

The Royal Agricultural Society of New Zealand

Performance Report

For the year ended
31 March 2018

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The Royal Agricultural Society of New Zealand

Entity Information

"Who are we?", "Why do we exist?"

For the year ended
31 March 2018

Legal Name of Entity:*	The Royal Agricultural Society of New Zealand
Other Name of Entity (if any):	Royal A&P Society
Type of Entity and Legal Basis (if any):*	Registered Charity; Incorporated Society pursuant to the 1908 A&P Act
Registration Number:	CC20425

To promote, motivate and support all members by assisting them to achieve their aims and objectives.

The Royal Agricultural Society (RAS) is the national organisation of the A&P Showing Movement. It is predominantly a member organisation with 96 A&P Associations (who run the A&P Shows throughout the country) and 65 Breed and Kindred Societies (who are in the main breeders of the different livestock components that feed in to an A&P Show.) The RAS also have 750 life members. The structure of the organisation is as follows - an elected President, Vice President and four Executive members (the Executive) act as the governance arm of the organisation. Two fulltime staff are employed/contracted by the Executive on behalf of the organisation - a CEO and an administrator (RAS Head Office). RAS Head Office work with the elected six District Councils (geographically related - Northern, Mid Northern, Eastern, Western, Central and Southern) and act as the management arm of the organisation. The organisation is predominantly volunteers who dedicate their time and commitment to the sport they love.

The main funding resources are membership fees and the equestrian section of the A&P Showing movement. As the equestrian section is the largest section of the A&P movement at the current time, it involves the main portion of governance and management time, therefore has been set up to be self funding. Revenue is received from the measuring system (the cornerstone of the equestrian movement) and levies paid by the competitors when they enter the A&P shows.

Annual sponsorship and grants.

The RAS is predominately a volunteer organisation. To run an A&P Show is hours and hours of volunteer time, and over and above a volunteer committee there are several hundreds of other people that are required to administer the aspects of an A&P Show - stewards, judges, car parkers, gate people and so forth. The RAS Executive are volunteers, as are the councillors who make up the six District Councils. The RAS administrator an RAS Equestrian Judge's list, and all of the Equestrian Judges are volunteers. The Breed Societies also administer the relevant Breed Society's judges list, and they too are volunteers.

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The Royal Agricultural Society of New Zealand

Entity Information

"Who are we?", "Why do we exist?"

For the year ended
31 March 2018

Contact details

Physical Address:	158 Ashley Street, Rangiora
Postal Address:	PO Box 54, Woodend 7641
Phone/Fax:	Phone 03 313-1004
Email/Website:	Email - enquiries@ras.org.nz; Web www.ras.org.nz
	
	

The Royal Agricultural Society of New Zealand

Statement of Service Performance

"What did we do?", When did we do it?"

For the year ended

31 March 2018

Description of the Entity's Outcomes*:

Provide the membership with a Constitution that can take them through in to the foreseeable future.

Provide the membership with clear and consistent rules.

Provide a Royal Show/s/Events that the membership can be proud of.

Protect the membership's Intellectual Property rights

Provide the membership with a Health & Safety template to work from.

	Actual*	Actual*
Description and Quantification (to the extent practicable) of the Entity's Outputs:*	This Year	Last Year
Review of Constitution throughout the last three years - due to be voted on at this year's conference	Reconfirmed	Voted in. Needs to be reconfirmed.
Review of equestrian rulebook over the last three years. Major changes voted on last year, this year minor tweaks being made to it. Review of general Showing rules & Regulations to be undertaken.	Minor tweaks still in progress.	Minor tweaks still in progress.
Review of how Royal Shows & Events are working, and how to improve on our flagship event.	In progress	In progress
Health & Safety template available, due to be reviewed this year.		Done & distributed to members.
All written information is copyrighted. Application in to trademark our tri coloured red/white/blue ribbon and medal.	Declined	In progress

Additional Output Measures:

Additional Information:

The Royal Agricultural Society of New Zealand

Statement of Financial Performance

"How was it funded?" and "What did it cost?"

