to the red meat processing industry. We have also worked to facilitate the adoption of a suite of virtual reality (VR) training equipment and modules aimed to boost accurate processing and to keep employees safe at work.

Sustainability

The focus for the Sustainability program over the year was on sharing refrigeration energy efficiency resources to encourage adoption as well as increasing renewables adoption through providing assessments of solar PV.

The refrigeration energy efficiency resources have been published to a dedicated LinkedIn page with more than 380 people following it. We conducted 50 solar PV assessments resulting in a solar PV pipeline equal to 40% of installed industry capacity 12 months earlier. Significant technology pilots were also launched during the year that trial the use of multi-fuel biomass boilers, Class-A water recycling units, and waterless UV sterilizers at meat processing plants.

Product and process integrity

The focus for the Product and Process Integrity program for the year has been on investments aimed at improving the traceability of meat products and providing scientific support for better options to demonstrate product integrity. AMPC is working with processors to assess the effectiveness of various radio frequency identification device (RFID) readers for small stock. AMPC is also rolling out projects demonstrating the use of artificial intelligence and cameras to ensure meat cuts in a box match the label on the box. Over the past year, this program has focussed on investments that use technology and science to improve traceability and process integrity.

Technical market access and markets

The focus for the Technical Market Access and Markets program has been on enhancing the international competitiveness of our meat exports by reducing regulatory burden and responding to changing importing country conditions. AMPC is working to support changes to meat inspection which enable reduced regulatory intervention, where the risks are acceptable. Another important project in this area concerns the investigation of factors to deliver the best outcomes for electrical stunning of cattle. This will provide valuable information for processors wanting to change from percussive to electrical stunning to eliminate Halal downgrades due to skull damage.

Stakeholder engagement

Enhanced consultation

Throughout the year, AMPC prepared for a new consultation model. AMPC will move to a twice per year consultation model where industry input is provided, and AMPC presents its progress. Rather than meeting with different stakeholders separately, this model enables AMPC to provide a detailed update to many stakeholders in one session, held twice per year.



Processor survey

AMPC's 2021/22 processor survey showed strong processor satisfaction with a Net Promoter Score of 21 and member satisfaction at 84%.

Financial performance

Levy income was slightly below budget for the year, driven by reduced slaughter across all species. We have delivered a balanced investment budget for the year, achieving out investment target despite the significant challenges the year has presented. We are on track to achieving our target reserves balance of \$10m by the end of 2024-25.

I want to thank all AMPC employees, directors, levy payers, stakeholders, and research partners in contributing to our progress during the year, and for the value we have collectively delivered for the processing industry in Australia.

Chris Taylor

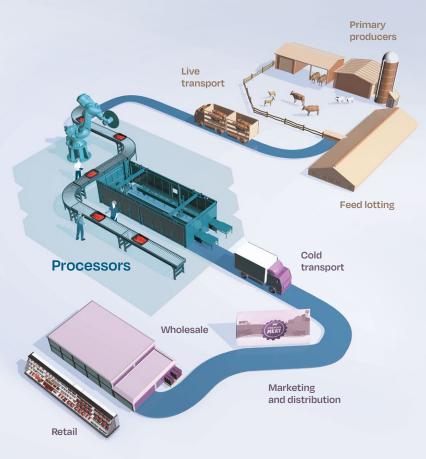
Our industry

Reputation of the red meat processing sector

In the past year AMPC conducted research into the reputation of the red meat processing industry. It found:

- Red meat processors have a good reputation among the public and widespread support.
- The sector is seen as extremely important for Australia, and especially for local communities.
- It is valued as a major contributor to the economy and employment, as well as for "feeding Australians" and producing high quality products.
- Residents of local communities tend to be more engaged with the sector than those elsewhere and have a better understanding of its contribution.
- One in five Australians are interested in working in the sector (20%).

A thriving value chain





Australia is a **Key** exporter in global red meat markets



In 2021, Australia was the **fourth** largest

beef exporter after Brazil, India and the USA



In 2021, Australia was the world's largest

sheep and goat meat exporter



Australia's red meat and livestock industry value add \$13.5 billion in 2021–22



35,000

people employed by processors in 2020–21



Processors account for 29% of total direct employment in the agriculture, forestry, and fishing sector in 2020–21



Nearly **80%** of meat processing employment is located outside capital cities



\$14.6 billion

of red meat and livestock exports in 2020–21

Sources: MLA State of the Industry Report 2022. Reputational Research — CT Group for AMPC.

Our processors



108 members



137 processing plants

Australian red meat processors



Align with customers to maximise returns

- Processors have built a network of global and domestic customers that guarantees the industry's access to 100+ markets.
- With a view across the value chain, they help align the industry with customers to maximise returns.
- Processors find growth opportunities and diversify into niche areas, then work with producers to guide innovative product value-adds.



Make the supply chain work

- Processors play a central role in the supply chain.
- Processors navigate a web of requirements such as transparent labelling, integrity checks and trade rules.
- They lead on commercial issues, negotiating terms, building relationships and taking on risks.
- They connect small businesses into the supply chain from the forklift operator to the freight driver.
- On the international stage, processors are critical in building trust in Australia as a reliable protein supplier.



Advance Aussie manufacturing in our regions

- Meat processors apply new technology and modern ways of manufacturing from their base in regional towns across Australia.
- For generations processors have been at the heart of regional communities, growing investment, employment and vibrant social bonds.



Significant employers

- AMPC levy payers range in size from two to 2,000 employees
- half of AMPC levy payers have less than 200 employees



product focus

- a range of processing sizes and systems
- cattle processing is the most common activity, representing more than 80% of all processor sites
- covering beef, sheep and goat



Geographically diverse

- processors are spread throughout Australia, particularly in rural and regional areas
- AMPC processors are primarily located in medium-sized rural areas of between 10,000 to 50,000 people, where they are typically one of the largest employers

Our vision and strategy



Our vision

The red meat processing industry's trusted partner in **innovation**.



Our mission

To drive world-class innovation, adoption and strategic policy development through genuine partnerships built on trust.



Our purpose

To enable Australia to build the most **competitive**, **profitable** and **sustainable** red meat processing industry.

Strategic pillars and aspirations

The Strategic Plan 2021–25 contains five pillars and aspirations to drive our investment focus.



Advanced manufacturing

Human product handling is halved through **technology advancement** to reduce injury rates, maximise yield and processing efficiency by 2030.



Sustainability

By 2030, Australian processors are recognised as **global leaders in environmental stewardship** and acknowledged as responsible businesses with positive economic and social impacts on their communities.



People and culture

By 2030, the processing sector is seen as a **diverse**, **safe**, **and attractive** industry of choice for employment.



Market access and markets

By 2030, Australia is the **preferred trading partner** for premium red meat products globally, with **unrivalled access** to high value markets.



Product and process integrity

The Australian red meat industry maintains and further enhances its international reputation for safe, sustainably sourced wholesome red meat products.



Project contracts

Core

PIP

79

90

Project delivery

Strong

103% Program budget realised

2022

Team engagement

Active

Site visits

Processors

216

39

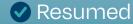


Net Promoter Score **91**

Member survey Satisfaction

84%

Face to face events





Stakeholder consultation framework

Published

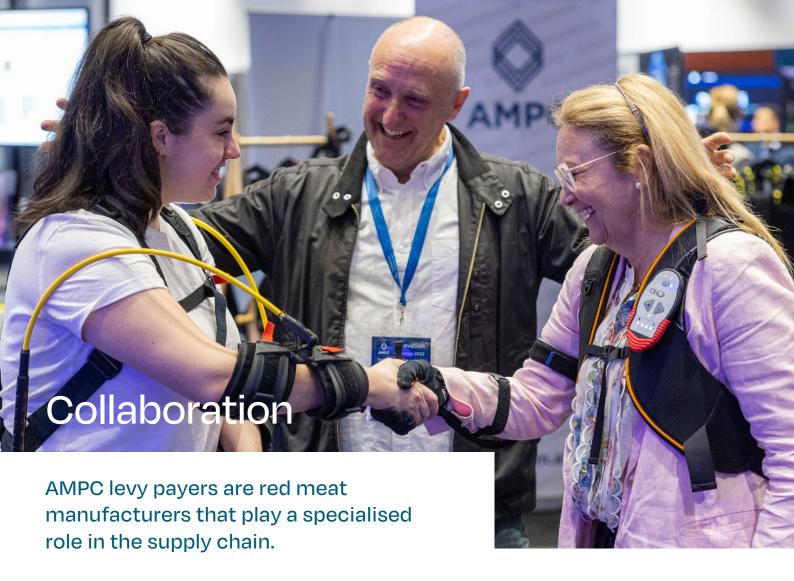


Launched



Incle Const

Year in review



The focus of our engagement with levy payers is focussed on finding the right opportunities for collaboration with stakeholders where there is a direct benefit for processors and the communities in which they operate.

AMPC continued to be a member of Agricultural Innovation Australia (AIA) in the 2021/2022 financial year. AIA is a new company targeting transformational innovation across agriculture and with all 15 RDC's being members. AIA's priorities align with AMPC's R&D portfolios in the areas of trade and export, climate resilience and digital agriculture.

We are also a member of the GrowAg innovation platform — the online gateway to Australia's agrifood innovation system. AMPC uses GrowAg as a vehicle to identify and collaborate with new global partners in research, commercialisation and manufacturing opportunities.

AMPC co-invested 6.9% or 40% of its levy income, on projects with Meat and Livestock Australia (MLA) to address issues in the red meat supply chain.





AMPC engages with a wide range of stakeholders about its role, the work it performs and the value it adds.

It has a dedicated regionally based team of five co-innovation managers who liaise and work with up to 20 processing companies each. The team, based in NSW, Victoria, Queensland, and Western Australia, manage the levy payer relationship, extend R&D outputs directly with processors, encourage cross-fertilisation across the industry and share insights on challenges with the AMPC R&D team.

AMPC also has an extended network of 34 innovation managers embedded within processing plants across Australia to drive technology investment and adoption of research and development.

AMPC's plant-initiated projects program (PIP) is one of the most effective ways for AMPC to engage directly with processor levy payers. It enables processors to co-fund and participate in R&D on their own plant and adopt solutions which meet their unique set of needs.

AMPC has executed stakeholder engagement agreements with MLA and the Australian Meat Industry Council (AMIC) which set out shared behaviours, principals of engagement and principals for matched funding and joint activities. AMPC also has an overarching stakeholder engagement framework which sets out principles guiding AMPC's engagement processes.

In the 2021–22 financial year, AMPC prepared to move to a twice per year consultation model where industry input is provided, and AMPC presents its progress. Rather than meeting with different stakeholders separately, this model enables AMPC to provide a detailed update to many stakeholders in one session, held twice per year.

AMPC engages with government through regular meetings with the Department of Agriculture, Water and the Environment, and CEO meetings with the minister.

In FY22, AMPC's CEO Chris Taylor joined the Lumpy Skin Disease Task force led by the Red Meat Advisory Council which was focussed on ensuring red meat supply chain preparedness in the event that Lumpy Skin Disease entered Australia. The task force will continue to operate in FY23.

Processor survey

AMPC's 2021–22 processor survey showed strong processor satisfaction with a Net Promoter Score of **21** and member satisfaction at **84%**.

Extension, engagement and communication



New AMPC website launched



12 processor newsletters delivered to AMPC levy payers



55 articles uploaded to the AMPC website



29 videos shared on the AMPC YouTube channel



6,378 people following AMPC's social media channels



2 international conferences attended with AMPC processors



32 webinars hosted



Webinar numbers
545 registrations
288 attendees



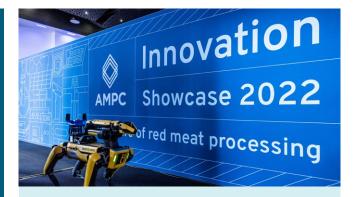
216 site visits to 39 processors

AMPC Work, Health and Safety Conference

AMPC hosted its Work, Health and Safety Conference and Safety Awards dinner in June 2022. The event showcased the latest research and development and innovation in safety and wellbeing for the red meat processing industry.

- More than 80 processors and safety experts attended the conference
- More than 750 people viewed and engaged with the event webpage
- 5 AMPC processors and research and development providers were awarded Safety Awards





AMPC's Innovation Showcase

AMPC will deliver its inaugural Innovation Showcase, bringing together red meat processors and industry participants from across Australia to experience new innovative ideas and technologies from AMPC's research and development providers and hear and learn from world-class speakers, listen in to panel sessions, and participate in various workshops.

The three-day event will be held from Tuesday
11 October to Thursday 13 October at the Melbourne
Showgrounds and will explore the theme of "The future
of red meat processing" which highlights the importance
of adopting innovative solutions to build a stronger and
more sustainable red meat processing industry.

The AMPC Innovation Showcase will be a great opportunity for industry to come together to explore the latest R&D and innovation, to hear from experts in other industries, to listen in to panel discussions on advanced manufacturing, sustainability and people and culture.

Our performance

AMPC conducts independent evaluations of its research projects to demonstrate the benefits and outcomes that have emerged or are likely to emerge from investments.

AMPC evaluated the economic returns from a sample of ten AMPC projects completed in the 2021–2022 financial year. Evaluations were completed in line with the Council of Rural Research and Development Corporations (CRRDC) Impact Assessment Program: Guidelines (2018). They were informed by a review of project outputs, and consultation with researchers, industry representatives and other relevant stakeholders.

