



EXTENSION 350

FARMERS LEARNING FROM FARMERS



Annual Report 2019/20



CONTENTS

CHAIRMAN'S REVIEW	3
PROJECT LEAD OVERVIEW	4
PROJECT BACKGROUND	6
PROJECT DASHBOARD	7
PROJECT PROGRESS	8
OUTCOMES AND ADDITIONAL EXPECTED BENEFITS	15
Increasing Farm Profitability	15
Improving Environmental Sustainability	16
Improved Farmer Wellbeing	18
MILESTONES	22
FINANCIAL OVERVIEW	23

CHAIRMAN'S REVIEW

Welcome to the Extension 350 annual report. It has, to steal a sporting cliché, been a year of two halves.

While this is the final year for our first group of farmers - Far North sheep & beef cluster, Whangarei South dairy cluster and Whangarei North dairy cluster - the final three E350 public field days for this group will be held later in the year.

Farming-wise it has also been a year of two halves. With a relatively normal winter and spring last year we moved into a challenging 2020 with an autumn drought that lasted longer than usual, extending right through to the end of May for many parts of Northland. This has impacted on the E350 farmers, not only through the autumn, but also having a follow-on effect into the first few months of winter.

Covid-19

It has been a challenging time for New Zealanders with the disruption and uncertainty caused by Covid-19 and certainly it was no different for E350 and the farming community. The E350 management team had a back-up plan in place with Luke, Greg and Jan moving seamlessly to working from home, ensuring as much of the project kept on track as was possible. On behalf of the governance group I would like to extend a big vote of thanks to the management team for their willingness and flexibility during this time to keep things focused. What was disrupted was the ability of consultants to physically visit farms during the higher levels of the lockdown. Zoom visits were put in place and, while nothing beats physically getting on the farm to see hands-on what is happening, Zoom did enable regular communication to be continued between the consultants and the target teams.

What did come out of lockdown was the focus on finding new ways to do things, with some great results. Fully utilising Zoom for meetings is one example, another is the E350 "What's on Your Mind" videos produced by Governance Group member Chris Neill. Thanks to Chris we have been able to get farmers and consultants telling their stories of their journey with E350 to a wide audience through our Extension 350 YouTube channel. <https://www.youtube.com/channel/UCRB-jY8v1LO-VjkwernUr8w>

As one of the key three planks of the project, wellbeing has been an important component of E350 right from the start. Having support in place, whether it is from your consultant, Mentor, Target or Associate farmer or your neighbours, has proved crucial to many farmers this year. With the combination of drought, Covid-19 outbreak, and delays in stock processing due to reduced capacity at the works, there has been real pressure on farmers. The worth of being connected to other farmers whether through E350, neighbours or other networks has been crucial to farmers and their families' physical and mental health.

We also welcomed Minister of Agriculture, Damien O'Connor, on a visit to Lachie McLean's dairy farm at Waipu. It was great to have the Minister out on an E350 farm, seeing the project in action and having a chance to chat with some of our Target, Mentor and Associate farmers.

In this year we welcomed Matt Ward, General Manager - North Island - Beef + Lamb New Zealand Ltd on to the Governance Group. I would like to thank Byron Elliott for his time and efforts on the Governance Group and welcome Susan Collins who joined the group on behalf of MPI.

We farewell project manager Liz Campbell and welcomed Greg Hall into this role. The whole team would like to thank Liz for all her hard work over her time with the E350 project and wish her all the best for her next venture.

Finally, I would like to thank both the Operational and Governance group members for their continued involvement, the project team, the consultants, and our Funders for their continued support.



Ken Hames – Independent Chair



PROJECT LEAD OVERVIEW

That we live in interesting times seems to be a constant never-ending refrain and the past year has, almost without precedence, evidenced this.

The primary sector is facing intergenerational change at a pace and scope that has been seldom seen. Changes that encompass its social licence to farm; the need for improved environmental sustainability; increasing climatic volatility; tightening capital and financial requirements along with increasing regulatory compliance. These changes have been augmented by a year that has brought the world the Covid-19 pandemic, a national lockdown along with regional drought and floods. The combined impact of these factors on our farmers, consultants and project team has been significant and not to be underestimated. Nevertheless, it's been a credit to the strength and resilience of our farmers, the Northland Inc team and project that, while we may have on occasion faltered, all have stood up incredibly well, innovated, adapted and continued to deliver despite the challenges.

How the sector and E350 best navigates a path through this and the longer-term implications are yet to be fully played out; nevertheless, the relevance of E350's three planks of wellbeing, environmental sustainability and profitability remain current, critical, applicable and worth striving for. The opportunity for leadership, collaboration and engagement that E350 provides across the region's pastoral sector are arguably key elements in helping find a pathway through this fog of uncertainty.

Through all this it has continued to be a journey of learning, adaptation and delivery for all involved. The project has continued to grow and mature and, at the end of the third full year of farmer engagement, we now have a total of 340 (101% of revised targets) farmers involved and are on track for 350 at the end of Quarter Two.

We now begin to farewell the Group One intake of farmers as they complete their journey with E350 with final farm visits underway and public field days planned.

Group Two are seeing their on-farm changes take effect and Group Three are now well under way with implementing their planning.

Highlights over the last year have been significant, many in response to the gauntlet of challenge thrown at the project and include:

The team's consistent delivery and resilience through unsettled and unpredictable times; completion of a SFFF funding application to resource deeper project evaluation and more consistent Associate farmer engagement; development and delivery of our Farming into Your Future workshop; stories of farmer change and the collaboration experienced with a wide range of organisations. Communications delivery that has addressed the rapidly changing environment with 'What's on Your Mind' videos sharing the E350 story and farmers' journeys of particular note. Also, the farmer-focused field days and consultant and industry environmental snapshot workshops along with Lessons Learned workshops for the project team, project governance and consultants, have also played an essential role.

Collaboration remains a key component of what we do and what we practice both with our funding partners and the wider industry – noting that collaboration doesn't just somehow happen but requires a level of intentionality, leadership focus, time, energy and resource from all involved.

Challenges we are facing around depth of evaluation, consistency of Associate engagement and overall farmer momentum following the 2020 drought and Covid-19 restrictions are being actively addressed. A clear strategy has been developed for evaluation and Associate farmer engagement and SFFF funding will enable resourcing and delivery. Momentum is being consistently managed with ongoing focus from consultants, the project team and steering group alike.

In what has been a challenging year I would like to acknowledge the ongoing support from the project team, our stakeholders, Northland Inc, our funding partners and steering group members alike; without your commitment, responsiveness and often relentless focus, E350 would not be the successful project that it is.

I would also like to take this opportunity to recognise the professionalism, engagement, and commitment of our consultants. We consistently witness their willingness to be challenged and their openness to learn and make contributions in a collegial environment. Also, special thanks go to Gareth Baynham, an initial architect of E350 and a foundation consultant who finishes with the project and his Group One cluster at the end of this year.

Final attribution must once again go to all of the farmers involved - to our Targets, Mentors and Associates, thank you for your involvement, support and trust in us. We look forward to continuing our journey together and improving your farm performance, environmental sustainability and wellbeing.

It remains an incredibly exciting time for all involved and we look forward to the coming year's successes and challenges.



Luke Beehre - Project lead



it is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs, who comes short again and again, because there is no effort without error and shortcoming;... who at the best knows in the end the triumph of high achievement, and who at the worst, if he fails, at least fails while daring greatly.

