

Gazette No. 220 (2021)



The Royal Agricultural Society of New Zealand
(Incorporated pursuant to the Agricultural & Pastoral Act 1908)



Annual Report & Statement of Financial Performance

For the year ending March 31, 2021.

**THE ANNUAL GENERAL MEETING of the
Royal Agricultural Society of New Zealand**

will be at the James Cook Hotel, Wellington at 10.50am, Sunday 20 June 2021

AGM Business

- receive and adopt the Annual Report;
- receive and adopt the audited Statement of Financial Performance and Statement of Financial Position for the previous financial year;
- elect Officers and Honorary Life Members;
- elect the Executive (as applicable)
- appoint an auditor;
- review any levies;
- consider any business or proposed resolution of notice has been given;
- discuss any recommendations from the Equestrian Meeting and the United Breed Society Meeting;
- receive a report on remits or any postal ballots;
- transact any general business.

THE RAS ANNUAL DINNER

To be held at the James Cook Hotel, Wellington at 7.00pm on Saturday 19 June 2021.



Thanks, goes to sponsors and supporters:



THE ROYAL AGRICULTURAL SOCIETY OF NEW ZEALAND
Officers

PATRON

Her Excellency, Dame Patsy Reddy

PAST PRESIDENTS

Sir William Perry Kt	(1923-1931)	L.R.C. Macfarlane MC	(1931-1934)
L.J. Wild CBE. OBE	(1934-1945)	B.E. Keiller CMG	(1945-1952)
J.S. Marshall	(1952-1958)	M.S. Rennie OBE	(1958-1966)
J.H. Rutherford CBE	(1966-1972)	D.M. MacDonald	(1972-1975)
D.L. Ensor	(1975-1978)	J.L. Herrick	(1978-1980)
I.A. Barnett	(1980-1983)	T.M.R. Maskew OBE	(1983-1986)
H.D. Treadwell QSM	(1986-1989)	J.G. Gunn MNZM	(1989-1992)
W.C. Scott ONZM	(1992-1995)	K.G. McKenzie	(1995-1998)
I.R.F. McKelvie	(1998-2002)	P.G. King	(2002-2005)
M.G. Lester	(2005-2009)	B.L. Orr MNZM	(2009-2013)
J.M. Grigg	(2013-2015)	G.R Smith	(2016-2019)

HONORARY LIFE MEMBERS

H.R.H. The Duchess of Kent

G.I.C. McDouall OBE (Wanganui)	1970	E.W. Sadlier (Gore)	1980
H.D. Treadwell QSM (Taupo)	1992	R.S. Mackenzie MBE MC (Akaroa)	1994
J.G. Gunn MNZM (Darfield)	1996	E.M. Chittock (Gore)	1997
H.D. Chittock (Alexandra)	1997	F.W. Arnold MNZM (Pukekohe)	1998
W.C. Scott ONZM (Morrinsville)	1999	K.G. McKenzie (Invercargill)	2002
M.F. Vernon (Christchurch)	2003	J.R. Bruce (Ashburton)	2004
I.R.F. McKelvie (Palmerston North)	2005	R F James (Springfield)	2006
K Cholmondely-Smith (Kumeu)	2006	C.J Mason (Whangarei)	2006
W.D Mitchell (Wyndham)	2008	N. Hutchinson (Banks Peninsula)	2009
R Tilsley MNZM (Auckland)	2010	A Paratene QSM, QPM (Orewa)	2010
B.L Orr MNZM (Tauranga)	2013	M.G Lester (Hawkes Bay)	2014
M McKerrow (Whangarei)	2014	P.G King (Hawkes Bay)	2015

PRESIDENT: B.W. Snelllex (Sefton)

IMMEDIATE PAST PRESIDENT:

HONORARY TREASURER:

CEO:

ADMINISTRATOR:

EXECUTIVE: B Snelllex (Sefton), R Walker (Mosgiel), C O'Connor (Te Awamutu), M Jebson QSM (Darfield), M McKerrow – co-opted (Whangarei), G Smith – co-opted (Pukekohe).