The assessments were completed by modelling the marginal costs and benefits from a project over a 30-year period.

All assessed projects demonstrated a positive economic return, with Benefit Cost Ratios ranging between 1.3 and 12.7 resulting in a weighted average of 7.5. (These results are indicative and rely on a range of assumptions.)

The ten projects that were evaluated are listed below:

- Electronic meat transfer certificate protocol implementation including DAWR requirements
- Shadow robot bandsaw cutting of beef shank stage 1
- 3. Artificial Intelligence (AI) non-X-ray beef cutting stage 2
- 4. Megasonic demulsification of oil and grease from meat processing wastewater
- Developing a Voluntary Code of Conduct for Migrant Management (stage 1)
- 6. Business plan for a red meat industry knowledge hub
- 7. Utilisation of augmented reality for the development of remote auditing
- 8. Meat hygiene assessment 3 an industry trial
- Review of traceability outcomes from electronic tagging of sheep — implications for small stock processors outside Victoria
- 10. Traceability primal to steak/steak to primal (stage 2)





123
Projects

59
Completed
Active

The focus for the Advanced Manufacturing Program over the year was on progressing foundational developments for carcase deboning, cutting, traceability, and materials handling solutions. These developments embraced new technology, artificial intelligence (AI), augmented reality, virtual reality, and robotics.

Significant progress has been made in remote operation developments and the use of enhanced AI sensing has enhanced semi-automated cutting, product identification and objective measurement technologies.

The program has seen 43 new research providers engaged in various projects including universities, research and commercial organisations from around the world.

Over the past year AMPC has progressed its promising R&D journey to develop and commercialise new fit for purpose processing technologies of the future working together with industry to plan, develop and test these.

Completed projects

Salted hide handling system improves efficiency and safety

A salted hide handling system prototype was successfully deployed at the JBS hide processing plant in Dinmore, Queensland, automating the collection, transfer, and palletisation of processed hides.

Funded by AMPC and developed by Scott Technology, the prototype was built on findings from exploratory research into hide handling that explored concepts for the collection, movement, and placement of folded hides.

Since the deployment of the prototype in March 2020, the salt hide handling system has processed over 1.1 million hides from eight hide grades at a rate of up to 450 hides per hour.



In the process, it has improved labour efficiency, created a safer operating environment with a 100% reduction of work-related injuries, and decreased staff retention issues.

Active projects

Beef scribing program — optimising each carcase

AMPC started a significant program of work aimed at providing cost efficient beef scribing automation options for processors of all sizes.

The strategic program of works will ensure the benefits of scribing, with less human interaction, is made available for Aussie processors.

AMPC's scribing program is developing and trialling new ideas and components as standalone investigations, that will ultimately combine to make up the modules of a final solution or solutions.

The program of work is looking at a range of different approaches to the automation of beef scribing to ensure a solution that is applicable to small, medium, and large meat processing plants. It's about accuracy and speed.



The automated solutions are looking at a combination of four key elements:

- 1. Sensing and AI technology
- New carcase handling and fixturing concepts to improve stability for sensing, cutting and transfer at speed
- Optimising cut specification flexibility providing the ability for more scribe cuts with improved robotic cutting technology
- Ensuring solutions developed match the speed of processors throughput and provide a return on investment to all processors

At the completion of this program of work AMPC expects to have a range of automated and semi-automated beef scribing solutions. The solutions aim to have a smaller footprints, that increase accuracy and throughput to make them applicable to many processors in Australia.



3D printing trials begin

AMPC began trials of 3D printing at red meat processing plants. Two 3D printers moved to different red meat processing plants around the country throughout 2022 as part of the trial.

AMPC and Konica Minolta collaborated to establish a world-first, industry-owned additive manufacturing (3D printing) service model to help red meat processors across Australia to print equipment parts, revolutionising equipment maintenance.

In a high-volume environment like a processing plant, parts such as bolts and rollers can wear or break. With 3D printing, the industry can benefit from part replacement, creation, and refinement.

There are many uses for 3D printing at meat processing plants. It can be used when waiting for parts to be delivered. Plants can print a 3D part so that equipment can be operated whilst waiting for a replacement part from a manufacturer. Alternatively, 3D printed parts can replace the need to go to the manufacturer altogether.

'Spot the dog' shows benefits of automated guided vehicle technology

AMPC is progressing a program of work to test uses of automated guided vehicle (AGV) technology for the meat processing industry.

'Spot the dog' as he is affectionately known, is an AGV with legs. He is a prototype who has been sent to his first meat processing site as part of the AMPC program.

Spot is an incredible piece of tech with unprecedented mobility, allowing fully autonomous AI driven missions on plant.

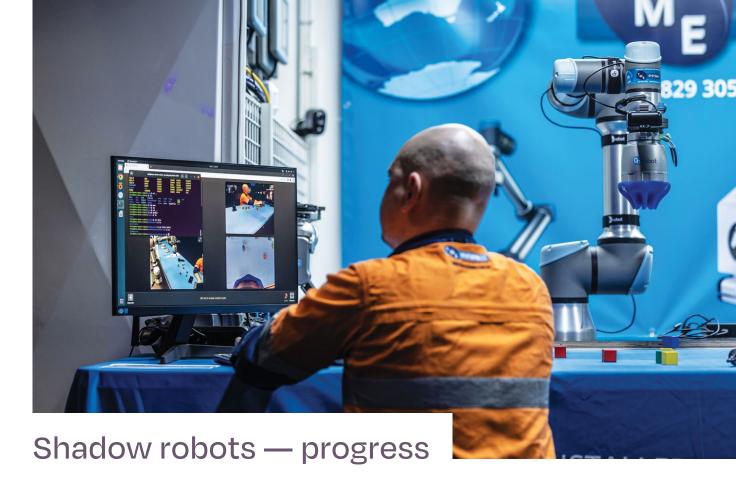
The meat processing facility has been testing the capability of Spot to deploy on autonomous missions to survey and capture 3D modeling and visual inspection data from power and refrigeration rooms.

The project is aimed at determining industry readiness to adopt AGVs beyond current manual handling applications by encouraging the industry and providers, to evaluate processing facility uses, and to develop and use AGV technologies where applicable.

AGV technology is progressively being successfully adopted in other industries and AMPC wants to establish how the technology apply to meat processing more extensively than is used now.

Through on plant studies, demonstrations, and trials, AMPC will work with processors to determine potential uses by evaluating and documenting the performance of AGV technology to perform tasks such as first deployment in emergency incidents electrical thermal sensing, lairage applications, visual inspections, food safety and micro-bio swabbing in processing facility environments.





In 2021 AMPC issued a challenge to providers across the world asking them to develop concepts for 'shadow robotic' solutions and how this might apply to meat processing and the results have been outstanding.

The aim of the technology is safety and improved accuracy. 'Shadow robots' have the ability to have employees operate equipment, without directly interacting with it. The technology will initially see processors place operational staff within control rooms on processing floors.

With advances in connectivity, such as NBN and 5G, processors could have employees housed in control rooms away from the processing location or have staff operate equipment from their computers at home, or from anywhere in the world.

Shadow robotics will not only improve safety but make it possible for a wider range of employees, including those who are less physically strong and those not located on site, to be trained in new roles.

AMPC has progressed work on the project in FY21/22 and has selected five technology providers from Australia, New Zealand, and Europe. They are looking at shadow robotics in a different way and are all at different stages of development. Concepts being developed by technology providers are progressively being demonstrated to AMPC and industry as the solutions mature.

The technology solutions range from haptic joystick technology where feedback is provided back to the operator (think of feedback you receive through the steering wheel of your car) through to vision tracking sensors that track a human movement where a robot then shadows the operator's exact movements.

The next steps for AMPC are continuing to work with these providers to complete their current development work as well as talking to processors to install 'proof of concept' and prototype systems in their processing facilities to run production trials in FY22/23.







The focus for the Sustainability Program over the year was on sharing refrigeration energy efficiency resources to encourage adoption as well as increasing renewables adoption through providing assessments of solar PV.

The refrigeration energy efficiency resources have been published to a dedicated page with more than 350 people following. 50 solar PV assessments have been completed resulting in a solar PV pipeline equal to 40% of installed industry capacity 12 months earlier.

Pilots were launched that trial the use of multi-fuel biomass boilers and Class-A water recycling units at meat processing plants.

The program also reviewed National Packaging Target implications for the processing industry and designed new approaches to divert packaging from landfill.

Completed projects



Red meat industry first — study shows benefits of integrated wastewater, biogas and biofertiliser plant

AMPC completed a project with V&V Walsh Meat Processors and Exports which was a feasibility study on an integrated wastewater, biogas and biofertiliser plant.

The study investigated a range of solutions and income streams that result in minimal to no organic waste leaving the site.

The study focussed on three integrated components:

- Wastewater management system which produces the highest classification of non-potable recycled water
- A bio-gas reactor which takes waste out of water and then creates biogas can serve several purposes on site such as heating or electricity generation
- Biofertilizer plant which uses the sludge coming out of bigas generation, which is heavy in nutrients, and can create fertilizer

Benefits of wastewater treatment ensure prolonged environmental compliance and the reduction of overall carbon footprint through reduction of emissions, wastewater recycling, biogas for thermal and electrical energy production and biofertilizer for land applications. The solution can potentially be scaled to suit all sized meat processing plants.

The project goal was to design a wastewater treatment, biogas and fertilizer plant specific for a meat processing plant, which has never been done before. It allows for a circular economy solution with wastewater being treated to produce the highest classification of non-potable recycled water. Any waste from water can then being turned into biogas for use in energy production. Sludge from biogas generation then goes to another plant to produce fertilizer which we can sell.

The results of this design stage allow V&V Walsh to properly assess the benefits and investigate costings for building such a plant.



AMPC and research provider
Minus 40 completed 50 hours
of workshops with red meat
processors across Australia,
aimed at helping processors
to understand, identify and
assess dozens of energy
efficiency opportunities (EEO's)
related to their industrial
refrigeration systems.

The project delivered:

- 10 individual plant EEO's reports
- handbooks related to specific refrigeration systems that illustrates:
 - ammonia refrigeration EEO's for medium and large processing sites
 - freon refrigeration EEO's for small processing plants
- a 'new technology guidebook' that provides succinct and relevant information on leading-edge replacement options for cooling and heating equipment
- handbooks and guidebook EEO's published on Linkedin, which now has 350 followers
- an assessment tool and manual that helps to calculate the economic viability of EEO's mentioned in the handbooks and guidebook.

This project has created a strategic hierarchy for refrigeration EEO's that is helping levy payers to navigate their own starting point when it comes to refrigeration energy efficiency.

Energy and environment grants helpline



AMPC launched a free service that provides processors with expert information, advice and guidance to help them identify and apply for energy and environment government funding and grants.

Processors can:

- Speak to a grant/funding application expert
- Identify what they are eligible for
- Be guided through the entire grant process
- Check their eligibility
- Get help drafting applications

The grants helpline has helped half a dozen processors to submit energy efficiency grant applications or register emissions reduction projects. The helpline has now expanded to include 'traffic light assessments' eligibility for support from the Emissions Reduction Fund for processors who are considering bio-energy or fuel switching projects.

The helpline can provide high level strategic advice for processors who may be considering environmental certifications for a product, facility or business.

Active projects

Advanced water recycling trials continue

During FY 2021/22 AMPC delivered its water recycling unit to a second meat processing plant in Western Australia as part of a pilot project to help build confidence in the use of different wastewater recycling treatment for non-potable uses. This follows its first trial at a plant in Queensland.

The pilot involves the use and testing of a containerised microfiltration, ultrafiltration, and reverse osmosis unit.



The objective is to source, treat and test multiple in-plant streams with varying filtration combinations. This will ensure a thorough comparison of efficacy and cost. Results will guide various applications for use of Class A recycled water.

The project involves three water recycling units that will be trailed across 9 meat processing hosts.

The pilot will establish and help progress a sustainable pathway to advanced water recycling in the meat processing sector. The results of the pilot study will include preliminary design, feasibility and business cases that outline the best uses for such recycled water within processing plants.

The red meat processing industry will be provided with a water recycling handbook that will include tools such as a decision-making matrix to help operators determine when and where to use recycled water within their plants, including how much energy and water savings are likely to be provided.

Reducing the need for fossil fuels

AMPC is conducting a pilot for processors to help reduce emissions by demonstrating multi-fuel biomass alternatives to the use of fossil fuel boilers.

The pilot will test biomass combinations in a portable multi-fuel biomass boiler. The objective is to build confidence and capability when processors consider renewable solid fuels for thermal energy.

One of the project opportunities for processors will be to consider the sustainable disposal of paunch, as well as the more economic use of adjacent agricultural wastes for use as a renewable fuel.



Digital tool to drive circular economy outcomes

An AMPC project driving a circular economy approach to 100% bioresource recovery through wastewater modernisation began in FY2021/22.

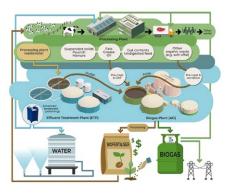
The project is developing an interactive digital design for modular wastewater treatment with the objective of assisting red meat processors in the transition from wastewater treatment facilities to integrated bioresource recovery plants.