Theodore Roosevelt

PROJECT BACKGROUND

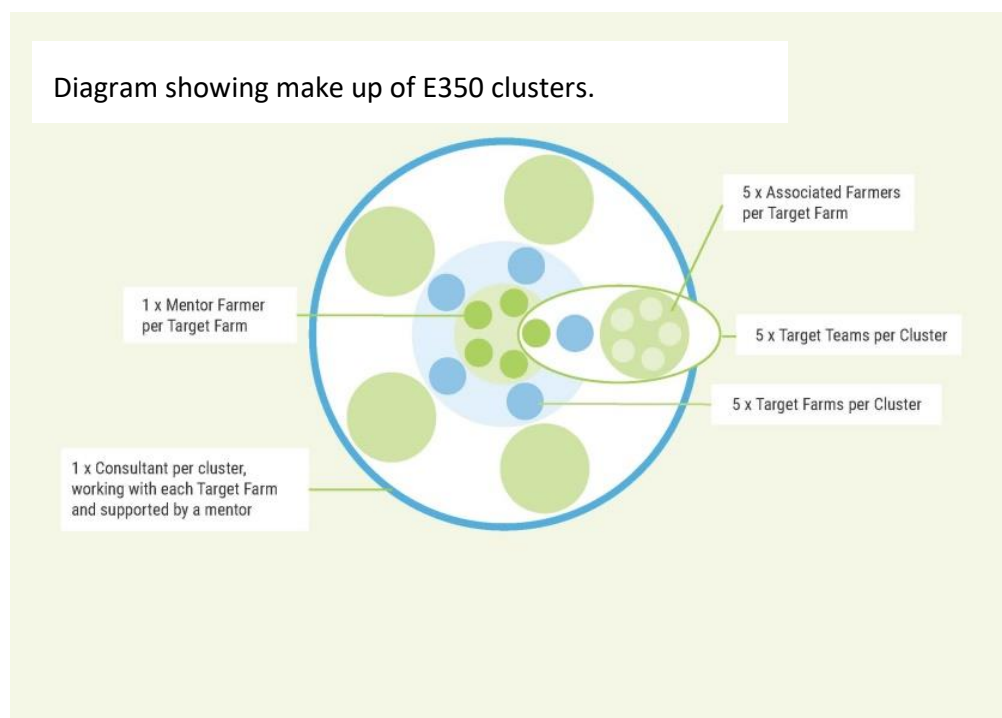
Agriculture is a major economic and social contributor to Northland and New Zealand and, if anything, its importance has again been highlighted with the economic turmoil of the past six months. With the industry as at 2019 accounting for 31.8% of Northland's exports and contributing \$720.82m to Northland's GDP¹, the investment in the project can bring significant sector and regional change.

Below is the E350 delivery model. With seven dairy clusters and three sheep and beef clusters spread across the Northland region, the project is working with farmers from the Far North to Southern Northland.

The project is based on 10 clusters of around 35 farms, with each cluster made up of five target teams - one Target farm, one or two Mentor farmers and five Associate farmers. An agri-consultant works closely with the Target and Mentor farmers of each target team and the learnings are passed on to the Associates at meetings throughout the year and via online farmer reporting. E350 is a five-year project, with three intakes. G1 (2017-20), G2 (2018-21) and G3 (2019-22).

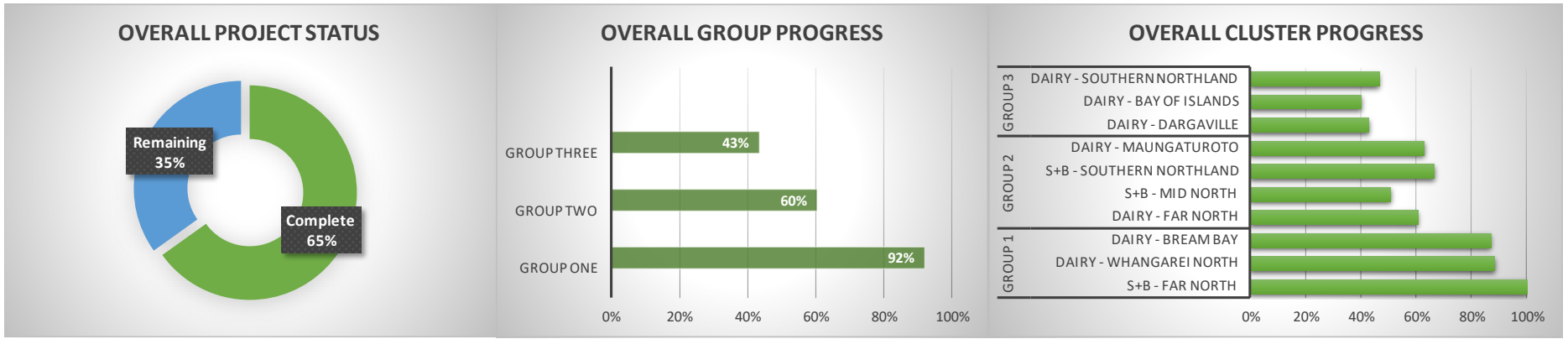
At the heart of Extension 350 is a farmer-led, farmer- focused approach and a farmer-to-farmer learning ethos supported by our three planks, or focus areas: increasing farm profitability, improving farmer wellbeing, and increasing environmental sustainability. The project uses these to ensure a triple bottom-line approach is followed, which recognises farming is not only, and farmers are not just about, production or profitability.

While this approach brings an additional level of complexity and at times requires a different skill set from traditional agri-consulting, we believe it is essential. For our farmers to recognise the changes that are coming, to both the sector and farms, we need to learn, change, and adapt at an ever-increasing pace. Collaboration and interconnectivity continue to be crucial to E350 across the agri-industry and our relationships with Fonterra and AgResearch, along with funding partners DNZ, B+LNZ, MPI and NRC, are an ongoing focus.

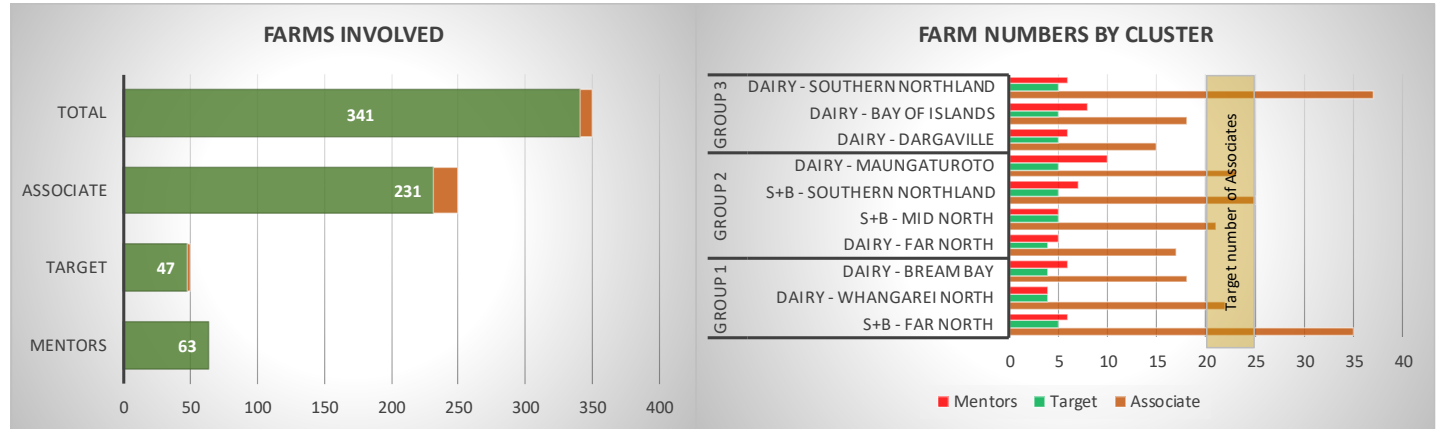
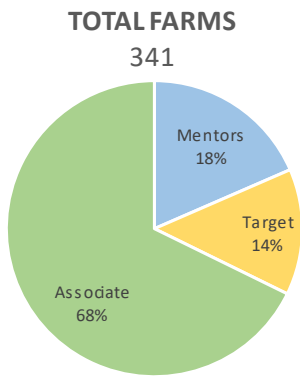