For the year ended

31 March 2018

	Note	Actual* This Year \$	Actual Last Year \$
Revenue			
Donations & similar revenue	1b	6,050	10,276
Fees/Subscriptions/other revenue members/competitors	1c	152,666	172,269
Fundraising Revenue	1a	47,217	9,258
Interest / Dividends and other Investment Income	1e	2,377	4,337
Revenue from providing Goods & Services	1d	92,432	91,398
Total Revenue		300,742	287,538
Expenses			
Costs Relating to Providing Goods & Services	2a	297,320	301,524
Other	2b	3,032	4,390
Total Expenses*		300,352	305,914
Net surplus/(Deficit) for the Year*		390	(18,376)

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The Royal Agricultural Society of New Zealand

Statement of Financial Position

"What the entity owns?" and "What the entity owes?"

As at
31 March 2018

	Note	Actual* This Year \$	Actual* Last Year \$
Assets			
Current Assets			
Bank Accounts & Cash	3a	200,787	127,704
Debtors and Prepayments	3b	23,989	40,977
Stock on Hand	3c	5,176	6,257
Total Current Assets		229,952	174,938
Non-Current Assets			
Investments	3d	27,025	89,389
Trademark Costs - Badges & Medals			3,233
Fixed Assets	4	143,055	145,750
Total Non-Current Assets		170,080	238,372
Total Assets*		400,032	413,310
Liabilities			
Current Liabilities			
Trade Creditors	3e	21,269	17,858
Income in Advance			15,104
Total Current Liabilities		21,269	32,962
Total Liabilities*		21,269	32,962
Total Assets less Total Liabilities (Net Assets)*		378,763	380,348
Accumulated Funds			
Accumulated surpluses or (deficits)*		204,465	222,841
Net Surplus (Deficit) this Year		390	(18,376)
Life Members Fund	5	37,534	39,509
Trophies Fund	5	136,374	136,374
Total Accumulated Funds*		378,763	380,348

The performance report was approved for and on behalf of the executive committee on 28 May 2018.

President:



Treasurer:



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This performance report should be read in conjunction with the accompanying notes and the Auditors Report.

The Royal Agricultural Society of New Zealand

Statement of Cash Flows

"How the entity has received and used cash"

For the year ended

31 March 2018

	Actual* This Year \$	Actual* Last Year \$
Cash Flows from Operating Activities*		
Cash was received from:		
Donations, fundraising and other similar receipts *	52,267	17,284
Fees, subscriptions and other receipts from members *	154,175	170,753
Receipts from providing goods or services *	92,432	91,398
Interest, dividends and other investment receipts *	2,377	4,337
Net GST		
Cash was applied to:		
Payments to suppliers and employees *	291,152	294,247
Donations or grants paid *		
Net Cash Flows from Operating Activities*	10,099	(10,475)
Cash flows from Investing and Financing Activities *		
Cash was received from:		
Receipts from the sale of property, plant and equipment *		
Receipts from the sale of investments *	62,364	
Proceeds from loans borrowed from other parties *		
Receipts from trophy bonds	620	800
Capital contributed from owners or members *		
Cash was applied to:		
Payments to acquire property, plant and equipment *	-	2,579
Payments to purchase investments *	-	2,199
Repayments of loans borrowed from other parties *		
Capital repaid to owners or members *		
Net Cash Flows from Investing and Financing Activities *	62,984	(3,978)
Net Increase / (Decrease) in Cash *	73,083	(14,453)
Opening Cash*	127,704	142,157
Closing Cash*	200,787	127,704
This is represented by:		
Bank Accounts and Cash *	200,787	127,704

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The Royal Agricultural Society of New Zealand

Statement of Accounting Policies

"How did we do our accounting?"