VICE PRESIDENT: R Walker (Mosgiel)

G.R Smith (Pukekohe)

M.E McKerrow – co-opted (Whangarei)

D.A Cameron (Nelson)

C.M Roberts (Oxford)

UNITED BREEDS SOCIETY 2020 - 2021

CHAIRMAN: B Burgess (Dannevirke) **EXECUTIVE:** M. Fleming (Canterbury), I Stevenson (Cheviot), K Allison (Outram).

HORSE STEWARDS COUNCIL EXECUTIVE 2020 – 2021

Chairman: H McLeod (Waitara); **RAS Equestrian:** C O'Connor (Te Awamutu)

Measuring Convenor: Position vacant; **Clean Sport Convenor:** M. Mulligan (Greytown);

Judge's Convenor: A Windle (Shannon)

The Society also gratefully acknowledges the assistance it receives from

HONORARY ADVISOR:

Prof. R.A. Anderson (Palmerston North)

MEMBERS, FRIENDS AND SPONSORS OF THE SOCIETY

2020 has certainly been an 'interesting' year with the impact that we saw during last year's Autumn show season, due to COVID-19, continuing on. We had our District AGMs cancelled then the cancellation of our National Conference and AGM. The ongoing high COVID-19 alert levels continued to cause issues for not only our organisation but the nation as a whole. We all hoped that the efforts that were being undertaken nationally would limit our exposure to COVID-19 and bring everything back to normal for the country, including our Spring show season. This would clearly allow the A&P shows to again become the focal point of the local community and provide them with that amazing community event they had all been longing for.

When Spring arrived, a number of A&P's were faced with the difficult decision of proceeding with their show, while we remained uncertain of what COVID-19 level we would face, or cancelling, so that there was no uncertainty for their competitors or volunteers. Some made the difficult decision to cancel, others provided just showing classes without general public, ensuring they meet the maximum number of people based on the COVID-19 alert level, then others found they could go ahead - the Spring show season finally got underway.

A special thank you to CEO, Debbie Cameron, and Administrator, Christine Roberts recognising the significant ongoing contribution that they both make to our organisation. The often-unseen, significant personal and voluntary contribution that they both make to the Society is quite something, particularly when we add this to their normal daily tasks. The Society owes you both a huge debt of gratitude for going above and beyond your normal role and I personally thank you for everything that you do.

Of course, always behind every wonderful woman is, in their case, strong, supporting husbands. Nigel and Wayne are both called upon to also assist us in various ways from time-to-time, so our thanks go out to them for their great support and assistance.

I would like to thank the Horse Stewards Council Executive – Alan Windle, Cara O'Connor, Helena McLeod, John Fleet and Maxine Mulligan for their ongoing

dedication in assisting our organisation & the Showing Sector. This year we did lose two long standing members in Alan Windle and John Fleet. Both having made significant contributions over a large number of years and we must thank them both for giving so much voluntary time to assist the organisation and all of its members. Again, thank you all.

I would like to acknowledge our UBS and Breed Chairs Ben Burgess the UBS Chairperson, Mark Fleming the Beef Chairperson, Kelly Allison the Dairy Chairperson and Ian Stevenson the Sheep Chairperson, for their ongoing contribution to the Society.

A big thank you to the Executive members for your huge amount of voluntary time you contribute to the Society throughout the year. Without your help the organisation would not be in a position to grow and develop. Your personal contribution can never be overlooked by the membership, you are all giving so freely of your personal time to ensure that the organisation continues to thrive.

Last year we saw COVID-19 created some of the biggest challenges we have ever seen, and it would be fair to say that COVID-19 was a catalyst for us to act. While we could see the opportunities, we asked ourselves how we could overcome the challenges, including the fall-out from COVID-19 and ensure the A&P Showing Sector remained viable for future generations.

This required a number of actions to be initiated,

1. The RAS Executive reviewed the governance portfolios with the view to bringing in external skill sets especially within the communication, financial and legal aspects. A number of external advisors have agreed to assist the organisation.
2. Originally we had a group, including six A&P Show Managers, meet to provide some clarity and insight in how to move forward. The result led to a full independent strategic business review which has also been referred to as a "Better Business Case."
3. Following various meetings, we contracted Steve Bramley from SGL Funding to undertake the review and the first stage has now been completed.

We are now working through several initiatives which will gather more feedback from the membership before we start the next phase of our journey.