¹ Source Infometrics

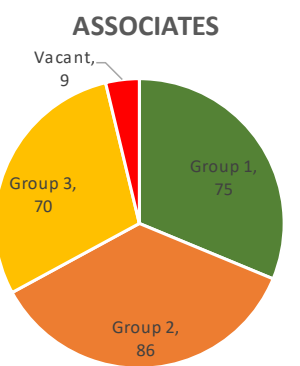
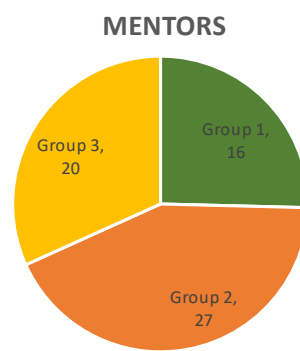
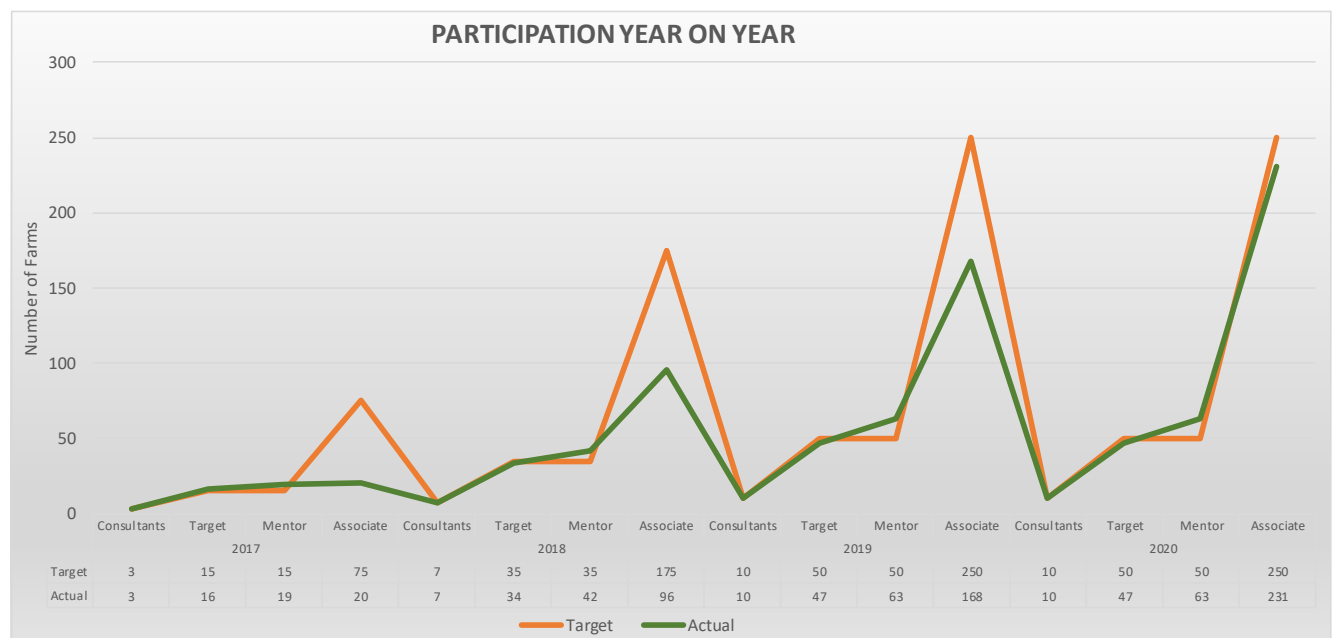
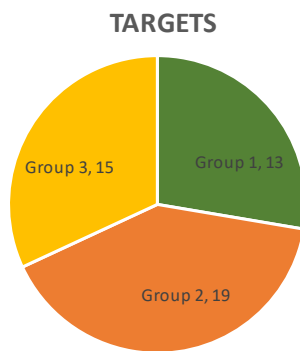
PROJECT DASHBOARD



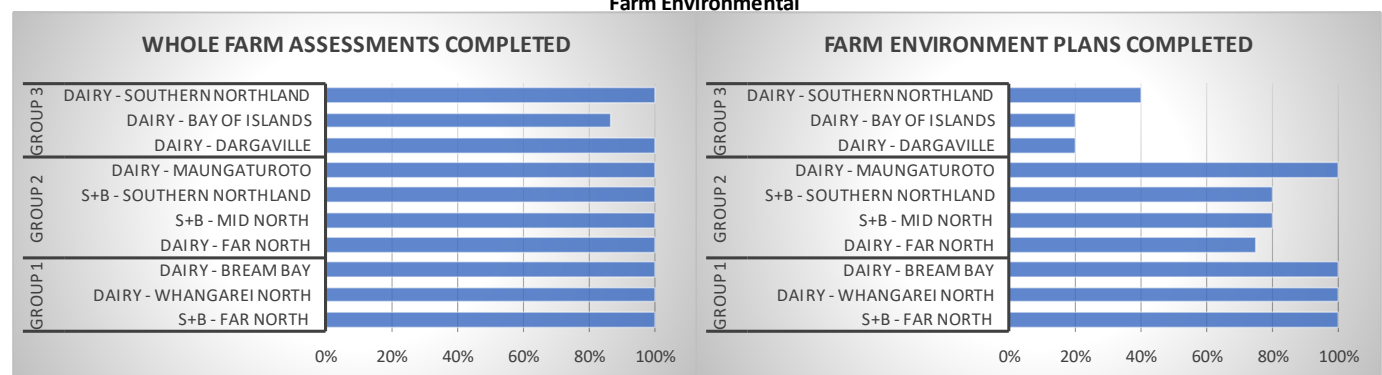
Progress and numbers of farms participating in E350



Some clusters have more associates than required



Farm Environmental



FEP delivery delays due to Covid-19

PROJECT PROGRESS

The third full year with farmers involved in the project has seen all 10 clusters working together. With a total of 341 farmers now part of the project, we expect to further build on this momentum and are on target for 350 farmers by Christmas 2020.

Drought & Covid-19: While the 2020 drought has challenged farmers, this along with the Covid-19 lockdown, have both impacted farmer operational management and delayed some key project activities. However, on balance the project continues to strongly deliver.

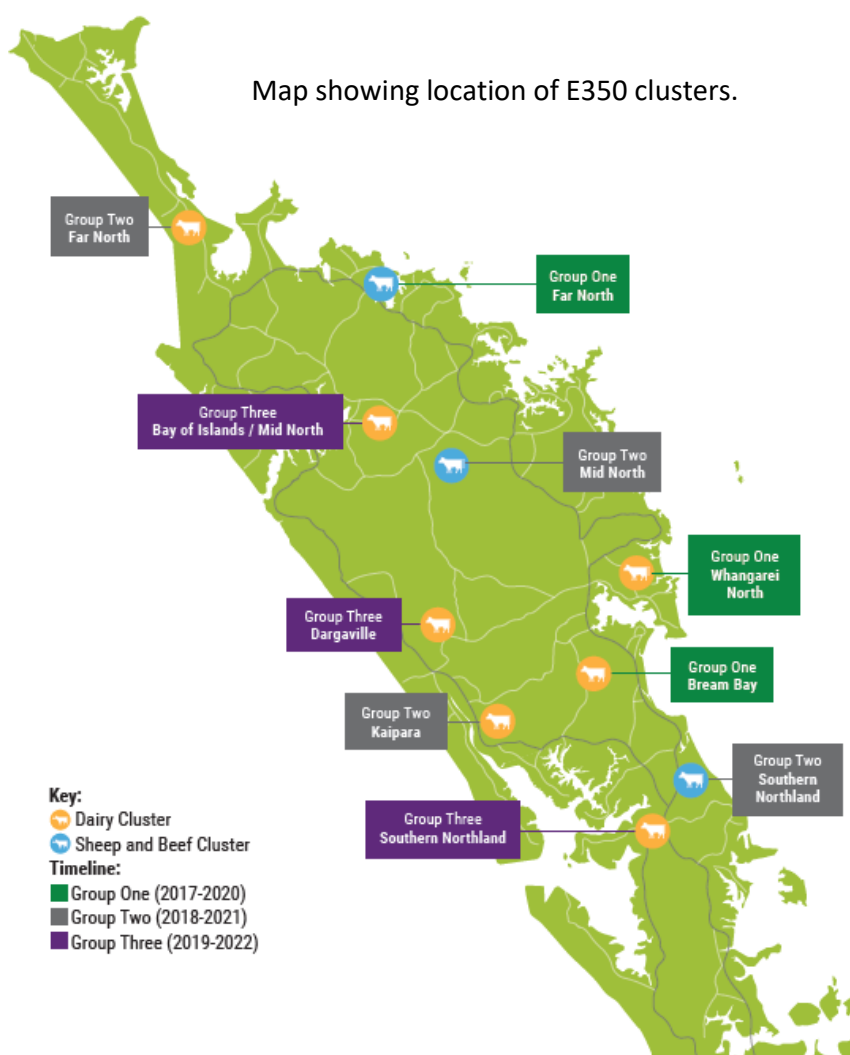
The 2020 drought has reverberated across the region's pastoral sector and impacted project outcomes across all three planks. Profitability through falling revenue – level of milk production, lower stock weights and timing of processing along