The project also focusses on increasing environmental compliance and reducing overall carbon footprint, achieved through reduction of nutrient emissions, recycling wastewater, and diverting waste from landfill to the production of bio-energy and other resources.

For the first time, the industry will move closer to an integrated approach to wastewater and waste management that will simultaneously increase environmental compliance and reduce carbon footprint, while generating sidestreams revenue for the processing plants.

The digital tool will assist individual producers in quickly assessing the opportunities for their particular plants.

On completion of the project the output will be that AMPC levy payers and their processing plants of all sizes (small, medium and large), will be more able to self-assess options around modernisation for their wastewater treatment using a digital tool.





Sustainability investment helps ramp up solar PV adoption

AMPC's free service to help members with initial assessment and design of new solar PV systems or check their existing systems performance has proven to be successful with new solar PV projects equalling 40 per cent of installed capacity across the industry.

The project is now having a material impact on the deployment and planning for Solar PV across the Australian red meat processing industry.

When the project started in July 2021, there was 13.1 MW of Solar PV installed at AMPC member sites throughout Australia. Since that date, the project provider, Beam, has conducted 50 assessments and assisted red meat processors to install, contract or approve a further 5.4 MW of solar PV.

This adoption pipeline represents an increase by 40% in solar PV.

The solar PV assessments also consider battery storage, finding that the business case for batteries depends on financial and back-up power benefits. The benefits of back-up power can potentially be very large if power loss is frequent and/or incurs a large penalty.

For red meat processors there can be significant lost production time and cost if the power is interrupted for even small periods as major electronic machinery and controls need to be reset and/or product is lost due to temperature sensitivity.

Each battery business case considered was unique and the project recommends assessing batteries along with solar PV to determine feasibility on a site-specific case.



97 Projects



16 Completed 81 Active

Excludes MLA managed projects

The focus for the People and Culture program over the year was on delivering projects related to retention, attraction, development, and safety and wellbeing.

A major retention project was completed that showed interesting insights — the average turnover rate across 24 plants was 62%. The outcome of this research included working with these plants to embed frameworks which improve systems and drive down turnover.

The first stage of a schools program was completed that sought to understand the perceptions of the red meat industry from a teacher, student and parent perspective.

Stage 2 of the project will now use the results to develop an evidence-based program of activities to attract the next generation of workforce to the red meat processing industry and to develop partnership between local schools and processing plants.

The past year also saw a new cohort start the graduate certificate in Agribusiness and the Australian Rural Leadership program. AMPC sponsors red meat processing participants to complete these courses.

A focus on improving safety was strengthened by the completion of the Guardian 900 bandsaw development and an industry wellbeing program is proving to be successful.

AMPC has also been working with industry to develop a business continuity program and a voluntary code of practice for migrant workers.

The program ensured meat processors across Australia have access to a suite of virtual reality (VR) training equipment and modules aimed to boost accurate processing and to keep employees safe at work.



Australian rural leadership program

AMPC sponsors red meat processing participants to complete the Australian Rural Leadership Program each year.

AMPC congratulates Bernard Gooch, GM Marketing and Development at Fletcher International on graduating the Australian Rural Leadership Program in FY2021/22. Bernard said, "The course was all about experimental learning. We had the opportunity to learn and be encouraged to try new things in a safe environment which was way outside our comfort zone.

It was a very challenging and rewarding experience which gave me the skills to think differently in a range of situations."

The 15-month program was extended due to delays from COVID and included many experiences. Bernard travelled across Australia from the Kimberly to Canberra completing various activities. One experience included leading a community briefing in Mogo, where we learned first-hand about the challenges that the local community faced during the bushfires that raged through their small town in 2019.



Employee retention framework

A retention project showed the average turnover rate across 24 processing plants was 62%.

The outcome of this research including working with these plants to embed frameworks which improve systems and drive down turnover.

During this project numerous plants made significant changes to their practises and have reported improvements in retention rates. It will be important to continue developing new materials and assisting plants right across the industry in developing better practises to improve their retention outcomes.

Active projects



AMPC immersive training program ready for in-plant trials

Meat processors across Australia have access to a suite of virtual reality (VR) training equipment and modules aimed to boost accurate processing and to keep employees safe at work.

The new R&D program, AMPC Immersive Training, is being delivered by Australia's leading VR providers and will assist with training meat processing staff to identify different types of beef and lamb cuts and offal quickly and accurately.

The training will also assist employees in correct PPE and washroom procedures and how to operate beef scribing equipment safely and precisely.

As part of the program, AMPC is also investing in VR for maintenance.

These modules will help employees to recognise electrical faults in plant and the safe maintenance of wizzard trimmers.

AMPC has invested in the development of 11 immersive training modules to determine whether innovative approaches to training provide better outcomes for employees and employers. This program will also help industry with meeting its safety and wellbeing target of reducing incident rates by 30% by 2030 by lowering the risk of injury for inexperienced equipment operators.

New learning systems are available to meat processing plants online via computer desktop and through immersive VR consoles.

Ten units of immersive training consoles were deployed to AMPC staff to demonstrate the Immersive Training program to processors throughout Australia.



Wellbeing program

AMPC began a wellbeing program of work focused on assessing the wellbeing of the red meat processing industry.

As an industry, red meat processing is struggling to attract and retain employees. This project aims to understand how many people are suffering from wellness issues, which could then help to improve retention rates

The second phase of the project has recently started which is the rolling out of a wellness program and has been trailed at three processing plants. The outcome of the project is to roll out the program across red meat processing plants.



Understanding student and teacher perceptions

An AMPC research project found that teachers, parents, and students varied in their knowledge, perception and awareness of the red meat processing sector and associated careers.

To raise the perception, knowledge and awareness of the red meat processing sector and the diverse career opportunities available within, stronger partnerships between schools (teachers) and industry (processing plants) need to be developed.

Hands-on, curriculum aligned learning opportunities and experiences through tours or in-class visits are required to raise the profile, and attract the next generation talented, diverse, and dedicated workforce to the red meat processing sector.

The research recommends that future work is completed on:

- recruiting and training willing processors to host and visit local secondary and primary schools
- providing secondary school students with the opportunity to tour a local processing plant and primary school students to have an industry representative attend an in-class visit
- developing hands-on learning activities aligned to curriculum with a focus on innovations and technological advances in the red meat processing sector and their associated career pathways
- delivering teacher professional development to build the capacity and capability of primary and secondary teachers to incorporate red meat processing concepts into the classroom
- developing a business case to facilitate teacher, student and industry relationships for mutual benefit with a focus on paddock to plate.





48 Projects



17 Completed 31
Active

Excludes MLA managed projects

The focus for the Technical Market Access and Markets program for the year has been on enhancing the international competitiveness of our meat exports by reducing regulatory burden on processors and improving market access conditions.

AMPC has undertaken several projects to reduce regulatory burden. Projects to demonstrate the effectiveness of remote audits and inspection are becoming important as regulators throughout the world begin to embrace the benefits of this technology. AMPC has also supported proposed changes to meat inspection requirements, that will reduce the regulatory burden on the processing sector. A project was started to develop a risk management framework to support changes for Cysticercus bovis (C.bovis) inspection.

The changes to inspection for C.bovis are expected to result in returns of around \$30 million for processors through the sale of beef cheeks.

AMPC ran a short project that produced a scientific report that supported the extension of shelf life for beef livers exported to Egypt from 7 months to 10 months. Egyptian authorities provided a 12-month extension for exports while they consider the report.

Over the past 12 months, AMPC continued to work with processors to identify and deliver projects that are likely to produce real benefits in improving market access. Providing scientific evidence to support the government's technical market access negotiations will continue to be important for this program.



Research report shows resilience of red meat processing industry during COVID-19

In FY2021/22 a research report commissioned by AMPC showed the strong performance of the red meat processing industry during the pandemic in 2020.

The industry was able to maintain reliable supplies to both domestic and international customers under challenging circumstances.

The study, conducted by BIS Oxford Economics looked at the period from 1 April to 30 September 2020. The report stated that the industry not only dealt with the pandemic within processing plants themselves, but it also dealt with logistical and labour supply shocks.

The skill and flexibility of the meat processing industry was a contributing factor for the pandemic creating only modest impacts on industry revenues.

The report made a number of findings that indicate a strong and resilient sector. The report found that while the broader industry took an estimated 3% hit to national revenue during the most severe period of COVID-19 impact (April to September 2020), processors performed well.

On the ground, they demonstrated skill and flexibility in managing logistical and workforce disruptions to maintain supplies to domestic and international markets.

Australia's export performance during the pandemic was affected by the impacts of restocking. However, Australia's key international competitors such the United States and Argentina suffered considerably more disruption to their exports than Australia. New Zealand also performed well while Brazil appears to have made a remarkable recovery to expand exports. The report recommends that Australia's strong performance is something that should be capitalised on in the post-pandemic years.

Domestically, the issue of future workforce and supply was and still is an important issue. It's unlikely that the industry's work force structure will return to its pre-pandemic levels.

Active projects

Shredding hides — an alternative from sending to tannery

AMPC has been working with one of its meat processing levy payers, the Australian Meat Group, to come up with an alternative to sending hides to a tannery, especially when hide prices are low.

This project has established a way to extract more value from beef hides by shedding them to a degree that they can go through a meat processing rendering plant. A rendering plant in a processing facility is where parts of a carcase not intended for human consumption are processed into proteins, minerals, and fats.



The hide itself is ideal to add value to the rendering already taking place. However, it must be shredded in a cost-effective manner first to maximise its value in rendering.

This project has installed shredding machines at the Australian Meat Group that are capable of shredding the hides effectively and is now looking to determine the profitability of doing so.

It is the first time such a process has been adopted by industry and the outcomes have been extremely successful so far providing a great alternative for industry when hide prices decrease due to market access issues.

MLA Joint Investment

Marketing and market access

AMPC provides funding to MLA as part of joint industry investment program to fund important industry and product marketing, promotion, and market access activities. For FY22, \$4,466,190 was provided to MLA for marketing activities that encompass domestic and international market research and promotion, technical market access matters and business development activities both domestically and abroad.





process integrity



Completed

The Product and Process Integrity program's focus for the year has been on projects aimed at improving the traceability of meat products and providing scientific support for better options to demonstrate product integrity.

AMPC is working with processors to assess the effectiveness of various radio frequency identification device (RFID) readers for small stock. This work has become increasingly important following the recent agreement of Australian agriculture ministers to mandate electronic identification devices for small stock.

AMPC is also rolling out projects demonstrating the use of artificial intelligence and cameras to ensure meat cuts in a box match the label on the box.

Work to assess the effectiveness of RFID chips embedded on box labels matched against labels within the box also looks promising to trace meat back through a processing plant.

A project is being progressed to evaluate the capability of rapid evaporative ionisation mass spectrometry profiling to assess a range of product attributes including provenance, food safety and food quality. Another project has started to investigate the efficacy of raman probe spectroscopy to determine heavy metal contamination in beef livers.

This work has the potential to provide on-the-spot evidence to support the safety of this product for human consumption.

Over the past year, this program has focussed on projects that use technology and science to improve traceability and process integrity. Selecting projects that are likely to be of interest for commercialisations will be a focus for the future.

Completed projects



Remote auditing trials

Trials of remote auditing were conducted in 2021 using smart glasses to stream live audits of five processors to regulators.

The project has concluded and demonstrated the significant potential for remote auditing to reduce regulatory costs and third-party compliance requirements, as well as to support internal plant quality assurance programs.

Further work is planned to look at storage of remote audits and associated security requirements. One of the main issues with the project was the connectivity in rural and remote areas. A 5-G project is underway and is aimed at providing one option to address this problem.

Australian first in the hot boning space

AMPC worked together with a meat processing plant to develop a fast-chilling process for their hot boning operation.

The new process reduces the time taken to chill beef by more than 50 per cent. The processing plant delivers bulk chilled beef to domestic and export markets from a hot boning process.

Usually, beef carcases are cooled before they get boned out. Hot boning occurs before cooling.

The project focused on trialing an in-line cooling system that can chill hot beef, after boning, in record times which exceeds food safety standards and delivers a high-quality chilled beef product with an extended shelf life.

Following successful trials, the meat processor partnered with an Australian gas manufacturer, and installed a state of the art in-line cooling system and the process went through stringent validation before being put to use.





Active projects

What's in the box? Label verification

AMPC is managing research into label verification looking at various technologies available to verify the contents of a box of meat with the label on the outside of the box. Using technology to do this takes out the potential for human error and ensures accuracy.

Traceability of meat through a processing plant is extremely important for export purposes and AMPC's research program for label verification is helping processors find more efficient ways of matching box contents with box labels through technology.

The program includes a project looking at the use of RFID (Radio Frequency Identification) tags and embedding the tags on a box of meat with a similar tag on the cuts of meat inside the box

Another project works with artificial intelligence to take photos of cuts of meat within a box and then ensures it matches up with the wording on the label outside the box.