For the year ended

31 March 2018

Basis of Preparation*

The Royal Agricultural Society of NZ has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Consolidation

This performance report is for the consolidated entity comprising The Royal Agricultural Society head office and its six elected district councils. The entity has been consolidated on the basis of its charitable status and the board's power to govern the financial and operating policies so as to obtain benefits from its activities, generally through levies. In preparing the performance report, income, expenditure, assets and liabilities of the national office and district councils are combined except any transactions occurring between them which are eliminated on consolidation.

Goods and Services Tax (GST)*

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST where applicable.

Income Tax

The RAS is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances, excluding term investments and deposits.

Fixed Assets & Depreciation*

All fixed assets except Trophies are recorded at cost or valuation less accumulated depreciation. Depreciation has been calculated using diminishing value rates based on the useful life of the asset. Trophies are recorded at their estimated market value determined by an independent insurance valuation.

Investment Policy

Term Deposits are shown at the amount that was invested at the beginning of the term investment term.

Shares are recorded at their cost price at the time of purchase unless it appears that the carrying amount of the investment will not be fully recovered in which case it is written down to its current market price.

Recognition of Income*

Income for contracted services and sponsorship is recognised at the time that an invoice is raised. Income from cash sources of income is recognised at the time of receipt. Interest received is recognised using the accruals method. Dividend income is recognised with the dividend is paid. Grants received are recognised when the funds have been applied for the purpose on which the grant was received which may or may not result in part of all of the grant being repaid if funds have not been used in the required time limit.

Revenue from Providing Goods & Services

Some are related to members. Sale of goods relates to selling of any merchandise - ties, rulebooks etc - some may be to members. Delegate catering & registration relates to members attending the annual conference.

Audit

These financial statements have been audited as per the Auditor's attached statement.

Securities & Guarantees

There was no overdraft as at balance date, nor was any facility arranged.

Changes in Accounting Policies*

There have been no changes in accounting policies. All accounting policies have been applied consistently throughout the year. Certain comparative balances have been restated to conform with the current year's presentation.

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The Royal Agricultural Society of New Zealand

Notes to the Performance Report

For the year ended

31 March 2018

Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year \$	Last Year \$
1a. Fundraising revenue	Sponsorship	47,217	9,258
	Total	47,217	9,258

Revenue Item	Analysis	This Year \$	Last Year \$
1b. Donations and other similar revenue	Donations Received	1,103	872
	Grants Received	4,947	9,404
	Total	6,050	10,276

Revenue Item	Analysis	This Year \$	Last Year \$
1c. Fees, subscriptions and other revenue from members/competitors	Levies	78,300	78,785
	Levies - Equestrian	65,523	81,942
	Life Membership	1,975	2,079
	Sundry Income	6,868	9,411
	Bad Debts Recovered	-	52
	Total	152,666	172,269

Revenue Item	Analysis	This Year \$	Last Year \$
1d. Revenue from providing goods or services	Revenue from Sale of Products	7,267	9,269
	Royal Show & Event Hosting	20,031	20,000
	Delegate Catering & Registration	19,616	18,655
	Equestrian Replacement Certificates	6,586	7,982
	Equestrian Measuring Fees	38,932	35,492
	Total	92,432	91,398

Revenue Item	Analysis	This Year \$	Last Year \$
1e. Interest, dividends and other investment revenue	Interest - Royal Agricultural Society of NZ	302	2,121
	Interest - Other Districts	304	594
	Dividends - Royal Agricultural Society of NZ	1,771	1,622
	Total	2,377	4,337

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The Royal Agricultural Society of New Zealand