with increased production costs – predominately supplementary feed. Environmental sustainability, such as enviro planting, stalled (timing and farmer energy) and planting survivability was impacted. Wellbeing was under pressure as farmers have ground through the challenges of the day-after-day realities of a drought compounded by the effect of Covid-19 lockdown on operational efficiency, a heightened market and supply chain uncertainty and a sense of imposed isolation.

Goals: While farmers were at times frustrated that they were unable to achieve all their goals, greater planning developed through their E350 journey has seen them better prepared in facing this year's drought and overall achieve better outcomes.

Farmer Facing: While parts of project delivery have been delayed as farmer facing events were postponed and farm visits deferred, plans are in place with the expectation to have these delivered over the upcoming two quarters.

Associate Farmer: There has been positive progress with Associate farmers over the past 12 months, however, there remains a relatively high level of variability of effectiveness, impact, and depth of engagement between target teams. This variability was further compounded by the impact of Covid-19 and drought on both recruitment and delivery; nevertheless, recruitment is set to be achieved by December 2020 and wider issues supported by SFFF proposal.



Group One: At the three-and-a-half-year mark for the project, Group One farmers are coming to the end of their E350 journey.

Our Farming into Your Future workshop was developed and held to celebrate our farmers' time in E350, reflect on lessons learned, where they have come from, the challenges faced, and achievements made along the way. And to also discuss wider industry issues, opportunities and critically refocus on what and where to next for this group post E350.

Farm-management team meetings shifted from a day to day operational focus to a more strategic basis ensuring reporting, management tools consolidated and vision for the future.

Due to Covid-19 causing delays in some aspects of project delivery, planning is under way for exit interviews, field days and post project evaluation.

As farmers finish E350, planning and discussion is under way on how they continue post-E350 with a range of approaches from structured management teams through to a more informal continuation of relationships and developed networks.

The project team acknowledge the many successes and challenges that have been met along the way, wishing these farmers well post-Extension 350 and will watch their ongoing journeys with interest.

Group Two: Our Group Two farmers are now midway through their journey and are seeing the gains on-farm as they head into their final year with E350.

This group consists of two dairy and two sheep and beef clusters in the Far North, Mid North, Kaipara, and Southern Northland areas of the region. The Far North dairy cluster is running with four farms, not the usual five.

These farmers are now consolidating farm management gains of E350 engagement and beginning to move towards a more strategic approach.

Overall Associate farmer recruitment while at an average of 90% continues to lag, and deep, effective engagement remains more inconsistent than ideal. We are currently looking to strengthen this via SFFF resourcing. While there is some variance between clusters overall, 100% of Whole Farm Assessments (WFA) are delivered and Farm Environment Plans (FEP's) are sitting at 84%.

Group Three: The farmers in Group Three, our final intake, are completing their first full year of their E350 journey. This group is made up of three clusters of dairy farmers in the Bay of Islands, Dargaville and Southern Northland areas of Northland.

Our Group Three farmers are now starting to see gains on farm and consolidate the learnings from the past year.

The Mentors and Targets have all been confirmed and we are currently working to fill the final Associate farms, which are currently at 93%. All but one WFA's have been completed. While the final FEP's were delayed with Covid-19 restrictions and Auckland Council funding withdrawals, they are now under way and the majority should be completed late this year. Baseline

performance and year one actual performance data collection is well under way via WFA, FEP's (where completed) and DairyBase analysis and consultant farm reporting across all Target farms.

Consultants: E350 consultants have continued to work hard for our farmers and the lockdown period once again demonstrated their engagement and agility as they responded to the different environment. We have seven consultants working with the 10 clusters and, again, are really pleased with the efforts they are putting in – often requiring significant pro bono work.

E350 consultants stepped up to the challenges of working in a different environment, being unable to complete farm visits in person. Stepping up and utilising digital technology across various platforms enabled the consultants to stay connected to farmers, often on a more regular basis than in person, which was critical to everyone's wellbeing during these unprecedented times. However, while effective, this doesn't replace the impact and connectivity of boots on the ground.

The coming year will see six consultants continue to work with the remaining seven clusters.

Evaluation: AgResearch completed the evaluation as contracted and a key outcome of this process was highlighting the need for additional, deeper evaluation, both during the project and also at project end.

With the assistance of AgResearch, work was undertaken to understand, develop and scope a proposal for an SFFF funding application to provide resource for and delivery of this additional work. Northland Inc then finalised and submitted this SFFF application.

Farmer surveys are helping us understand the impact of the project to date - results of these are included on page 12 of this report.

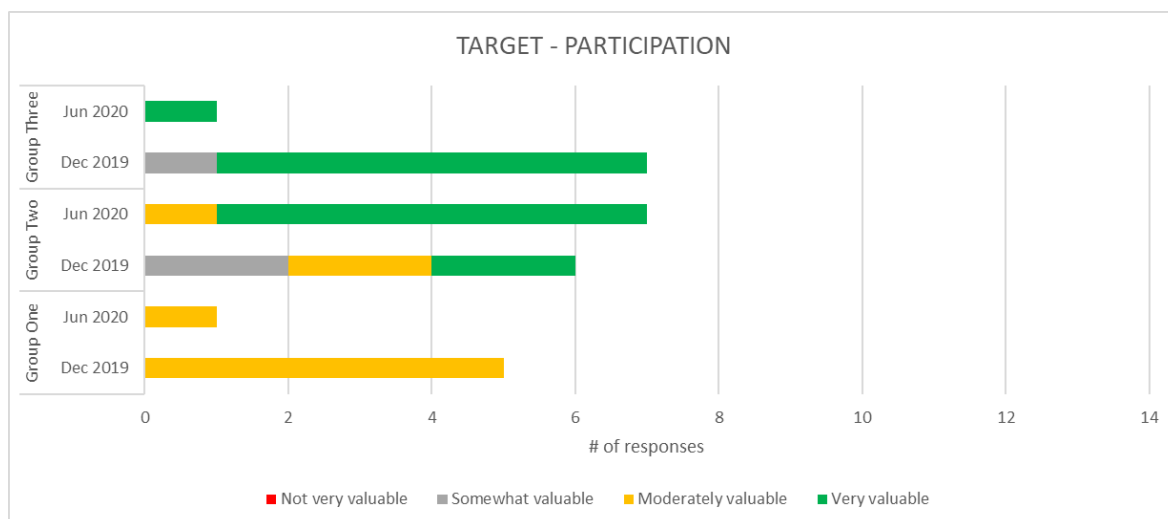
A question we ask our farmers as part of the biannual survey is related to how valuable they see their participation in E350. The data below shows us that, as farmers move through the project, it becomes more valuable; it also indicates that with G3 the value is realised earlier in their project involvement.

Target farmers: The data shows that for Target farmers in Group Three participation is highly valued and realised early on in their involvement with the project. Group One, now coming to an end, have found their involvement has been highly valuable compared to when they first started.

Farmer comments:

“E350 has introduced the strategies to enable us to improve all facets of our farming operation.”

“We have learnt so much and our farming practices are improving exponentially each year.”



Mentor farmers: Mentor farmers show consistent recognition of the shared learnings and the value of being involved in E350.