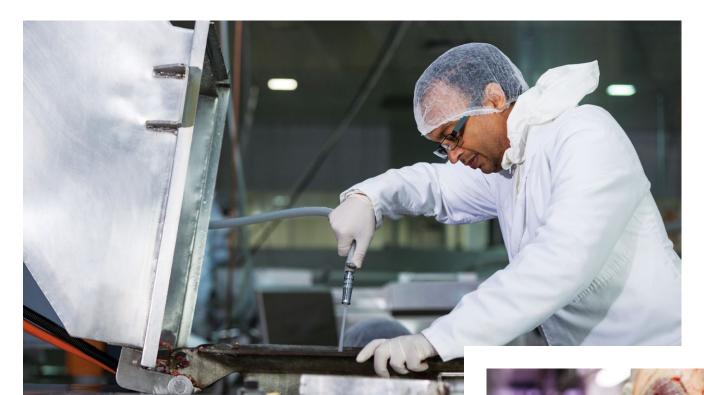
For this later work, a trial was conducted which identified six cuts of meat in one processing plant and matched them correctly to their box labels. A new trial will match 20 cuts of meat with their box labels at two processing plants.

The new trial will compare several pieces of technology that are already commercially available and can be adapted for this work and will include looking at the cost of each.

The preferred solution will be used for this new trial. The trial will also take a step back along the packing process and will look at using the camera and AI technology to assist workers to identify the correct cuts to go into the box.

Once this project has been completed, further work could include the automatic generation of labels once the camera/AI has verified the cut of meat in the box.

This initiative will address label verification which can have a significant impact on market access if the product in the box doesn't match the description on the label. AMPC has two quite different options for processing plants to choose from and what fits best with their operation. Both solutions have the potential for commercialisation in the future.



Plasma activated water to manage microbial contamination

AMPC is investing in a project looking at technology to reduce the microbial contamination of red meat.

The technology produces plasma activated water (PAW) to wash and decontaminate meat surfaces. PAW can be made in processing plants using electricity to produce ionized oxygen and nitrogen particles from air. These particles are then infused into wash water producing reactive oxygen and nitrogen particles which have a bactericidal effect, that is, PAW will kill bacteria. The PAW infused wash water is then sprayed onto meat. The ionized oxygen and nitrogen particles are active for a short time only before returning to oxygen and nitrogen molecules found in air.

The benefit of this approach is that no chemicals are used which means there is no chemical waste or residue on the meat. The active components are only water and air.

The approach is expected to be low cost, scalable and environment and consumer friendly.

AMPC is investigating the use of this technology to control salmonella and generic E.coli contamination on fresh meat and also looking into the control of other bacteria.

The aim of this is to test new tech that processors can consider as an option to improve food safety and increase shelf-life of meat.

This technology is an exciting and relatively new area of work for the meat industry. It is already used in pilots overseas to reduce bacterial contamination on fruit and vegetables, although the technology has not yet entered the global market. The tech can be used for other applications in meat processing plants such as decontaminating surfaces and equipment rather than using chemicals. AMPC worked together with the University of NSW on the project.



MLA Joint Investment

Integrity systems

AMPC provides funding to MLA as part of joint industry investment program to fund important industry integrity functions that include product assurance and traceability systems. For FY22, \$2,176,082 was provided towards integrity functions including MLA's wholly-owned subsidiary Integrity Systems Company, and SAFEMEAT. SAFEMEAT is dedicated to promoting Australia's best practice management systems that ensure when customers purchase red meat or livestock from Australia, they can be confident in the quality and safety of their choice.



AMPC Academy of Meat Engineers launched

The Australian Meat Processor Corporation launched its Academy of Meat Engineers with the first cohort of students participating in two intense and fun days of learning in March 2022. The Academy taught participants how to develop and commercialise new meat products.

Participants included AMPC levy payers from a range of different meat processing plants across Australia. The academy is about creating new opportunities and revenue streams for processors. It's all about maximising value from each carcase.

The academy included lots of interactive activities mixed with theory. Participants learnt everything from the beginning to the end of how to produce, value-add and commercialise sausages, burgers and mince. They also learnt about value-add meals, weight enhanced primals and marination, and how to set up their own formulations.

The students learnt meat selection, machinery and technology, as well as discussion on shelf-life and weightenhancement techniques. They produced their own 'batch packs' — which is all about spice-flavouring meat products. Participants created their own burgers, sausages and meatballs.

Technologies taught throughout the two-day session included grinding, mixing, filling, weight enhancement, and process technology. Equipment used included a burger press, sausage filler, pressure tumbler and mincer.

Participants have taken the learnings back to their plant to contribute to what they are already doing in the new product development space or getting processes and equipment up and running so that they can begin to value-add and create new products.

The cohort has a further two-day session starting in September 2022.





R&D and marketing agreements 2021–22

Investments paid to providers in 2021–22 financial year

Project Code	Project Title	Research Organisation	Cost paid \$		
Advanced manufacturing					
Hands-off p	rocessing				
2021-1213	Automated RFID Beef Chiller Carcase Sorting System	Harvey Industries Group Pty Ltd	170,000.00		
2021-1216	A systematic solution for Innovation Challenges of Australian Meat Processor Corporation	University of Adelaide	5,000.00		
2021-1224	Remote Operations — Shadow Robots (Stage 1)	University of Adelaide	145,991.70		
2021-1233	Industry 4.0 — Industry Benefits — Stage 2	Swinburne University of Technology	20,000.00		
2021-1238	Collaborative Robots Evaluation and Deployment Strategy Development — Stage 2 $$	University of Adelaide	34,000.00		
2021-1239	AGVs (with optional integrated collaborative robots) — Stage 2 $$	University of Adelaide	17,000.00		
2021-1248	Automated Beef Slaughter Splitting Translation Project	Jarvis ANZ Pty Ltd	264,182.14		
2021-1254	Automated Beef Slaughter Splitting Translation Project [TFI]	Thomas Foods International Pty Limited	646,400.00		
2022-1016	Beef Butt (HQ) Deboning Automation — Stage 2	University of Adelaide	50,000.00		
2022-1033	${\it Automated Beef Slaughter Splitting Translation Project-Cleaning Validation Trials}$	Vanderlinde Consulting Pty Ltd	24,080.06		
2022-1049	Ovine IMF Measurement Production Prototype	inMR Measure Ltd	385,000.00		
2022-1073	JDW Container Loading — Commercial Manufacture Design Development (Stage 3a)	John Dee Warwick Pty. Ltd.	80,000.00		
2022-1090	IP Protection Support — Shadow Robotics (Mimeo and inMR)	Mimeo Industry Ltd	27,500.00		
2022-1118	Remote Operations — Shadow Robots (Stage 2, Part A)	Mimeo Industry Ltd	62,000.00		
2022-1202	Remote Operations — Shadow Robots (Stage 2, Part B)	Mimeo Industry Ltd	45,000.00		
Technology adoption					
2022-1034	Feasibility and Innovation adoption Potential in SME Lamb Processing Boning Room Facility	Tallangatta & District Meat Supply	20,000.00		
2022-1069	IoT Solutions for Automated Temperature Monitoring (Stage 2)	Jimbour Beef and Bacon	4,700.00		
2022-1154	IFFA 2022 Innovation Tour Parts A $\&B-JBS$ Southern (3 Attendees)	JBS Australia Pty Limited	75,130.42		
2022-1157	IFFA 2022 Innovation Tour Part A — JBS Primo (5 Attendees)	JBS Australia Pty Limited	77,223.45		
2022-1159	IFFA 2022 Innovation Tour Parts A & B — TFI (2 Attendees)	Thomas Foods International Pty Limited	50,086.95		
2022-1161	IFFA 2022 Innovation Tour Parts A & B — JBS Northern (4 Attendees)	JBS Australia Pty Limited	100,173.92		
2022-1166	Plastic Lamb Gambrel Ultrasonic Hook Washing (Stages 1, 2, 3 and 4)	JBS Australia Pty Limited	35,458.00		
2022-1168	IFFA 2022 Innovation Tour Parts A & B — Fletcher (3 Attendees)	Fletcher International Exports Pty Ltd	75,130.42		
2022-1169	IFFA 2022 Innovation Tour Parts A $\&\mathrm{B}-\mathrm{NCMC}$ (3 Attendees)	Northern Co-Operative Meat Company (NCMC)	75,104.45		
2022-1171	IFFA 2022 Innovation Tour Parts A & B — KPC (3 Attendees)	Kilcoy Pastoral Company Limited	39,130.42		
2022-1173	IFAN 2022 Automation Conference and Innovation Tour (syndicated PIP) Fletcher International Exports	Fletcher International Exports Pty Ltd	66,306.48		
2022-1174	IFFA 2022 Innovation Tour Parts A & B — Wodonga (2 Attendees)	Wodonga Rendering Pty Ltd	50,086.95		
2022-1180	IFFA 2022 Innovation Tour Parts A & B — Beaufort River Meats (1 Attendee)	Beaufort River Meats (BRM)	13,043.48		

Project Code	Project Title Research Organisation		Cost paid \$
Advanced ma	anufacturing (continued)		
Technology a	adoption (continued)		
2022-1181	IFFA 2022 Innovation Tour Parts A & B — Hillside Meat Processors (2 Attendees) Hillside Meat Processors Pty Ltd		26,086.95
2022-1182	Industry 4.0 Advanced Process Control — Rendering (Stage 1 Evaluation at Brooklyn)	JBS Australia Pty Limited	39,925.00
2022-1183	IFFA 2022 Innovation Tour Parts A $\&\rm B-V\&V$ Walsh Meat Processors $\&\rm Exporters$ (2 Attendees)	V&V Walsh Meat Processors & Exporters	17,317.48
2022-1184	IFFA 2022 Innovation Tour Parts A & B — Teys Australia (1 Attendee)	Teys Australia Pty Ltd	25,043.48
2022-1186	Co-ordination of the IFFA 2022 Innovation Tour	Business and Manufacturing Consultancy UK	60,800.00
2022-1194	IFFA 2022 Innovation Tour Parts A & B — Hardwick Meat Works (1 Attendee)	Hardwick Meat Works Pty Ltd	13,043.44
Digitisation			
2021-1192	Traceability — Primal to Steak/Steak to Primal (Stage 2)	Wessex Technology OEP Ltd	165,000.00
2022-1009	Murray Bridge 2.0: 3D Rendered Visualisation Industry 4.0 Digital Twin	Thomas Foods International Pty Limited	139,380.00
2022-1014	Innovation Manager — Industry 4.0	Thomas Foods International Pty Limited	180,800.00
Carcase opti	misation		
2021-1208	CT Scanner Developments for Red Meat Processing — Stage 1	Micro-X Ltd	50,000.00
2021-1259	CT Scanner Developments for Red Meat Processing — Stage 1	Australian National University (ANU)	50,000.00
2021-1260	Bone Belt Monitoring — Stage 2	University of Adelaide	55,000.00
2021-1264	IMF of Primals — End of Processing Line measurement Using NMR (Stage 2)	inMR Measure Ltd	106,000.00
2022-1038	Face piece and by-products harvesting for human consumption	Kilcoy Pastoral Company Limited	316,000.00
2022-1185	KPC Automated Robotic AI Chilled 4-cut Beef Scribing System	Kilcoy Pastoral Company Limited	2,425,296.00
2022-1193	Brooklyn Lamb Frenching Scribe (PoC)	JBS Australia Pty Limited	15,000.00
Sustainabilit	у		
Communitie	s		
2022-1035	Developing a sustainability assessment framework and strategy for the TFI US supply chain (Stage 1 of 3)	Thomas Foods International Pty Limited	55,000.00
2022-1070	What are the key drivers of the red meat processing sector's reputation?	CT Group	249,000.00
2022-1162	G. & K. O'Connor Pty Ltd Innovation Manager (Sustainability)	G&K O'Connor Pty Ltd	30,000.00
2022-1201	Industry Positioning Integrated Communication Plan	CT Group	105,000.00
2023-1002	2022 Environmental Performance Review	Commonwealth Scientific & Industrial Research Organisation (CSIRO)	18,439.00
Energy			
2022-1045	Advanced Projects Manufacturing Innovation Manager	Usinch Pty Limited, trading as E C Throsby Pty Limited	108,750.00
2022-1071	Refrigeration as a Service — Stage 1 on pathway to superior energy efficient refrigeration	Minus 40 Pty Ltd	144,276.30
2022-1096	Energy Management System for integration of hybrid renewable energy	Beam Energy Labs Pty Ltd	30,000.00
2022-1097	Services and Waste Insights, Reduction and Optimisation Innovation — Stage 2 (Moe facility)	H W Greenham & Sons Pty Ltd	83,070.00