We have a long way to go but want all of you to join us in the journey to make our organisation bigger, better and brighter for others to follow into the future.

In the following pages I am pleased to report on the 2020/21 Royal A&P Show/Events, Rural Ambassador, Young Judges & Paraders, Golden Fleece Exhibition and the South Island Dairy Heifer Competition.

	Hosted By: HAWKES BAY A & P
Due to the impact of COVID-19, the New Zealand Royal A&P Show was not able to be held.	



Hosted By:

STRATFORD A & P

I was delighted to have the opportunity to head to the Stratford A&P Show in November where they hosted Royal Events in Dairy, Beef and Pigs. The team at Stratford had to work hard to ensure that the heavy rain in the week leading up to the show did not impact on the show at all. Show day was fine and the local community turned out in droves to see some amazing exhibits in all sections of the show.

I even had the chance to steward in the Jersey section of the show thanks to President Paul Vanner taking me up on my offer to help out. Later in the day, Past President Geoff Smith and myself, had the opportunity to discuss all things showing with one of their enthusiastic team who recorded our interview for local media. It was fabulous to see that Dairy competitors had travelled from Wellsford in the North to as far south as Rakaia. It was equally fabulous that the premium awards went to those competitors with the Gilbert Family taking out the Supreme Dairy Cow with Pukekaraka Elle Delila while the Supreme Beef exhibit was Rivendell Delicious, owned by K & B Woolley. This is not to take anything away from the local exhibitor who won the Supreme Pig Award – George Shultz with Hillview Lily.

Thanks to President Paul Vanner, Vicki Jagersma and the rest of the team for their hospitality.



Hosted By:

HOROWHENUA A, P & I

In February, I was privileged to be able to attend the Horowhenua A.P&I Show where they hosted Royal Events in Home Industries and the Sheep Section. Executive Member, Melissa Jebson also attended, and we were delighted to be part of local identity and prominent sheep breeder, Gilbert Timms, being recognised for 60 years as a member of the show. I did suggest to Gilbert that he must have been involved in the show since he was 2 years old (yes, I got a smile). Gilbert took away a number of Royal Gold Medals for the showing of his sheep, but I think, his wife, Diana will be back next year to have her opportunity to shine. The Timms family have been an integral part of this showing community for quite some considerable time and when you see the number of generations competing against each other, we know that showing in Horowhenua is in great hands.

Congratulations must also go to the following people - Lynley Coffee from Feilding whose Black & Coloured Ram won the overall Supreme Sheep of the Show and Karen Donovan from Paraparaumu whose hand-knitted shawl won the Supreme Exhibit in the Home Industries Section. Considering there were over 930 entries in the Home Industries this is no mean feat.

Thanks to President Bentall, Jill Timms and the team for their hospitality.



RURAL AMBASSADOR AWARD

Due to the impact of COVID-19, the Award was not held.



RAS YOUNG JUDGES & PARADERS COMPETITIONS

Due to the impact of COVID-19, the Competition was not held.



GOLDEN FLEECE EXHIBITION

Due to the impact of COVID-19, the Exhibition was not held.



SOUTH ISLAND DAIRY HEIFER COMPETITION

Due to the impact of COVID-19 the Competition was not held

NZ NATIONAL EWE HOGGET COMPETITION

Due to the impact of COVID-19 the Competition was not held.

OBITUARIES

Our sympathy is extended to the families of those Society members who have passed on during the 2020-2021 year.

PATRONAGE OF THE SOCIETY

Thanks to, Her Excellency, Dame Patsy Reddy, for her patronage and support.

Brent Snelllex
PRESIDENT

UNITED BREEDS SOCIETY

Amazing how quickly the time flies as it feels like just last week I was writing last year's report. The last 12 months has been unsettled for most part with changing COVID restrictions leading to many events in the early half of the year cancelled or postponed.

Back in February myself and partner Georgia were once again able to take some cattle along to the Dannevirke A&P show. While we did not come away with many prizes on the day it was great to get back out and about, catching up with friends we hadn't seen in a number of months.

Isolated pockets of dry patches again have been testing the rural industries around the country with Banks Peninsula and Hawkes Bay to name a couple. While the rural industry is resilient, these do take their toll on the local communities.