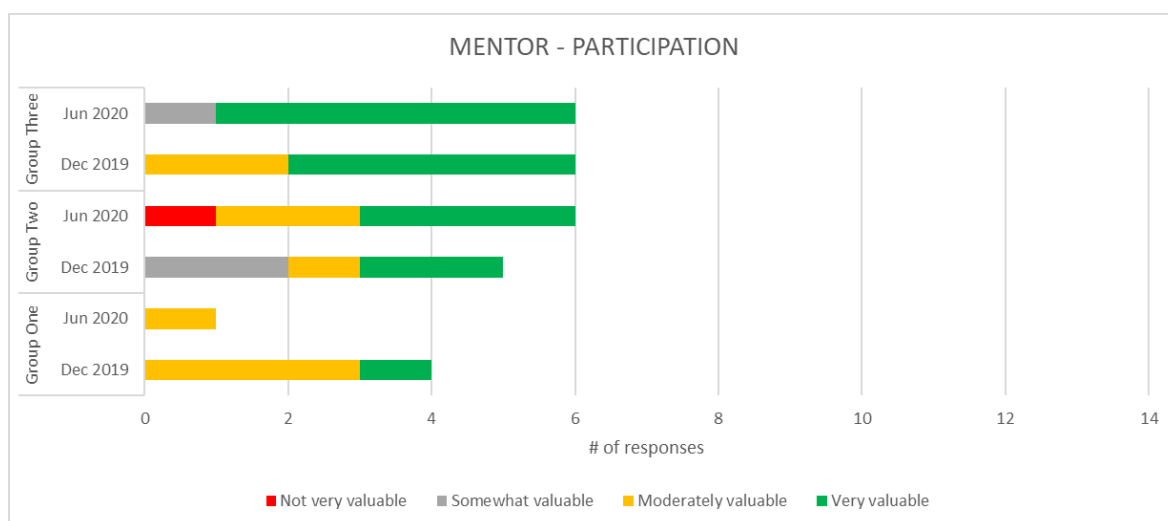
Farmers commented:

“I enjoy helping younger farmers and keeps me in touch with farming and up to date.”

“Learning new management tools.”; “It is a great forum to pass on knowledge and experience.”

“You network with another group of farmers that you might not associate with.”

“We can all learn something from the meetings and on farm visits.”



Associate farmers: These farmers were not surveyed in 2018, so data is only available for 2019. There are mixed survey results from Associates as some groups are extremely engaged while others are less so. The coming year will see a significant focus on lifting the overall Associate farmer offerings and engagement.

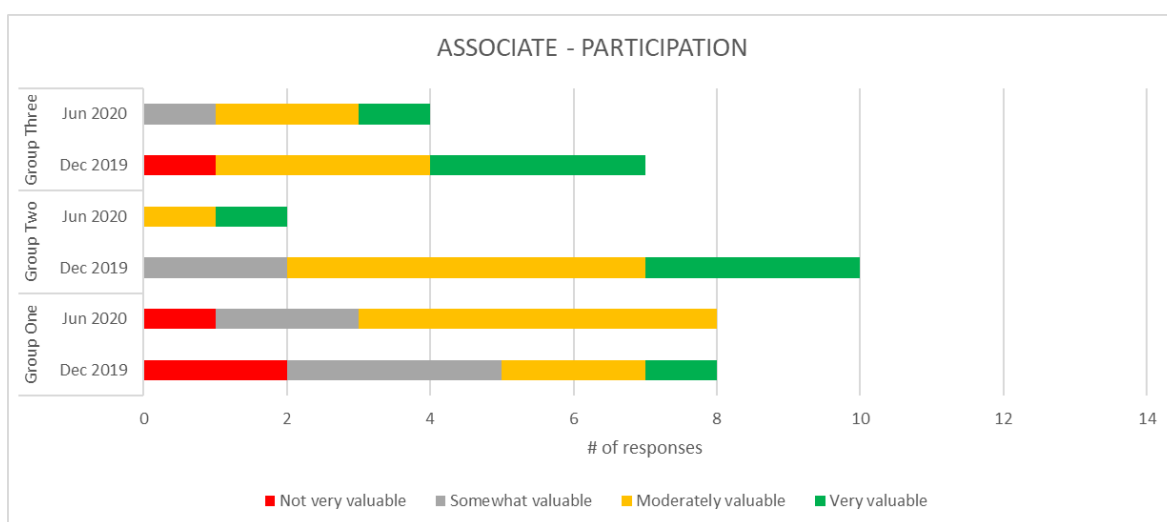
Farmer comments:

“Good to get shared info and comments.”

“Opened my eyes to new ideas.”

“There were things that our host farms were doing that we thought we could incorporate into our farm practise.”

“Was great to be off farm and involved with adding benefit to someone else's farm.”



Participation and Engagement of Māori Farmers and Incorporations

We continue to work with the Target, Mentor and Associate Maori farmers who are part of E350.

As a project, we have continued to look for opportunities to extend the reach and depth of our Maori engagement, encourage others to address opportunities identified (but outside our scope and resourcing) and intentionally collaborated with other agencies involved like Te Puni Kokiri

Project Team Update: In January 2020 we fare-welled project manager Liz Campbell. The entire team would like say thank you and acknowledge Liz's significant contribution over her time with E350 and wish her well for the future.

We are pleased to welcome Greg Hall into the project manager role and team. Greg brings a strong background in project management with over 20 years' experience in the events and transport sectors. In the past Greg managed RWC2011 match day transport requirements, and we look forwards to the skill set he brings and contribution he will make.

Project Update:

For the majority of the second half of the year, farmers have remained heavily focused on the impact of the ongoing 2020 drought. This combined with the impact on operational management, heightened uncertainty and a sense of isolation from Covid-19 lockdowns has impacted farmers engagement and ability to implement their plans as initially scheduled.

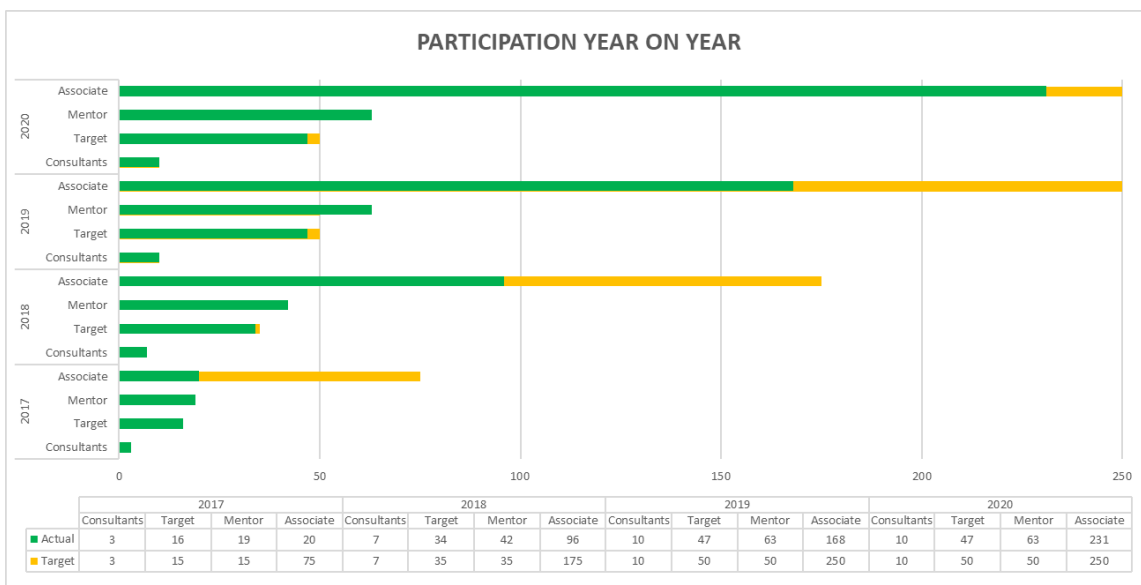
The implications on project and industry of Covid-19 and alert level 4 lockdown in the latter part of the year have also been significant. Business continuity plans were implemented, the project management team, along with the rest of Northland Inc, successfully transitioned to a work from home environment. While there has been disruption to project plans and operational delivery, the project has responded strongly and effectively mitigated key risks.