Project Code	Project Title	Research Organisation	Cost paid \$
Sustainabilit	cy (continued)		
Water			
2021-1207	Services and Waste Insights, Reduction and Optimisation Innovation — Stage 1 $$	H W Greenham & Sons Pty Ltd	107,640.00
2022-1043	Stanbroke Environmental Innovation Project Manager	Stanbroke Beef Australia	109,834.00
2022-1053	Zero Waste from Site — Liquid Stream, Stage 2	Midfield Meat International Pty. Ltd.	100,852.00
2022-1163	G. & K. O'Connor Pty Ltd — Sustainability Strategy 2022–2030	G&K O'Connor Pty Ltd	70,000.00
Waste			
2022-1037	Utilising Paunch into the Biomass boiler	GBP Products Pty Ltd	100,000.00
2022-1058	Removal of persistent organics from tannery solid wastes	Northern Co-Operative Meat Company (NCMC)	56,714.00
2022-1081	Bio-solids upgrade. Stage 1	Tessele Consultants Pty Ltd	50,220.00
Packaging			
2022-1039	Modular Pallet Project	Stanbroke Beef Australia	28,968.00
People and c	culture		
Attraction			
2022-1024	2022-24 Science and Innovation Awards for Young People in Agriculture, Fisheries and Forestry	Department of Agriculture, Water and the Environment	22,727.27
2022-1080	Understanding parents, student and teacher perceptions of the processing industry? Current State Of Knowledge (Stage 1)	Central Queensland University (CQU)	99,946.00
2022-1148	Developing a Voluntary Code of Conduct for Migrant Worker Management (Stage 1)	KPMG Australia	286,951.00
2022-1175	JBS Head of Innovation and Industrial Engineering (Southern)	JBS Australia Pty Limited	80,000.00
Retention			
2022-1083	Industry 4.0 — Artificial Intelligence / Machine Learning Stage 1 (Machine talking to humans)	Nolan Meats Pty. Ltd.	107,000.00
2022-1102	Kilcoy Global Foods Innovation Hub NPD Solutions Team	Kilcoy Pastoral Company Limited	59,692.00
2022-1138	Machine Learning as a tool to improve retention (Stage 1)	Toustone	60,000.00
Developmen	it		
2021-1163	Development of Interactive Virtual Tours of red meat Abattoirs processes from lairage to package	Murdoch University	25,000.00
2021-1189	Nolan Meats Co-Innovation Program	Nolan Meats Pty. Ltd.	202,120.00
2021-1249	Modernising Training and Development in the Red Meat Industry	KPMG Australia	249,948.00
2021-1258	Immersive Reality (Training — Washroom Lobby)	Think Digital Studios Pty Ltd	120,000.00
2021-1262	${\bf Immersive\ Reality-Equipment\ Maintenance\ Training-Wizard\ Trimmer}$	Think Digital Studios Pty Ltd	180,434.20
2021-1280	Dardanup Butchering Company — Innovation Manager	Dardanup Butchering Company	180,000.00
2022-1030	AMPC Data Entry Screen Development for integration into Toustone Database	Toustone	25,400.00
2022-1040	Immersive Reality & Shadow Robotics — Haptic Gloves and Headsets Support Project	Virtually There Training Pty Ltd	32,272.64
2022-1047	Australian Agribusiness Leadership Program 2022-24	Australian Rural Leadership Foundation Limited	37,500.00
2022-1093	Business Plan for a Red Meat Industry Knowledge Hub	Response Research Pty Ltd	30,000.00
2022-1121	JBS Strategic Innovation Management Program	JBS Australia Pty Limited	32,000.00
2022-1150	TQM Innovation Manager	Tasmanian Quality Meats Pty Ltd	102,500.00

	Project Code Project Title	Research Organisation	Cost paid 9
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People and culture (continued)					
Developmen	nt (continued)				
2022-1164	Meat Processing Industry Training Package update Halal Resources	National Meat Industry Training Advisory Council Limited (MINTRAC)	14,700.00		
2022-1176	6 The Western Meat Packers Group (WMPG) Innovation Manager Trust T/A Western Meat Packers Trust T/A Western Meat Packers		35,000.00		
2022-1187	Evaluation of the AMPC Innovation Manager Program	GHD Pty Ltd	48,630.40		
Safety and v	vellbeing				
2021-1251	Exo-skeletons (powered and unpowered) evaluation and development requirements	Ottobock SE & Co. KGaA	39,150.00		
2021-1257	Australian Country Choice Infectious Disease Management Program	Australian Country Choice	347,916.66		
2022-1017	A systematic and collaborative approach with processing plants to improve knife safety and analyising IOT technology in the Red Meat Industry. PART A Plant Level	Wodonga Rendering Pty Ltd	103,839.41		
2022-1019	A systematic and collaborative approach with processing plants to improve knife safety and analyising IOT technology in the Red Meat Industry. PART A Plant Level	G&K O'Connor Pty Ltd	80,000.00		
2022-1041	We arables: Musculoskeletal Injury Risks in Roles Requiring Knife Usage — Stage 1 $$	Preventure Pty Ltd	86,728.00		
2022-1042	Absenteeism: A longitudinal study for Australian meat processing industry — A social perspective — Phase 1	Response Research Pty Ltd	165,501.00		
2022-1051	Industry 4.0 — IoT Sensors — (Blackline G7c is a Connected Gas Detector and Man-Down Alert)	M. C. Herd Pty Ltd	31,592.00		
2022-1072	The implementation of cobotic and exoskeletal devices for the Australian red meat processing industry Phase 1 $$	Risk and Injury Management Services Pty. Ltd.	96,000.00		
2022-1089	Covid-Safe Support for the Red Meat Industry — Part D (Teys Australia)	Teys Australia Pty Ltd	29,000.00		
2022-1095	A systematic and collaborative approach with processing plants to improve knife safety and analysing IOT technology in the Red Meat Industry. PART C Plant Level	Heath Newton Family Trust T/A Junee Prime Lamb	100,000.00		
2022-1167	Wodonga Rendering Guardian 900 understanding long term benefits of adoption including the use of IOT	Wodonga Rendering Pty Ltd	155,000.00		
2022-1192	Culture and Innovation Centre (Brooklyn) — Stage 1	JBS Australia Pty Limited	40,000.00		

Tankwin al w					
Technical market access and markets					
Marketing a	nd promotion				
2022-1036	JBS Southern B2C	JBS Australia Pty Limited	160,000.00		
2022-1188	Digital 3D sales and marketing tool	Virtually There Training Pty Ltd	25,000.00		
Products					
2021-1184	Beef Fat and Beef Trim Separation Process Trial (Denmark) Feasibility: Stage 1	Kilcoy Pastoral Company Limited	80,000.00		
2021-1279	Traceability — Investigating Primal Cut Packaging and Traceability Options for Exports (Stage 1)	KPMG Australia	206,793.00		
2022-1020	Beef Fat and beef trim separation process trial feasibility stage 1	Kilcoy Pastoral Company Limited	247,681.82		
2022-1091	Development, Launch & Maintenance of the Handbook of Australian Meat (HAM) Application	AUS-MEAT Limited	103,300.00		
2022-1114	NPD Academy — Syndicated PIP (Intake 1) (Stephanie Murphy)	Kilcoy Pastoral Company Limited	20,000.00		
2022-1115	NPD Academy — Syndicated PIP (Intake 1) (Tracy Stewart)	Kilcoy Pastoral Company Limited	20,000.00		
2022-1116	NPD Academy — Syndicated PIP (Intake 1) (Daniel Murray)	Kilcoy Pastoral Company Limited	20,000.00		
2022-1117	NPD Academy — Syndicated PIP (Intake 1) (Brenden Lydford)	Kilcoy Pastoral Company Limited	20,000.00		
2022-1136	NPD Academy — Syndicated PIP (Intake 1) (Joanne Galletly)	Bindaree Beef	20,000.00		
2022-1137	NPD Academy — Syndicated PIP (Intake 1) (Matt Callinan)	Fletcher International Exports Pty Ltd	1,566.81		
2022-1195	Wool recovery innovation (reducing time & environmental impacts, and value adding in Australia) — Stage 1	JBS Australia Pty Limited	39,000.00		

Project Code	Project Title	Research Organisation	Cost paid \$
Technical ma	arket access and markets (continued)		
Market acces	ss		
2021-1215	Pneumatic Stunning Evaluation and Review (Stage 1) — Animal Efficacy Evaluation	Commonwealth Scientific & Industrial Research Organisation (CSIRO)	58,000.00
2022-1021	Business continuity unit — Developing a Human transmissible disease management plan — Level 6	Respond Global	82,943.00
2022-1022	Meat Messaging — Integration and Adoption Provider Support (Stage 1)	Emydex Australia Pty Ltd	65,500.00
2022-1023	Meat Messaging — Integration and Adoption Support Wodonga Rendering (Stage 1)	Wodonga Rendering Pty Ltd	27,368.00
2022-1077	Processing Industry Crisis Management Plan	Noetic Group	36,750.00
2022-1082	Mitigation of T. saginata exposure to cattle via official waste-water treatment in Australia	Atura	36,000.00
2022-1100	Smart Food Safety Verification for Australian Meat Processing Exporters	Bondi Labs Australia Pty Ltd	252,421.00
2022-1199	Research to support the extension of beef liver shelf life to 10 months	Vanderlinde Consulting Pty Ltd	8,365.41
2022-1203	Frozen Australian Beef Liver Shelf Life Project (10 months)	Symbio Laboratories Pty Ltd	10,655.10
Global comp	etitiveness		
2022-1094	Evaluating the socio-economic benefit of the red meat processing industry in regional Australia FY21	SG Heilbron Pty Ltd	89,800.00
2022-1178	C.bovis risk management plan and verification arrangements	AP Food Integrity Pty Ltd	11,250.00
2022-1179	C.bovis risk management plan and verification arrangements	Atura	5,040.00
2022-1197	Remote Auditing for Australian Red Meat Processing Industry	Bondi Labs Australia Pty Ltd	50,000.00
Product and	process integrity		
Traceability			
2021-1267	Traceability — Primal to Steak/Steak to Primal (Stage 2)	Trust Codes Limited	25,000.00
2022-1124	Al Computer Vision — Activity Based Monitoring Across Specification, Cut and Yield	Teys Australia Pty Ltd	118,250.00
2022-1127	Smallstock Traceability Pilot Studies — TPL Meat Exports Pty Ltd	TPL Meat Exports	11,907.56
2022-1128	Smallstock Traceability Pilot Studies — GMP	Gundagai Meat Processors (GMP)	25,000.00
2022-1130	Smallstock Traceability Pilot Studies — Dardanup Butchering Company	Dardanup Butchering Company	35,120.67
2022-1139	Smallstock traceability Pilot Study Evaluation	Department of Primary Industries (NSW)	11,196.00
2022-1189	Smart Box Label Verification Technologies	Bondi Labs Australia Pty Ltd	25,000.00
Animal welfa	re		
2022-1061	Stealth Dual Purpose I.4.0 Knocking Box — Syndicated Development and Adoption PIP (4 of 10 — AMG)	Australian Meat Group Pty Ltd	168,000.00
2022-1063	Stealth Dual Purpose I.4.0 Knocking Box — Syndicated Development and Adoption PIP (6 of 10 — Teys)	Teys Australia Pty Ltd	168,000.00
2022-1065	Stealth Dual Purpose I.4.0 Knocking Box — Syndicated Development and Adoption PIP (8 of 10 — TFI)	Thomas Foods International Pty Limited	168,000.00
2022-1066	Stealth Dual Purpose I.4.0 Knocking Box — Syndicated Development and Adoption PIP (9 of 10 — JBS)	JBS Australia Pty Limited	404,918.00
2022-1067	Stealth Dual Purpose I.4.0 Knocking Box — Syndicated Development and Adoption PIP (5 of 10 — Ralphs Meat Company)	Ralphs Meat Company Pty Ltd	399,918.00
2022-1068	Stealth Dual Purpose I.4.0 Knocking Box — Syndicated Development and Adoption PIP (1 of 10 — Greenham)	H W Greenham & Sons Pty Ltd	168,000.00
2022-1075	Stealth Dual Purpose I.4.0 Knocking Box — Syndicated Development and Adoption PIP	Meramist Pty Ltd	168,000.00
	(3 of 10 — Meramist)		

Project Code Project Title Research Organisation Cost paid \$

Product and process integrity (continued)					
Animal welf	are (continued)				
2022-1149	Evaluation of the new Jarvis 'Stealth' box in improving animal movement into restraint	Commonwealth Scientific & Industrial Research Organisation (CSIRO)	25,000.00		
2022-1196	Stealth Dual Purpose I.4.0 Knocking Box — Syndicated Development and Adoption PIP (7 of 10 — Australian Country Choice)	Australian Country Choice	319,918.00		
Food safety					
2022-1044	Rapid Cooling of Hot Boned Trimmings Stage 4: Final Installation of Custom Machinery	Usinch Pty Limited, trading as E C Throsby Pty Limited	751,287.00		
2022-1060	Computer Vision Tracking of Lamb Carcasses through the harvest floor to the chiller while performing Foreign Object detection	JBS Australia Pty Limited	238,050.00		
2022-1084	Development of a state of the art Personal Hygiene Ante Room utilising Al and UV	Northern Co-Operative Meat Company (NCMC)	477,968.28		
2022-1109	The Economic and Policy Implications of Covid-19 on the Red Meat Processing Sector — Stage 2	BIS Oxford Economics	62,565.00		
2022-1165	UV- C Project Stage 1 Worker and Product safety	Gundagai Meat Processors (GMP)	270,000.00		

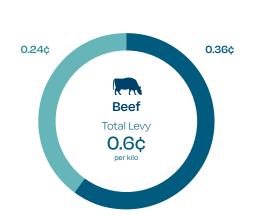
The list only includes new agreements entered into. If a project was originally entered into in a previous financial year and a variation was signed in FY21, it will not appear on the list since it was originally executed in another year. If the project was originally executed in FY21 and subsequently varied it will appear on the list.