Notes to the Performance Report

For the year ended
31 March 2018

Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year \$	Last Year \$
2a. Costs related to providing goods or services	Accommodation / Travel	26,605	26,601
	Administration - Complaints	5,000	4,702
	Administration - Equestrian	99,319	93,767
	Administration - F/S Admin Costs	5,258	4,065
	Administration - General	33,106	30,790
	Administration - Data Entry	4,891	4,623
	Audit	4,425	6,850
	Badges / Medals / Sashes	9,392	8,569
	Bank Fees	568	696
	Catering / Venue Hire / Equipment	14,269	14,336
	Communication/Marketing	3,204	-
	Consultancy	8,197	11,988
	Dairy Cattle Expenses	5,211	4,081
	Equestrian Related Expenditure	7,619	7,578
	Forbidden Substance Expenditure	4,242	3,527
	General Expenses	4,692	5,007
	Insurance	1,189	1,183
	Legal - AES	7,980	14,781
	Legal - Equestrian	-	638
	Legal - General	3,582	388
	Meeting Expenses	919	1,376
	Postage / Freight	1,506	4,252
	Printing & Stationery	19,517	17,803
	Prize Money	11,992	8,930
	Product for Sale	1,952	2,472
	Promotional Assistance to Host Associations	2,000	1,800
	Subscriptions	2,012	1,940
	Telephone	2,977	3,148
	Training	5,696	15,633
	Total	297,320	301,524
2b. Other expenses	Bad Debts	337	-
	Depreciation	2,695	4,390
			-
	Total	3,032	4,390

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Notes to the Performance Report

For the year ended
31 March 2018

Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This Year \$	Last Year \$
3a. Bank accounts and cash	Royal Agricultural Society of NZ Inc	131,355	56,413
	Northern District	21,999	23,485
	Eastern District	3,387	4,649
	Western District	8,386	9,121
	Central District	11,170	5,379
	Mid Northern District	6,867	15,088
	Southern District	17,623	13,569
	Total	200,787	127,704
Asset Item	Analysis	This Year \$	Last Year \$
3b. Debtors and prepayments	Debtors	20,186	37,773
	Prepayments	3,803	3,204
	Total	23,989	40,977
Asset Item	Analysis	This Year \$	Last Year \$
3c. Inventory	Ties	1,056	1,073
	Badges, Ribbons etc	4,120	5,184
	Total	5,176	6,257
Asset Item	Analysis	This Year \$	Last Year \$
3d. Investments	Royal Agricultural Society of NZ Inc - Term Deposit	-	56,583
	Central District - Term Deposit	5,000	10,781
	Auckland International Airport - 2700 shares	4,952	4,952
	Infratil Ltd - 3000 shares	5,332	5,332
	PGG Wrightson Ltd - 3506 shares	1,700	1,700
	Sandford Ltd - 1200 shares	5,181	5,181
	Seeka Kiwifruit Ltd - 1500 shares	4,860	4,860
	Total	27,025	89,389
Liability Item	Analysis	This Year \$	Last Year \$
3e. Creditors and accrued expenses	Trade and other payables	15,349	12,196
	Accrued expenses	4,500	4,862
	Trophy Bond	1,420	800
	Total	21,269	17,858

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The Royal Agricultural Society of New Zealand

Notes to the Performance Report

For the year ended
31 March 2018

Note 4 : Property, Plant and Equipment

This Year					
Asset Class*	Opening Carrying Amount*	Purchases	Sales/Disposals	Current Year Depreciation and Impairment*	Closing Carrying Amount*
Trophies	136,374				136,374
Furniture and fixtures*	3,233			739	2,494
Website	2,160			1,080	1,080
Banners	3,983			876	3,107
Total	145,750	-	-	2,695	143,055

PPE7 - PPE8	
Current Valuation*	Source and Date of Valuation*
136,374	McLeay Jewellers 31/3/17

Last Year					
Asset Class*	Opening Carrying Amount*	Purchases	Sales/Disposals	Current Year Depreciation and Impairment*	Closing Carrying Amount*
Trophies	136,374				136,374
Furniture and fixtures*	3,210	1,129		1,106	3,233
Website	4,320			2,160	2,160
Banners	5,107			1,124	3,983
Total	149,011	1,129	-	4,390	145,750

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The Royal Agricultural Society of New Zealand