Throughout the year our strategic approach has helped inform and develop our SFFF proposal to create a more effective Associate farmer engagement strategy and a more in-depth ongoing and end of project evaluation. This funding will enable implementation of agreed strategy, a new level of focus and more effective delivery of key project outcomes.

As a project we continue to work through the key challenges of momentum, with farmers and consultants under pressure, consistency of Associate farmer engagement and the need for more effective evaluation. While Covid-19 and drought has brought an unprecedented level of uncertainty to our region, to farmers as well as the project itself, there remains a strong sense of resilience within our project, Northland Inc and farming communities. While it will take some time for the environment to settle into a new normal, it will, and we have every confidence that E350 will continue to be well supported, nimble and robust enough to respond, realign and continue to deliver against our project objectives.

Due to the unprecedented environment with Covid-19 and the significant drought throughout our region, the challenges with expenditure continued this year as events were postponed and consultants farm visits delays.

E350 participant figures to date



Figures show actual numbers vs target.

- All 15 Group 3 Target farms are recruited and there has been no further attrition in Groups 1 & 2
- All Target farmers have at least one Mentor farmer, across all clusters
- The project continues to work on the recruitment and engagement of Associate farmers with a number of clusters having more than anticipated numbers and significant work planned in this area

OUTCOMES AND ADDITIONAL EXPECTED BENEFITS

Increasing Farm Profitability

Raising on-farm performance of Northland farms

While Covid-19 and the resulting nationwide lockdown periods, in the middle to later part of this year, have certainly effected profitability, the significant impact of the drought have been at top of mind for all. Milk production, stock weights and increased wait times for getting stock to the works due to Covid-19 restraints, have all seen revenue come under pressure for many farmers.

Farm working expenses have also been under pressure with rising supplementary feed costs. Nevertheless, anecdotal reports from farmers and consultants continue to support the positive impact of E350 on improved profitability relative to where farmers would otherwise have been. We await DairyBase and Yardstick analysis with interest.

While a challenging process to change long term practice, the structured and disciplined approach to budget planning and forecasting that E350 has brought to the table is delivering strong results to overall profitability. While the 19-20 year profitability has been curtailed with the 2020 drought overall evidence supports that farmers are in a significantly better position due to this robust planning approach.

“Talking and listening to others - I had thought of opportunities going forward - others show me there are many, many more”

Survey Results 2019-2020																																																	
“How has being involved in E350 impacted on the profitability of your farm?”	Farmer comments																																																
<p>The chart shows the following data points (approximate values):</p> <table border="1"> <thead> <tr> <th>Group</th> <th>Date</th> <th>Negatively</th> <th>No change yet</th> <th>Positively</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Group Three</td> <td>Jun 2020</td> <td>0</td> <td>3</td> <td>1</td> </tr> <tr> <td>Dec 2019</td> <td>0</td> <td>7</td> <td>2</td> </tr> <tr> <td>July 2019</td> <td>0</td> <td>8</td> <td>2</td> </tr> <tr> <td rowspan="3">Group Two</td> <td>Jun 2020</td> <td>0</td> <td>4</td> <td>7</td> </tr> <tr> <td>Dec 2019</td> <td>0</td> <td>6</td> <td>7</td> </tr> <tr> <td>July 2019</td> <td>0</td> <td>5</td> <td>7</td> </tr> <tr> <td rowspan="4">Group One</td> <td>2018</td> <td>0</td> <td>4</td> <td>3</td> </tr> <tr> <td>Jun 2020</td> <td>0</td> <td>1</td> <td>1</td> </tr> <tr> <td>Dec 2019</td> <td>1</td> <td>1</td> <td>3</td> </tr> <tr> <td>July 2019</td> <td>0</td> <td>2</td> <td>6</td> </tr> </tbody> </table>	Group	Date	Negatively	No change yet	Positively	Group Three	Jun 2020	0	3	1	Dec 2019	0	7	2	July 2019	0	8	2	Group Two	Jun 2020	0	4	7	Dec 2019	0	6	7	July 2019	0	5	7	Group One	2018	0	4	3	Jun 2020	0	1	1	Dec 2019	1	1	3	July 2019	0	2	6	<p>“Been a bit of a difficult first full year of being involved with E350 as the drought and Covid have had a significant impact on our profit. However, we still have managed to make a profit this year and I think if we weren't involved with E350 this may have been different.”</p> <p>“Looking at different ways of making profit good outcomes so far still early days.”</p> <p>“Forced us to have a detailed look at our costs and ensuring money spent is in the right area.”</p>
Group	Date	Negatively	No change yet	Positively																																													
Group Three	Jun 2020	0	3	1																																													
	Dec 2019	0	7	2																																													
	July 2019	0	8	2																																													
Group Two	Jun 2020	0	4	7																																													
	Dec 2019	0	6	7																																													
	July 2019	0	5	7																																													
Group One	2018	0	4	3																																													
	Jun 2020	0	1	1																																													
	Dec 2019	1	1	3																																													
	July 2019	0	2	6																																													



“We increased milk production without increasing cost.”

“Reminded us to keep an eye on spending and live within the budget.”

“Giving me the motivation to make changes.”

“Skills and information gained has enhanced my business.”

“Only just become part of the group. However, we have already gathered important information that will influence future change.”

“we have taken note on improvements that we can make, but at this point have not yet implemented, it’s on the cards to do so, but it has to suit how and when.”

Improving Environmental Sustainability

We are consistently seeing a positive long-term change in attitude towards environmental sustainability across our farmers. What initially felt like a demanding task is now becoming much more just business-as-usual. As part of the FEP process our farmers have been encouraged to apply for funding through the NRC Environment Fund. To date 28 of E350’s 47 Target farms have accessed \$191,627 of funding to erect 48,721 metres of fencing through the scheme.

	Dollar value of NRC Environment Fund allocated to target farms	Metres fenced on Target farms through NRC funding support	Number target farms receiving NRC Environment Fund	Other grant funding provided by NRC
NRC Environment Fund support provided to E350 target farms 2019/2020				
Group 1	18215	3333m	3	
Group 2	63273	15333m	9	\$2200 - (Stock drinking water reticulation)
Group 3	9968	2492m	1	
Total for 2019/2020 year	89457	21158m	13	\$2,200

We anticipate a higher uptake from all groups in the coming year’s funding round as Group Three complete their FEPs and Groups One and Two continue with their work programmes.

Reporting is consistently showing that there is a receptive attitude to the integration of environmental considerations into farm systems and associated plans amongst E350 farmers, particularly to fencing and planting with farmers seeing management benefits in carrying out these works.

Environmental workshops for a wider industry group are now calendared to follow consultant meetings on a quarterly basis. These are facilitated by E350, led in conjunction with DairyNZ

and Northland Regional Council and concentrate on topical issues along with any impending changes or new information of relevance to the sector.

The ongoing drought through a large part of this year has had a significant impact on all aspects of farming including production, feed, water supplies and survivability of enviro plantings. These impacts will be felt well into the next financial year for many and for some will be further exacerbated by almost unprecedented rainfall towards the end of the period causing widespread flooding.

Concerns around impending industry changes were addressed through ensuring that E350 farmers were kept up to date with access to information on industry websites via our regular Newsletters.

Over the last 3 years we have observed and experienced a significant shift in both farmers and consultants’ attitude and approach to the importance and integral nature of sustainability to their long-term business. This change has been built into operational and strategic management discussion and decisions and evidenced by FEP completion and NRC environmental funding uptake. Furthermore, it is of particular note to observe the marked shift in collaboration that has occurred over this period.