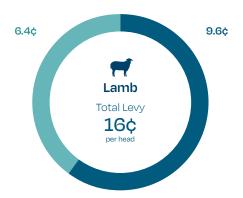
Our industry

Beef production and livestock slaughter levies

Research & development

Marketing







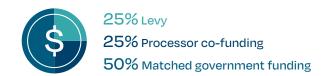


Funding sources

Core projects provide benefit to the meat processing industry. They address industry-wide issues covering productivity, profitability, sustainability, integrity, and capability. Core projects go through a robust industry-wide consultation process. Funding comes from processor levies and matched government funding (where applicable).



Plant Initiated Projects (PIP) enable meat processing plants to identify and undertake R&D projects in their plant that generate whole-of-industry benefits. This is by trialling and adopting new technologies at their plant. They are funded by the plant, levies, and matched government funding.



Joint projects deliver supply chain improvements. Projects are completed in the areas of food safety, data integrity, eating quality, and support increased demand for red meat domestically and internationally. These projects are funded by AMPC and Meat and Livestock Australia, using both processor and producer levies, as well as matching government funds for eligible activities.



Government matched funding

The matched funding mentioned above is provided by the government to research and development corporations each year and is capped based on industry's Gross Value of Production. For red meat industry participants, the 2021–2022 matched funding cap was \$98.9m (total available between AMPC, MLA and LiveCorp).

Eligible R&D initiatives attracted matched funding equal to 50% of project expenditure.

The processing sector accesses matched funding through our supply chain innovation partner, Meat and Livestock Australia.

AMPC invested \$20.6 million of cap in 2021-22.

Financial report

For the year ended 30 June 2022

Australian Meat Processor Corporation Ltd ABN 67 082 373 448

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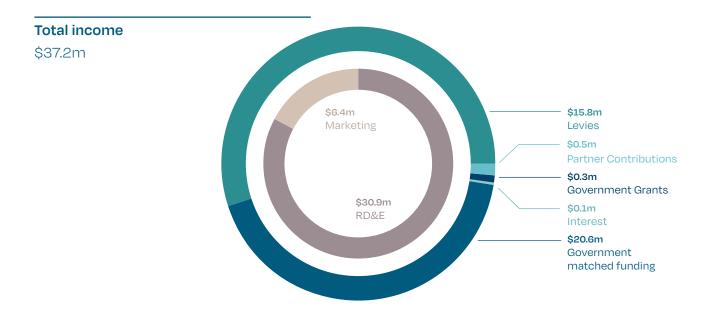
Australian Meat Processor Corporation Ltd is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

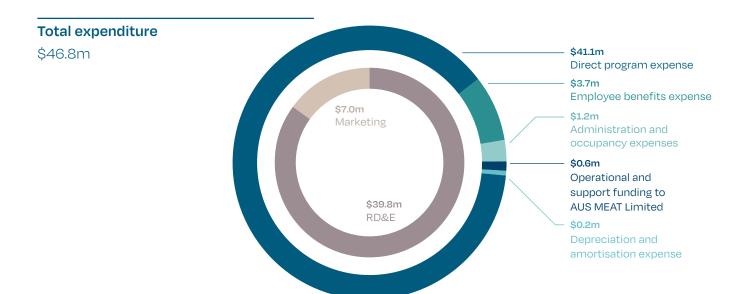
Australian Meat Processor Corporation Ltd Suite 2, Level 6 99 Walker Street North Sydney NSW 2060

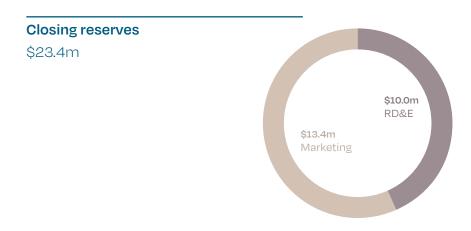
A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.



Financial highlights







Directors' report

The directors present their report together with the financial report of the Australian Meat Processor Corporation Ltd (AMPC or the Company) for the financial year ended 30 June 2022 and auditor's report thereon.

Directors

The names of each person who has been a director during the year and to the date of this report are:



John Berry Chairman

John K Berry is the Head of Corporate and Regulatory at JBS Australia Pty Limited and also a Director of JBS Australia.

JBS is the largest meat, protein and food processing company in Australia and New Zealand.

John has over 20 years of senior management experience in the Australian Meat and Food Processing Industry.

John has lead responsibility for corporate and government relations, industrial relations, sustainability and environmental within the JBS Australia business.

He also has extensive operational and business strategy experience including merger and acquisitions and business integration.

John possesses an MBA from the University of Queensland, business management degree from the Queensland Institute of Technology and is also a Graduate and Fellow of the Australian Institute of Company Directors.

John was elected to the AMPC Board for an eighth term in November 2020.



Melissa Fletcher Deputy Chairman

Melissa Fletcher is the Chief Executive Officer of Fletcher International Exports, one of Australia's largest processors and exporters of lamb and sheep meat products.

As an Australian of proud indigenous descent with over 30 years of industry experience, she represents a new generation of red meat industry leaders and brings a unique and valuable perspective to the AMPC Board.

Melissa was elected to the AMPC Board for her second term in November 2020.



Bruce Rathie
Special Qualifications Director
(Independent Director)

Bruce is a professional Non-Executive Director of nearly 20 years standing having completed successful prior careers in law and finance. He holds degrees in law (LLB), commerce (B. Commerce) and business (MBA Geneva). He is particularly strong in governance being a Fellow of the AICD and holding its Diploma Company Director, a Fellow of Australian Institute of Managers & Leaders and a Fellow of the Governance Institute and holding its Diploma Company Secretarial Practice (Governance).

Bruce has been a professional Director since 2000 in roles with ASX listed and unlisted companies predominantly in the financial services, biotechnology and technology sectors. He is currently a Non-Executive Director of ASX 200 PolyNovo Limited (biotechnology), ASX listed Cettire Limited (e-commerce), Capricorn Society Limited (financial services) and Australian Meat Processor Corporation Limited (research & development). He is also Chairman of ASX listed 4DMedical Limited (biotechnology) and Capricorn Mutual Limited (financial services).

Bruce resigned from the AMPC Board in November 2022.



Leanne Heywood Special Qualifications Director (Independent Director)

Leanne is an experienced ASX non-executive director, Audit and Risk committee and Nominations and Remuneration committee chair with broad general management experience gained through an international career in the mining sector, including 10 years with Rio Tinto.

Her experience includes strategic marketing, business finance and compliance and she has led organisational restructures, disposals and acquisitions.

Additionally, she has had significant experience in complex cross-cultural negotiations and international customer and stakeholder relationship management (including governments, communities, and investment partners).

Leanne holds a Bachelor of Business (Accounting) from Charles Sturt University and an MBA from the Melbourne Business School, University of Melbourne. She is a member of the Australian Institute of Company Directors and CPA Australia.

Leanne resigned from the AMPC Board in March 2022.



Dean Goode Processor Director

Dean was appointed Chief Executive Officer of Kilcoy Pastoral Company Limited (KPC) on 1 July 2012. He has worked for KPC for over 15 years, including as General Manager of Operations.

He has extensive experience in the export beef processing industry, having previously worked for over 20 years with AMH at both their Dinmore and Townsville facilities in various management roles.

In January 2017, he was appointed Group Chief Executive Officer of the rebranded group of companies, Kilcoy Global Foods, with responsibilities in Australia, USA and China.

Dean holds a Master of Business Administration (MBA) from James Cook University.

Dean was elected to the AMPC Board for his third term in November 2020.



Tom Maguire
Processor Director

Tom has a post graduate in Economics, Industrial Relations and Human Resources Management and completed a Master of Business Administration (MBA) from University of Queensland.

Tom Maguire currently holds the position of Group General Manager with HW Greenham and Sons, and was previously General Manager Corporate Services with Teys Australia Pty Limited. Tom has been involved in the Australian meat industry since 1997 and has held senior positions in the National Meat Association of Australia.

Tom was elected to the AMPC Board for an eighth term in November 2020.



Noel Kelson
Processor Director

Noel Kelson has been involved within the Australian meat processing sector since 1971 working in government inspection and compliance. During this period, he had participated within the significant changes executed by the Victorian meat industry including the transition from direct regulatory control to a quality assured outcome.

In 1995 Noel left the government service to become the quality assurance manager for the Warrnambool based Midfield Meat International Pty Ltd, a position held for 23 years.

Noel has maintained a strong interest in industry matters and in 2015 became a serving Board member of the Australian Meat Industry Council and in 2017 a Trustee Director of the Australian Meat Industry Superannuation Trust. In 2017 Noel was appointed to the Board of the Victorian meat authority, PrimeSafe, and in April of 2020 filled a vacancy upon the AMPC Board.

Noel was elected to the AMPC Board in November 2020.



Brad Teys
Processor Director

Brad Teys has worked in the beef processing industry for 42 years, working throughout the business in various areas including livestock procurement, plant operations and sales. Brad has been CEO of Teys since 2002 and has been Chairman and CEO since 2019.

Teys Australia is the second largest beef processing company in Australia with six processing sites, three feedlots and value added and wholesaling businesses throughout the Country's eastern seaboard. Teys Australia employees 4,700 people across three states.

Brad has a Dip. Meat Tech. with Distinction from Massey University, New Zealand and an MBA with Distinction from Bond.

Brad was elected to the AMPC Board in November 2020.



James Hardwick
Processor Director

James Hardwick is a senior manager of Hardwicks Meatworks Pty Ltd, a multi species Tear One 1 export plant situated in Kyneton, Victoria.

Additionally, he is a joint Owner/Director of the Kytoy & BCM Motor Group, with five car dealerships situated in Victoria.

He has served as Treasurer of the Victorian Wholesale Butchers Association since 2009 and is currently a Director of MIESF Superannuation Fund.

James completed a Bachelor of Business (Accounting) degree at University.

James resigned from the AMPC Board in November 2021.



Saranne Cooke Independent Director

Dr Saranne Cooke is a professional director and chair with experience on a variety of boards across the research and education, health, sport, financial and not-for-profit sectors.

Saranne is Deputy Chancellor of Charles Sturt University, Chair of the Australasian College of Sport and Exercise Physicians, Deputy Chair of Racing NSW, Vice President of the Royal Flying Doctor Service (South Eastern), a director of Fisheries Research and Development Corporation (RDC), HESTA Superannuation, Western NSW Primary Health Network, and Aged and Community Care Providers Association.

Dr Cooke has been involved with RDCs since she was appointed to the Fisheries RDC board in 2018. Dr Cooke Chairs the Fisheries RDC Finance, Audit and Risk Committee and is the Independent Chair of the Sugar Research Australia Director Selection Committee for 2022.

Saranne was elected to the AMPC Board in January 2022.



Allira Hudson – Gofers Independent Director

Allira Hudson-Gofers is a non-executive director and chair with board experience across sport, innovation, legal services, and not-for-profit sectors.

In her executive role, Allira is a registered Trans Tasman Patent Attorney and the Engineering and ICT Practice Group Leader for an intellectual property law firm.

She holds a Bachelor of Mechatronics Engineering, a Master of Biomedical Engineering, a Master of Intellectual Property, and an MBA. She is currently completing a Graduate Diploma of Applied Corporate Governance and Risk Management and a Master of Legal Business.

Allira was elected to the AMPC board in April 2022.

Company Secretary



Sara Stebbing Company Secretary

Sara Stebbing was appointed as
Company Secretary on 11 February 2021
and resigned on 28 February 2022.
Sara is a qualified lawyer (England and
Wales) who has been providing advice
to public and private companies for over
10 years. Sara holds a Bachelor of Science
with honours (Geography) from Bristol
University and Graduate Diploma in Law
(GDL) and Legal Practice Course (LPC).



Mark Langan Company Secretary

Mark Langan was appointed as Company Secretary on 28 February 2022. Mark has over three decades' Accounting and Company Secretarial experience in various listed and private companies as well as in private practice. He joined Company Matters in 2014. Previously, Mark served as Chief Financial Officer of Clarius Group Limited for over a decade and before that was Company Secretary of ASX listed Dapoli Corporation Limited. Mark is a member of the Institute of Chartered Accountants in Australia.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

AMPC is responsible for promoting:

- freedom of trade in the interests of the Members;
- marketing and sales of Australian meat on the Australian market and to overseas countries;
- meat processing industry Research and Development;
- improvement of the quality of Australian meat;
- the classification of Australian meat;
- the economic, environmental, health, safety and social well-being of the meat processing industry and the wider community;
- the mutual interests of Members by holding conferences, symposiums and seminars for any or all of the Members and presenting the views of the Company on behalf of the Members at any conference, symposium or other forum; and
- the interests of and do all relevant acts and things for the advancement, protection and promotion of the interests of the Members.

AMPC is the rural research and development corporation for the red meat processing industry in Australia. As the research, development and marketing service provider for Australian processors, AMPC runs programs of activity that are funded by processor levy payers, private contributions and the Australian Government. These programs deliver outcomes and benefits for the Australian red meat processing industry and the broader Australian community.

AMPC's goals are to provide Research, Development, Extension and Marketing services that:

- improve long-term efficiency and industry competitiveness;
- protect, secure and maintain market access;
- enhance industry sustainability;
- develop capability, translation and extension; and
- increase productivity and value capture.

AMPC manages activities across key programs that include Advanced manufacturing; Sustainability; People and culture; Technical market access and markets; and Product and process integrity.