Notes to the Performance Report

For the year ended
31 March 2018

Note 5: Accumulated Funds

This Year				
Description*	Life Member Fund	Accumulated Surpluses or Deficits*	Reserves*	Total*
Opening Balance	39,509	204,465	136,374	380,348
Capital contributed by owners or members*				-
Life Membership Transferred to Revenue	(1,975)			(1,975)
Surplus/(Deficit)*		390		390
Distributions paid to owners or members*				-
Transfer to Reserves*				-
Transfer from Reserves*				-
Closing Balance	37,534	204,855	136,374	378,763

An amount of 5% of the balance of Life Members' Fund is transferred into income each year being the estimated amount applicable to income in that year. This income is used for the purposes of communicating with life members via the Ferris Wheel newsletter and facilitating life member's rights to visit overseas shows.

Breakdown of Reserves		Actual*	Actual*
Name*	Nature and Purpose*	This Year	Last Year
		\$	\$
Trophies Fund	Valuation of Trophies donated to the Royal Agricultural Society as at 31 March 2018.	136,374	136,374
Total		136,374	136,374

The Royal Agricultural Society of New Zealand

Notes to the Performance Report

For the year ended
31 March 2018

Note 6 : Commitments and Contingencies

Commitments

There are no commitments as at balance date (Last Year - nil)

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (Last Year - nil)

The Royal Agricultural Society of New Zealand

Notes to the Performance Report

For the year ended
31 March 2018

Notes 7-9

Note 7: Related Party Transactions*

Related Party Disclosures:

There were no material transactions involving related parties during the financial year. (Last Year - Nil)

Note 8: Events After the Balance Date*

Events After the Balance Date:

There were no events that have occurred after the balance date that would have a material impact on the Performance Report. (Last Year Nil)

Note 9: Ability to Continue Operating*

The executive of the society are fully aware of the need to operate within its financial means and note therefore the reliance the society has on sponsorship, show activities and contests, member support and external funding bodies to meet its objectives including financial stewardship.

Note 10: Comparative Figures

Comparatives information has been reclassified where necessary to achieve consistency in disclosure with the current year.

INDEPENDENT AUDITOR'S REPORT

To the Members of The Royal Agricultural Society of New Zealand

Opinion

We have audited the performance report of The Royal Agricultural Society of New Zealand and its branches (the Entity) on pages 2 to 15, which comprise the statement of financial position as at 31 March 2018 and the entity information, statement of service performance, statement of financial performance and statement of cash flows for the year ended, and notes to the performance report, including a summary of significant accounting policies.

In our opinion, the accompanying performance report of the Entity on pages 2 to 15 presents fairly, in all material respects, the financial position of the Entity as at 31 March 2018 and its entity information, service performance, financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Qualified Opinion

The Entity recognises equestrian levies on a cash basis which is not in accordance with Public Benefit Entity Standards Simple Format Reporting – Accrual (Not-For-Profit) which stipulates such income is earned at the time an event is held. Accordingly equestrian levies income and accounts receivable would be greater if the levies owing at 31 March 2018 could be quantified. In this respect alone, we have not been able to obtain all the information and explanations that we have required.

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of the Entity in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in the Entity.

Executive Committees' Responsibilities for the Performance Report

The Executive Committee is responsible on behalf of the Entity for the preparation and fair presentation of the performance report in accordance with Public Benefit Entity Standards Simple Format Reporting – Accrual (Not-For-Profit) and for such internal control as the Executive Committee determines is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Executive Committee is responsible on behalf of the Entity for assessing the Entity'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 Executive Committee either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT

To the Members of The Royal Agricultural Society of New Zealand

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance 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 ISAs (NZ) 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 performance report.

A description of our auditor responsibilities for the audit of the performance report can be viewed on the website of the External Reporting Board.

https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Description_Auditors_responsibilities.aspx



28 May 2018

ASHTON WHEELANS

Chartered Accountants
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Christchurch