Survey Results 2019-2020																																	
Survey results in response to “How has being involved in E350 impacted on the environmental sustainability of your farm?”	Farmer comments																																
<table border="1"> <caption>TARGET - ENVIRONMENTAL SUSTAINABILITY</caption> <thead> <tr> <th>Group</th> <th>Survey Date</th> <th>Negatively</th> <th>No change yet</th> <th>Positively</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Group Three</td> <td>Jun 2020</td> <td>0</td> <td>2</td> <td>2</td> </tr> <tr> <td>Dec 2019</td> <td>0</td> <td>8</td> <td>1</td> </tr> <tr> <td rowspan="2">Group Two</td> <td>Jun 2020</td> <td>0</td> <td>4</td> <td>6</td> </tr> <tr> <td>Dec 2019</td> <td>0</td> <td>5</td> <td>8</td> </tr> <tr> <td rowspan="2">Group One</td> <td>Jun 2020</td> <td>0</td> <td>0</td> <td>2</td> </tr> <tr> <td>Dec 2019</td> <td>0</td> <td>1</td> <td>4</td> </tr> </tbody> </table>	Group	Survey Date	Negatively	No change yet	Positively	Group Three	Jun 2020	0	2	2	Dec 2019	0	8	1	Group Two	Jun 2020	0	4	6	Dec 2019	0	5	8	Group One	Jun 2020	0	0	2	Dec 2019	0	1	4	<p>“We have done quite a bit of waterways fencing which we probably wouldn’t have done if we weren’t in Ext 350.”</p> <p>“An experienced consultant provided practical advice around some of our different soil types and effect on environment that would have increased understanding of what can go where and when. Understanding more about waterway fencing, adding more water troughs adds more options for animals to drink from.”</p> <p>“Am applying to NRC for funds to fence off a wetland, and looking at other slipped areas to plant.”</p>
Group	Survey Date	Negatively	No change yet	Positively																													
Group Three	Jun 2020	0	2	2																													
	Dec 2019	0	8	1																													
Group Two	Jun 2020	0	4	6																													
	Dec 2019	0	5	8																													
Group One	Jun 2020	0	0	2																													
	Dec 2019	0	1	4																													



Improved Farmer Wellbeing

Strengthened farmer networks and lifting farmer interactions

Enhanced farmer wellbeing and engagement

Again, reporting, and anecdotal feedback have consistently indicated that the 2019-20 drought was the biggest concern for our farmers throughout the middle to end of this period.

The added impact of Covid-19, and the associated lockdown levels, has impacted on the sense of isolation for many as well as challenging operational management. The project team increased the level of intentional communications to our farmers through more regular Newsletters, updates on the Extension 350 webpage and a series of YouTube videos featuring interviews with E350 farmers and consultants, called “What’s on Your Mind”- <https://www.youtube.com/channel/UCRB-jY8v1LO-VjkwernUr8w/>. Project consultants ensured continuity through one-on-one phone calls, social media chat groups and Zoom cluster meetings with farmers, driven by the forum which was best suited to the needs of each group.

A number of farmer-facing events which E350 had planned to hold in the early part of 2020 were, by necessity, postponed until later in the year and the end of this period has seen preparation for

those events back on the calendar. These include E350 public field days, Recognition Dinners and Mark & Measure workshops.

Farming into Your Future, a full day workshop for Group One farmers preparing to leave the project, while postponed from earlier in the year, was held at the end of June.

This was a time for personal reflection, contemplating future planning and looking for opportunities going forward. It was also a time for this group of farmers and consultants to celebrate their hard work and the significant progress that has been made along with the relationships that have been established as a result of their involvement with Extension 350.



All project field days planned for the first half of 2020 were postponed in accordance with the requirements of the Covid-19 lockdown levels.

The final field day for the first half of 2019-20 was held on the Conn family sheep and beef farm in the Tangowahine Valley. There was a good turn-out despite the sketchy weather with a focus on the principles of rotational grazing and the farm's environmental works plan. Thanks to our consultants, farmers, B+LNZ and DNZ for the work they do to make the projects public field days a success.

Thanks also to FarmSource and PGG Wrightson for this past year's contributions of barbeque lunches - these provide a great opportunity for people to catch up socially, share ideas and discuss the days learnings.



Conn family farm field day

We expect delivery of the 10 postponed field days throughout the remainder of the 2020 calendar year.

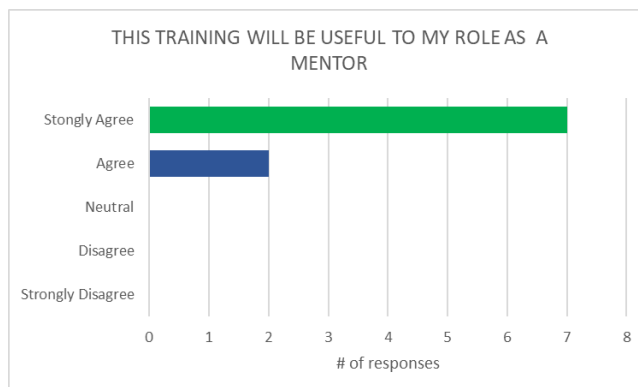
While not an easy space for farmers and many of our consultants to work in, our collective approach to wellbeing has changed significantly over the last three years. Wellbeing scoring and kitchen table conversations between target farmers, mentors and consultants are now accepted practise. There is a general acceptance of the importance of wellbeing. Conversations and field day discussions reflect and support this.

Mentor Training: This year Gideon Hanekom provided a further two Mentor training sessions; one in Waipapa and the other in Whangarei. There was a good mix of new Mentors and others returning for a refresher. It was great to see positive changes in how the Mentors approach their roles after the training sessions. The open discussion and sharing of experiences are an important part of these sessions and feedback indicates that the importance of asking better questions and developing listening skills were a valuable ‘takeaway’ from both days.

“Be more a listener and guider than a problem-solver.”

“Ask better questions and listen better.”

Further comments about the training include *“gave me more confidence as a mentor”* and *“it made us do lots of thinking and questioning”*. As the feedback graph indicates below, there is a real benefit in holding these sessions each year.



Survey Results 2019-2020

Survey results in response to “How has being involved in E350 impacted on your wellbeing?”

Farmer comments



“Setting up cell-systems for cattle over winter had an immediate impact on our wellbeing as all of a sudden we had a plan, there was grass in front of our animals, and it wasn't going to run out! Meant that we were able to leave the farm and take a well-needed holiday to Fiji mid-winter knowing that our farm help could look after things for us easily.”

“Feeling more proactive rather than reactive. More confidence in decision making, resulting in less of the deep stress that comes when budgets don't seem to work out, no time off etc. Less self-doubt as a lot of what I was doing was good but needed a tweak.”

“More engaged with staff ensuring their wellbeing is good, which has a flow on effect.”

“Reduced anxiety.”

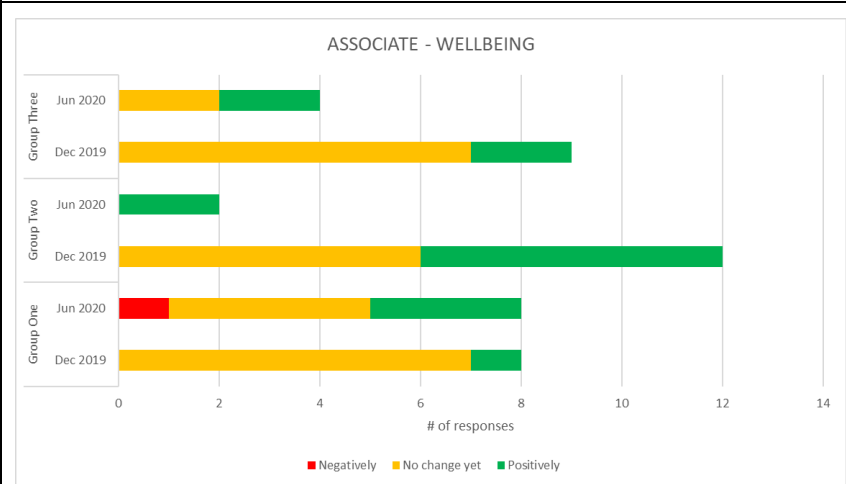


“Got to know our neighbours better and build stronger relationships with them.”

“Being more aware of how situations are impacting on my wellbeing.”

“It is good to get out and discuss the farm with the farmers and advisors.”