AMPC is committed to working with its stakeholders to achieve an efficient application of levy funds through its RD&E and marketing activities to address industry priorities. That impact is enhanced by leveraging AMPC's investment through co-investment and collaboration.

AMPC engages with the Australian Government, its meat processor membership base, Meat & Livestock Australia (MLA) and other bodies in the red meat industry including the Red Meat Advisory Council (RMAC) and the Australian Meat Industry Council (AMIC). These collaborations ensure that processor levy funds are appropriately and effectively invested to deliver maximum benefits.

AMPC will continue to develop strategic partnerships and alliances with other organisations that have complementary capabilities and service delivery assets. These organisations include the National Meat Industry Training Advisory Council (MINTRAC), Universities, government agencies, Research & Development Corporations (RDCs), research institutes, CSIRO, Co-Operative Research Centres (CRCs) and other industry providers, both in Australia and internationally.

No significant changes in the nature of the Company's activity occurred during the financial year.

Short-term and long-term objectives

The objectives for which the Company is established are:

- to promote, protect and further the interests of the Company and its Members in any lawful manner;
- to act as a Meat Processor Body, including by providing services, and procuring and providing leadership in the provision of services, relating to Research, Development and Marketing in the meat processing industry for the benefit of its Members and Meat Processors and the community in general;
- where a Statutory Levy Regime applies, enter into a Funding Agreement or similar arrangement with the Commonwealth of Australia relating to the payment to, and application of Statutory Funds, by the Company;
- where no Statutory Levy Regime applies or Statutory Levies are set at zero, enter into Contribution Contracts with Members for the payment of Company Contributions;
- to collect payments or Company Contributions from Meat Processors for the purpose of investing in and financing projects, undertakings or enterprises of any kind either severally or jointly with any meat Industry corporation, body or entity; Research and Development corporation, body or entity; marketing corporation, body or entity; or other person, body or entity; in each case in the interests of and for the benefit of Meat Processors and/or the meat processing industry;
- to receive Statutory Funds and apply those Funds in accordance with the Statutory Funding Agreement (SFA), the Red Meat Memorandum of Understanding (MOU) and the Australian Meat and Live-stock Industry Act 1997 (Cth);
- to enter into contracts with, and employ and engage, individuals, organisations, companies, bodies or entities to manage, Research and Development and Marketing projects and/or other projects on behalf of the Members and in the interests of and for the benefit of Meat Processors and/or the meat processing industry;
- to perform such acts and do any other thing deemed necessary or desirable for the preservation, protection and promotion of the rights and interests of the Members as Meat Processors; and
- to carry out any and all such acts and do all such things that may be in the interests of the Members and to carry out any or all such acts and or all such other things that are an incidental or conducive to the attainment of the aforementioned objects.

Incorporation

The Company was incorporated as a national Member funded public company on 22 April 1998 pursuant to reforms announced by the Minister for the Department of Agriculture, Forestry and Fisheries on 18 March 1997.

These reforms required red meat processors and livestock exporters to establish separate self-funded companies to interact with a producer company through willing partnership arrangements.

In 2007 AMPC, through its processor Peak Industry Council, requested the Commonwealth Government to re-introduce a Statutory Levy and that such funds be directed to AMPC to enable it to continue to carry on its normal business activities including its contractual arrangements pursuant to the Memorandum of Understanding referred to below. On 1 September 2007, the Government introduced a Statutory Levy Scheme to collect funds from red meat processors in turn forwarded these funds on to AMPC to manage and fund industry programs.

Memorandum of Understanding

The Company became a party to the Memorandum of Understanding ("MoU") on 27 April 1998 and to subsequent revisions to the original document.

The MOU links the Company with Meat and Livestock Australia Limited (a separate producer corporation) and LiveCorp (a separate livestock exporter's corporation) together with the Commonwealth of Australia, Peak Industry Councils and the Red Meat Advisory Council (RMAC).

The roles and responsibilities of the Company under the MOU are:

- (a) to provide management, funding and administrative arrangements for red meat processing industry activities to be undertaken by or through MLA including 'Joint Functions', 'Core Functions' and any unforeseen event which has significant impact upon the industry;
- (b) in consultation with the Australian Meat Industry Council (AMIC) to undertake activities and provide services on behalf of the processing sector of the industry, which are not inconsistent with the provisions and principles of the MOU;
- (c) where services are provided by or through MLA, to develop jointly with MLA and/or AMIC goals for achieving the vision and strategic imperatives for the industry sector it represents;
- (d) each year to prepare in consultation with AMIC:
 - a strategic plan including financial projections for the period of 3 years beginning on 1 July in that year for the performance of functions necessary to achieve the objects of the Company and consistent with the Meat Industry Strategic Plan (MISP); and
 - an operating plan including financial projections setting out the activities the Company proposes to undertake in the immediately following financial year consistent with its business plan;

- (e) to pursue the achievement of industry goals identified in the MISP in a manner consistent with policies and strategic imperatives developed pursuant to the MOU and to perform its functions and exercise its powers in a manner consistent therewith; and
- (f) to negotiate and enter into contracts with MLA, and with both MLA and LiveCorp, under which MLA will perform, or arrange for other persons to perform, Joint Functions and services on behalf of the industry sectors they represent for achieving the goals identified in the MISP.

Wind-up costs

Every member undertakes to contribute to the property of the Company in the event of the Company being wound up while a member, or within 12 months after ceasing to be a Member, for:

- (a) the payment of the debts and liabilities of the Company which were contracted by the Company before the Member ceased to be a Member; and
- (b) the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves,

such amount, as may be required, not exceeding one hundred dollars (\$100).

Operating results

The deficit of the Company amounted to \$9,505,288 (2021: deficit of \$9,168,111).

Funding Agreement

AMPC and the Department of Water and the Environment (now the Department of Agriculture, Forestry and Fisheries) entered into a ten-year Funding Agreement 2020-2030.

The company is administering the statutory levies on behalf of the industry as detailed in the new Funding Agreement.

Meetings of directors

During the financial year, 19 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' N	Nomination and Directors' Meetings Remuneration Committee				Committee
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
John Berry	9	9	_	_	_	_
Melissa Fletcher	9	6	_	_	_	_
Bruce Rathie	6	6	3	3	3	3
Leanne Heywood	7	7	4	4	4	4
Dean Goode	9	9	_	_	_	_
Tom Maguire	9	7	5	5	_	_
Noel Kelson	9	9	_	_	5	5
Brad Teys	9	8	_	_	_	_
James Hardwick	6	6	_	_	_	_
Saranne Cooke	3	3	2	2	2	2
Allira Hudson-Gofers	2	2	1	1	1	1

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.

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

On behalf of the directors:

John Berry, Chairman

Dated 6 October 2022

Corporate governance statement

For the year ended 30 June 2022

The Board of AMPC is responsible, with management, for the corporate governance practices of the Company and constantly updates its practices based on both its advice and its own investigations. This statement sets out the main corporate governance practices that were in operation throughout the financial year, except where otherwise indicated.

Corporate Governance Policy

The Board of AMPC has maintained a Corporate Governance Policy during the year ended 30 June 2022.

The Corporate Governance Policy states that the Board of AMPC is committed to ensuring effective corporate governance in accordance with government expectations and drawing on the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

In accordance with the Corporate Governance Policy, the Board of AMPC maintains a framework of good corporate governance. The framework comprises of the Corporate Governance Policy and other documents, including:

- Board Charter;
- Audit & Risk Committee Charter;
- Nomination & Remuneration Committee Charter;
- Delegation of Authority;
- Diversity Policy;
- Code of Conduct;
- Conflicts of Interest and Chinese Walls Policy; and
- Risk Management Plan;
- Any other policies deemed appropriate in pursuit of this Corporate Governance policy.

The Board of Directors

The Board carries out its responsibilities according to the following mandate:

- the Members elect the Processor Directors every three years;
- the Special Qualifications Directors (Independent Directors) are elected by the Processor members of the Board;
- the Chairman and Deputy Chairman are elected by the Board;
- the Directors should possess a broad range of skills, qualifications and experience;

- the Directors are expected to act independently of any associate activities that may cause a conflict;
- the Board should meet on a regular basis; and
- all available information in connection with items to be discussed at a meeting of the Board is provided to each Director prior to that meeting.

As at the date of this Directors' report, the Board consisted of Six Processor Directors and two Special Qualifications Directors (Independent Directors). Details of the Directors are set out in the Directors' report.

The primary responsibilities of the Board include:

- the approval of the Annual Operating Plan and the annual financial report;
- the establishment of the long term goals of the Company and Strategic Plan to achieve those goals;
- the review and adoption of annual budgets for the financial performance of the Company and monitoring the results on a regular basis;
- ensuring that the Company has implemented adequate systems of internal controls together with appropriate monitoring of compliance activities, including compliance with the Company's obligations under the Red Meat Industry Memorandum of Understanding and the Statutory Funding Agreement; and
- reporting to Government and Members.

The Board assesses its performance as a whole relative to its objectives, including the performance of individual directors, at least every two years.

The Board acknowledges the need to balance continuity and expertise among directors, with independence and renewal as part of annual board performance assessment and evaluation.

The Board recognises that gender targets are an essential part of managing and improving business performance, similar to financial and operational targets. This principle is enshrined in the requirements of the Diversity Policy.

Independent Professional Advice

With the prior approval of the Chairman, each Director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfil their duties and responsibilities as Directors.

Audit & Risk Committee

- Saranne Cooke (Chair)
- Allira Hudson-Gofers
- Noel Kelson

The Audit & Risk Committee met five times in the financial year ended 30 June 2022.

The Audit and Risk Committee oversight responsibilities include:

- the preparation and integrity of AMPC's financial accounts and statements;
- the internal controls, policies and procedures that AMPC uses to identify and manage business risks;
- the qualifications, independence, engagement, fees and performance of AMPC's external auditor;
- the external auditor's annual audit of AMPC's financial statements;
- the resources, performance and scope of AMPC's internal audit function;
- AMPC's compliance with legal and regulatory requirements and compliance policies; and
- reviewing and recommending the annual budget to the Board.

The Audit & Risk Committee invites the Chief Executive Officer and the Head of Corporate Services and may request the external and internal auditors or the Company's legal representatives to attend meetings for the purpose of considering pertinent matters that may arise.

Risk Management

The Board is responsible for the Company's system of internal controls. The Board constantly monitors the operational and financial aspects of the Company's activities and, through the Audit & Risk Committee, the Board considers the recommendations and advice of external and internal auditors and other external advisers on the operational and financial risks that arise or may arise.

The Board ensures that recommendations, and any concerns identified by the external and internal auditors and other external advisers are investigated and, where considered necessary, appropriate action is taken.

In addition, the Board investigates ways of enhancing existing risk management strategies, including appropriate segregation of duties, the employment and training of suitably qualified and experienced personnel and in conjunction with the recommendations of the Audit & Risk Committee, the scope and work program of internal auditors.

Nomination & Remuneration Committee

- Allira Hudson-Gofers (Chair)
- Saranne Cooke
- Tom Maguire

A Nomination & Remuneration Committee has been established to assist the Board to:

- develop and implement an independent process to ensure people with the collective expertise required are identified for selection to the Board to facilitate compliance with the new skills based Board as set out in the Statutory Funding Agreement with the Commonwealth; and
- develop remuneration policies and practices applicable to all Officers on an annual basis to ensure that these policies and practices fairly and responsibly reward individuals.

The Nomination & Remuneration Committee met five times in the financial year ending 30 June 2022.

In order to retain and attract executives of sufficient calibre to facilitate the efficient and effective management of the Company's operations, the Board may seek the advice of external advisers in connection with the structure of remuneration packages.

Code of Conduct

As part of the Board's commitment to the highest standard of conduct, the Company has a Code of Conduct to guide executives, management and employees in carrying out their duties and responsibilities. The Code of Conduct includes such matters as:

- integrity of staff and Directors;
- information and operational transparency;
- responsibilities to Members;
- compliance with laws and regulations;
- relations with customers and suppliers;
- ethical responsibilities;
- employment practices; and
- responsibilities to the environment and the community.

All Directors are required to declare any conflict of interest, perceived or otherwise, they may have in matters before the Board, not to vote or participate in the debate on matters in which they have a conflict and, where appropriate, to absent themselves from the meeting during the discussion and vote on that issue.



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To the Board of Directors of Australian Meat Processor Corporation Limited

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

As lead auditor for the audit of the financial statements of Australian Meat Processor 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:

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

Yours sincerely

Vecia **Nexia Sydney Audit Pty Limited**

Lester Wills Director

Date: 6 October 2022

Sydney

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

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Statement of profit or loss and other comprehensive income

For the year ended 30 June 2022

	Note	2022 (\$)	2021 (\$)
REVENUE	3	37,141,593	37,005,026
Interest revenue		106,990	460,617
Total revenue		37,248,583	37,465,643
EXPENSES			
Direct program expense		(41,054,425)	(41,233,781)
Employee benefits expense		(3,699,432)	(3,224,623)
Administration and occupancy expenses		(1,236,329)	(1,397,153)
Operational and support funding to AUS MEAT Limited		(550,000)	(550,000)
Depreciation and amortisation expense	4	(213,685)	(228,197)
Total expenses		(46,753,871)	(46,633,754)
(Deficit)/surplus for the year		(9,505,288)	(9,168,111)
Other comprehensive income for the year		_	_
Total comprehensive income for the year		(9,505,288)	(9,168,111)

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

Statement of financial position

As at 30 June 2022

Note	2022 (\$)	2021 (\$)
ASSETS		
Current assets		
Cash and cash equivalents 7	26,822,957	41,805,397
Trade and other receivables 8	21,450,162	28,049,888
Contract assets 9	522,300	_
Other assets 10	98,111	84,183
Total current assets	48,893,530	69,939,468
Non-current assets		
Contract assets 9	1,212,648	_
Property, plant and equipment 11	284,793	498,892
Total non-current assets	1,497,441	498,892
Total assets	50,390,971	70,438,360
LIABILITIES		
Current liabilities		
Trade and other payables 12	21,597,370	34,322,557
Contract liabilities 13	4,727,427	2,511,595
Lease liabilities 14	192,320	175,602
Provisions 15	256,176	178,476
Total current liabilities	26,773,293	37,188,230
Non-current liabilities		
Lease liabilities 14	63,602	255,923
Provisions 15	165,540	100,383
Total non-current liabilities	229,142	356,306
Total liabilities	27,002,435	37,544,536
Net assets	23,388,536	32,893,824
EQUITY		
Accumulated funds	23,388,536	32,893,824
Total equity	23,388,536	32,893,824

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

Statement of changes in equity

For the year ended 30 June 2022

	Accumulated funds (\$)	Total equity (\$)
BALANCE AT 1 JULY 2020	42,061,935	42,061,935
Deficit for the year	(9,168,111)	(9,168,111)
Other comprehensive income for the year	_	_
Total comprehensive income for the year	(9,168,111)	(9,168,111)
Balance at 30 June 2021	32,893,824	32,893,824
BALANCE AT 1 JULY 2021	32,893,824	32,893,824
Deficit for the year	(9,505,288)	(9,505,288)
Other comprehensive income for the year	_	_
Total comprehensive income for the year	(9,505,288)	(9,505,288)
Balance at 30 June 2022	23,388,536	23,388,536

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

Statement of cash flows

For the year ended 30 June 2022

Note	2022 (\$)	2021 (\$)
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from statutory levies	17,827,132	17,547,390
Other receipts and recoveries	30,623,477	5,257,061
Payments to suppliers and employees	(63,525,527)	(23,315,733)
	(15,074,918)	(511,282)
Interest received	283,185	628,222
Interest and other finance costs paid	(15,104)	(22,488)
Net cash from/(used in) operating activities	(14,806,837)	94,452
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash from investing activities	_	_
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(175,603)	(159,930)
Net cash used in financing activities	(175,603)	(159,930)
Net decrease in cash and cash equivalents	(14,982,440)	(65,478)
Cash and cash equivalents at the beginning of the financial year	41,805,397	41,870,875
Cash and cash equivalents at the end of the financial year 7	26,822,957	41,805,397

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

Notes to the financial statements

For the year ended 30 June 2022

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

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

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

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:

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, tax and financial instruments.

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.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

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

Revenue recognition

The Company recognises revenue as follows:

Revenue from contracts with customers

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

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

Revenue from Statutory Levies are recognised in the period that the Government collected the levy.

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Contributions from Plant-Initiated Projects are recognised as revenue as the Intellectual Property or Research is provided to the participant. Where the participant is also the research provider, the revenue is netted off against project expenses.

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

Interest

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

Income tax

As the company is a tax exempt institution in terms of subsection 50(40) of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

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

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

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

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

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

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Contract assets

Contract assets are recognised when the Company has transferred goods or services to the customer but where the Company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Property, plant and equipment

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

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

Furniture, Fixtures and Fittings	5 years
Office Equipment	4 to 5 years
Computer Equipment	2.5 years

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

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

Trade and other payables

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

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.

Lease liabilities

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

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

Provisions

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

Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

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

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.

Investment in AUS-MEAT Limited

AUS-MEAT Limited ('AUS-MEAT') was incorporated on 17 June 1998, and the Company is one of two Members of AUS-MEAT. As AUSMEAT is a tax exempt public Company limited by guarantee, it cannot distribute its surpluses to its Members; however, upon the event of the wind up of AUS-MEAT, the entity would be entitled to receive 50% of the net assets of AUS-MEAT. As there is no right by the entity to participate in a share of the ongoing results of AUS-MEAT, the use of equity accounting is not appropriate. Therefore, the equity accounting requirements have not been applied. Details of the investment in AUS-MEAT are included in Note 19 to the financial statements.

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

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

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

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

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

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

Note 3. Revenue

	2022 (\$)	2021 (\$)
Statutory Levies	15,754,132	16,124,326
Government matching	20,612,623	20,505,965
Partner contributions	516,417	374,735
Government grants	258,421	_
Revenue	37,141,593	37,005,026

Total contributions received from partners was \$7,996,817 (2021: \$6,206,745). Partner contributions have been reduced for statutory accounts presentation purposes by \$7,480,400 (2021: \$5,832,010) for research projects where the participant is the research provider. There is a corresponding reduction in program expenditure expense.

Note 4. Depreciation and amortisation

Depreciation of non-current assets		
— furniture, fixtures and fittings	42,736	42,832
— office equipment	643	1,153
— computer equipment	_	13,906
— right-of-use assets	170,306	170,306
	213,685	228,197

Note 5. Auditors' remuneration

Nexia — Audit services	37,800	35,700
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Note 6. Key management personnel compensation

The totals of remuneration paid to the key management personnel of Australian Meat Processor Corporation Ltd during the year are as follows:

	2022 (\$)	2021 (\$)
Directors		
Short-term benefits (Directors Fees)	350,940	361,473
Post-Directorship benefits (Superannuation)	35,094	34,340
	386,034	395,813
Executives		
Short-term employee benefits (Salary)	331,432	337,340
Post-employment benefits (Superannuation)	23,568	23,399
	355,000	360,739

The names of Directors who have held office during the year (and included as key personnel in addition to the Chief Executive Officer) are:

J K Berry M Fletcher B Rathie (resigned) L Heywood (resigned)

D Goode J Hardwick (resigned) T J Maguire N Kelson

B Teys S Cooke A Hudson-Gofers

Other Key Management Personnel include:

Total aggregated out of pocket costs including travel and related expenses incurred by Directors during the year was \$4,675 (2021: \$6,314).

Note 7. Cash and cash equivalents

Current assets		
Cash at bank	26,822,957	1,805,397
Cash on deposit	_	40,000,000
	26,822,957	41,805,397

Note 8. Trade and other receivables

Current assets		
Trade receivables	20,158,187	26,129,366
Levy receivable	1,291,975	1,744,327
Accrued interest	_	176,195
	21,450,162	28,049,888

The balance of trade receivables includes matched funding claims of \$17,955,945 (2021: \$24,304,926) from Meat & Livestock Australia Limited (MLA).

No allowance for expected credit losses has been recognised during the year. The receivables remain in normal collection terms.

Note 9. Contract assets

	2022 (\$)	2021 (\$)
Current assets		
Contract assets — plant-initiated projects	522,300	_
Non-current assets		
Contract assets	1,212,648	_

Note 10. Other assets

Current assets		
Prepaid expenses	98,111	84,183

Note 11. Property, plant and equipment

Non-current assets		
Fixtures and fittings — at cost	216,560	216,560
Less: Accumulated depreciation	(157,474)	(114,738)
	59,086	101,822
Computer equipment — at cost	51,096	96,758
Less: Accumulated depreciation	(51,096)	(96,758)
	_	_
Office equipment — at cost	1,835	9,026
Less: Accumulated depreciation	(1,835)	(7,969)
	_	1,057
Right-of-Use assets — at cost	736,625	736,625
Less: Accumulated depreciation	(510,918)	(340,612)
	225,707	396,013
	284,793	498,892

Reconciliations

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

	Furniture, Fixtures and Fittings (\$)	Office Equipment (\$)	Computer Equipment (\$)	Right-of-Use Assets (\$)	Total (\$)
Balance at 1 July 2021	101,822	1,057	_	396,013	498,892
Disposals	_	(414)	_	_	(414)
Depreciation expense (Note 4)	(42,736)	(643)	_	(170,306)	(213,685)
Balance at 30 June 2022	59,086	_	_	225,707	284,793

Note 12. Trade and other payables

	2022 (\$)	2021 (\$)
Current liabilities		
Trade payables	10,494,439	16,833,765
Plant-initiated projects (Note 15)	662,880	2,944,736
Other program payables	9,941,808	13,671,361
GST payable	330,638	656,592
Sundry payables and accrued expenses	167,605	216,103
	21,597,370	34,322,557

The balance of other programs payable includes matched funding claims of \$8,165,487 (2021: \$11,686,757) to Meat & Livestock Australia Limited (MLA).

Note 13. Contract liabilities

Current liabilities		
Deferred partner contributions on plant-initiated projects	4,727,427	2,511,595

Note 14. Lease liabilities

	2022 (\$)	2021 (\$)
Current liabilities		
Lease liability	192,320	175,602
Non-current liabilities		
Lease liability	63,602	255,923

The Company leases office premises under an agreement through to 2023 with no option to renew. The lease escalates at 4% fixed rate per annum. The Company also leases equipment under agreements through to 2023.

Note 15. Provisions

Current liabilities		
Employee benefits	256,176	178,476
Non-current liabilities		
Employee benefits	137,540	100,383
Lease make good	28,000	_
	165,540	100,383

Lease make good

The provision represents the present value of the estimated costs to make good the premises leased by the Company at the end of the respective lease terms.

Note 16. Plant-initiated projects liability

Current		
Opening balance included in payables	2,944,736	2,395,783
Total PIP transactions approved across the whole membership	23,637,855	22,469,509
Reductions arising from payments for approved PIPs	(27,150,221)	(22,714,163)
Adjustments incurred at completion or termination of PIPs	1,230,510	793,607
	662,880	2,944,736

Note 17. Related party disclosure

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	2022 (\$)	2021 (\$)
Operational and support funding to AUS-MEAT Limited	550,000	550,000
Project funding to AUS-MEAT Limited	350,913	201,849

Director related Plant Initiated Projects

During the period AMPC has approved PIP's for a number of Director-related entities under the PIP program. Under the Company's Constitution, all transactions with Director-related entities are on normal commercial terms and are consistent with those provided to all Members.

The following table provides a breakdown of the movement and final balance of PIPs of Director related parties.

	Transaction 2022 (\$)	Value 2021 (\$)	Balance 2022 (\$)	Outstanding 2021 (\$)
Plant Initiated Projects — project expenses	12,654,024	8,259,244	115,000	2,410,192
Plant Initiated Projects — member contributions	4,031,275	2,462,980	1,024,863	563,363

Note 18. Members' guarantee

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstandings and obligations of the Company.

Note 19. Economic dependence

In its role as the red meat processor research and development body and red meat processor marketing body under the Australian Meat and Live-stock Act 1997, the Company is charged with the management and application of levy funds collected from red meat processors by the Commonwealth Government. The expenditure of levies on behalf of industry is conducted in accordance with the Funding Agreement between AMPC and the Department of Agriculture, Forestry and Fisheries. During the 2021 financial year AMPC became party to a new Funding agreement covering the period 2020 to 2030.

Note 20. Associated entities

		% Owned 2022	% Owned 2021
AUS-MEAT Limited	Services to the Food Industry	50	50

Summarised financial position of associate

	2022 (\$)	2021 (\$)
Current assets		
Cash	1,603,448	1,648,195
Receivables	2,320,249	2,245,415
Other financial assets	5,101,940	6,244,502
Other	445,456	85,306
Non-current assets		
Plant and equipment	3,727,827	4,497,950
Current liabilities		
Trade and other payables	2,089,885	1,809,170
Provisions	1,832,706	1,992,476
Lease liability	180,572	156,616
Non-current liabilities		
Provisions	490,535	237,444
Lease liability	264,841	535,171
Net assets	8,340,380	9,990,491
Net (deficit)/surplus for the period	(1,650,110)	386,548
Other comprehensive income	_	

Note 21. Contingencies

Contingent liabilities

Australian Meat Processor Corporation Ltd had the following contingent liabilities at the end of the reporting period:

The 35 percent of received levies allocated to the Plant-Initiated Projects (PIP) program remains available for five years, after which the commitment lapses. As at 30 June 2022, the total Research and Development funds held in reserve for potential PIPs is \$9.8M (30 June 2021: \$9.2M).

Contingent assets

There were no contingent assets identified as at 30 June 2022.

Note 22. Commitments

The Company had no capital commitments for expenditure as at 30 June 2022 and 30 June 2021.

Note 23. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Note 24. Statutory Information

The registered office of the Company is:

Australian Meat Processor Corporation Ltd Suite 2, Level 6 99 Walker Street North Sydney NSW 2060

Directors' declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards Simplified Disclosure, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors:

John Berry, Chairman

Dated 6 October 2022



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Independent Auditor's Report to the Members of Australian Meat Processor **Corporation Ltd**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Meat Processor Corporation Ltd (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:

- 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 Simplified Disclosures 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 Meat Processor Corporation Ltd'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.

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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 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 Limited

Lester WillsDirector

Date: 6 October 2022

Sydney

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