“Keeps us motivated and gives us outside interest and people to talk to.”



“It’s good for our wellbeing - a bit like all volunteering work - the hidden non-financial benefits are rewarding.”

“Share success and problems with group Problem shared problem halved.”

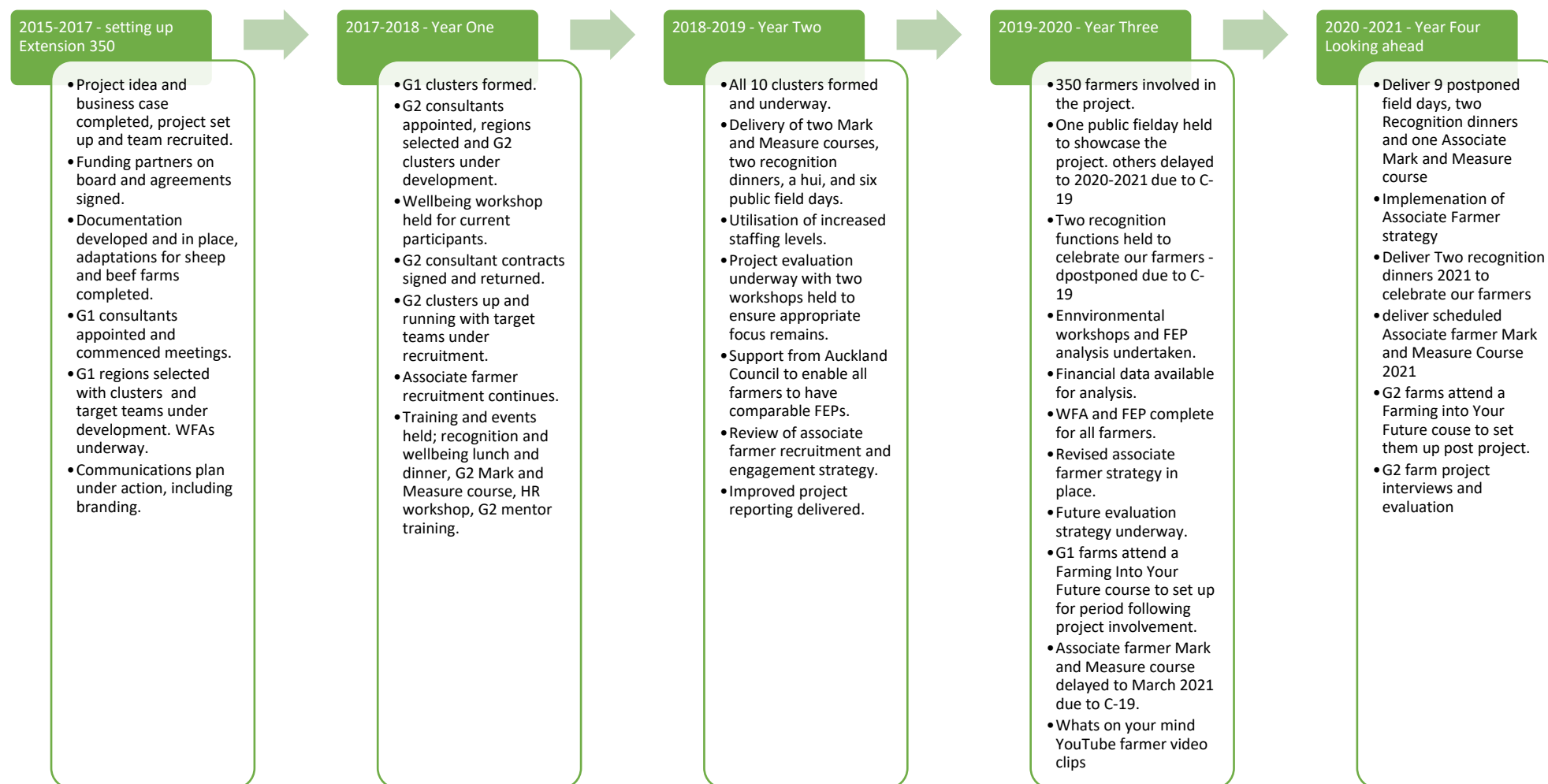
“Managing our staff better, to make sure they have plenty of time off, and ourselves, great to catch up with likeminded people over the course of E350.”

“Interaction with others and reaffirming what we do is a good positive. Wellbeing is much more aired in today's world.”

“Helped through drought seeing others in same boat.”

“Good to get feedback on how others are doing through a tough season.”

MILESTONES



FINANCIAL OVERVIEW

Spend in event and project farmer costs has been delayed until 2020/2021 year due to Covid-19 impacts

	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	Comments	2020/21 Forecast
Income						
Actual	\$357,000	\$550,811	\$685,400	\$557,900		
Annual Budget	\$289,500	\$547,500	\$661,500	\$590,590		\$433,500
Variance	\$67,500	\$3,311	\$23,900	-\$32,690	Less \$9125 B+L and farmer contributions	
Operating Expenses						
Actual	\$78,953	\$100,355	\$193,033	\$215,496		
Annual Budget	\$87,000	\$80,000	\$183,450	\$199,295		\$178,082
Variance	-\$8,047	\$20,355	\$9,583	\$16,201	Overspend due to increase in additional contractor spend	
Communications and Farmer						
Actual	\$2,669	\$30,367	\$41,074	\$5,032		
Annual Budget	\$17,000	\$25,000	\$53,000	\$71,000		\$112,000
Variance	-\$14,331	\$5,367	-\$11,926	-\$65,968	Underspend due to C-19 postponed events until Y4 Q1-Q3	
Steering Group Costs						
Actual	\$10,000	\$23,107	\$20,624	\$25,951		
Annual Budget	\$15,000	\$26,000	\$22,250	\$27,000		\$27,000
Variance	-\$5,000	-\$2,893	-\$1,626	-\$1,626		
Project Development and Evaluation						
Actual	\$21,950	\$3,168	\$72,081	\$59,033		
Annual Budget	\$115,000	\$45,000	\$77,000	\$60,443		\$5,000
Variance	-\$93,050	-\$41,832	-\$4,919	-\$1,410		
Project Farmer Costs - Consultants, Target and Mentor farmers						
Actual	\$55,988	\$274,844	\$437,115	\$280,936		
Annual Budget	\$120,000	\$362,500	\$500,800	\$432,285		\$178,350
Variance	-\$64,012	-\$87,656	-\$63,685	-\$151,349	Underspend due to C-19 delivery delays, spread of consultant visits aligned to best deliver for farmers and slow receipt of invoices.	
Total expenses	\$169,560	\$431,841	\$763,929	\$586,448	This years spend lower than forecast due to C-19 delays	\$500,432

	2016/2017	2017/2018	2018/2019	2019/2020	Comments	2020/2021
Annual surplus / delayed spend	\$187,440	\$118,970	-\$78,529	-\$28,548	Surplus budgeted into Y4 events and farm visit delays due to C-19	\$23,864
Total project surplus / delayed spend	\$187,440	\$306,410	\$227,881	\$199,333	Surplus due to aged creditors, delayed events and farm visits, expect this to be utilised within 2020/2021	\$23,864

In Kind Contributions	2016/17	2017/18	2018/19	2019/20	Comments	2020/2021
MPI		\$16,400	\$10,240	\$1,500	In kind data is provided by each funding partner on a quarterly basis.	\$110,000
NRC		\$3,000	\$28,455	\$34,740		
Beef + Lamb NZ		\$19,740	\$8,985	\$5,060		
DairyNZ		\$122,000	\$45,940	\$43,620		
Northland Inc		\$66,240	\$62,430	\$80,000		
Total In-Kind		\$227,380	\$156,050	\$164,920		

Additional contributions	2016/17	2017/18	2018/19	2019/20	Comments	2020/2021
DNZ - In Kind			\$48,217	\$81,251	Outside contractual in kind contribution	
Beef + Lamb NZ		\$10,000	\$20,000	-\$9,125	Additional cash contribution, less 2019/20 contract neg delays	