Strong export demand for grass fed New Zealand product, both meat and milk, have helped aid in the economy's response to travel restrictions.

I would like to thank you all very much for allowing me to again stand for the position of UBS Chairman and look forward to representing the various views and needs over the coming season. Thanks, must again go out to my representative chairs, as without them and their hard work, my role would be a lot more complicated.

I look forward to catching up with you all at conference.

Ben Burgess
UBS CHAIRMAN

ROYAL AGRICULTURAL SOCIETY OF NZ TREASURER'S REPORT

The following report to members is on the financial outcomes for the society for the period ending the 31st March 2021. The objective for the society this year was to navigate itself through the financial implications that the COVID-19 pandemic presented to the organisation. I am pleased to report that we achieved a positive outcome.

Before I move into more detail on the financial outcomes, I would like to take a moment to reiterate the comments made by the previous treasurer last year around the establishment of a centralised accounting system for both the districts and head office. This will help the treasurer and the executive to continue to maintain a financially sound organisation throughout the year. It would ultimately remove some of the risk and liability that each executive member, both personally and collectively, bear as trustees of the organisation. The executive is accountable for the consolidated outcomes of the organisation, not our district councils. It would also simplify the preparation of the end of year accounts.

In my view it would be a very prudent measure to adopt a centralised accounting system and I now submit that as a recommendation for the incoming executive committee to recommend its adoption to all district councils.

OVERALL INCOME AND EXPENDITURE

Like many of our show member societies the COVID-19 pandemic had a major impact and reduced the society's income by \$68,012. Expenditure from providing goods and services dropped by \$113,226. Once the cost of the business case review and depreciation is taken into consideration overall expenditure reduced by \$73,342. The society achieved a net surplus for the year of \$33,678. Members should be mindful that this result was assisted by the capital gain from investments which is commented upon in more detail later in this report.

The financial results were not achieved lightly. Some very tough decisions had to be made at the commencement of the year and in the case of our contracted administration staff, personal sacrifices made also.

I would like to thank the executive and staff for holding true to the expenditure budget provisions. I know it was difficult and some sacrifices had to be made, but we landed where we needed to.

Thank you!!

MEMBERSHIP

Life membership as of the 31 March 2021 stood at 661 members. There are, 66 Breed and Kindred memberships and 93 A & P Shows or Event memberships.

SUBSCRIPTIONS

As is customary we continue to credit 5 percent of the life members fund to the current account which does assist in meeting the costs associated with servicing life members.

INVESTMENTS & SHARES

The opportunity was taken to review the society's investments with particular emphasis on the share portfolio. Given that the New Zealand share market had somewhat recovered on the previous year, and at the time that the review was undertaken, our share portfolio valuation had increased significantly on the carrying values shown in last year's financial report.

Given that the society was facing uncertain income streams and following the executive's decision to commission an independent business analyst to undertake a business case review the decision was made to sell down the share portfolio. Over the years of the investment the society has received returns on its investment through dividends. The carrying value of the share portfolio at 31st March 2020 was \$20,939. The portfolio was sold for \$49,365. The proceeds from the sale have been set aside to specifically fund the business case review.

IN SUMMARY

Prudent management and sound business decision making, by your executive, have produced a positive financial outcome for the year.

By now you will all be aware of the initial roll out of the business case review and the initiatives to be implemented to form working groups and undertake a review of all the rules across all sections of the showing sector. In looking forward there will be costs associated with this process and provision has been made in our 21/22 budget to accommodate this.

As a treasurer, I prefer to be upfront with members on matters that may affect them. Whilst the final adoption of the next year's budget will rest with the incoming executive (of which I may or may not be a part of) I signal this. In future, equestrian expenditure will be based on the previous year's equestrian levies received. This removes the speculation on the amount of levies that may be received in the current year and controls the risk of over expenditure. It will also more effectively address the scrutiny from the membership.

The society is in the process of a major review of its equestrian rules. Once the review is completed wider consultation with the membership will be required. Given the feedback received through the strategic case review one can anticipate that the changes could be extensive which if approved will require good communication and education. In my opinion it would be better to defer the planned judges training days and road show and utilise those days for the consultation and rules review roll out.

The district rebate for 2021/22 has been budgeted to be paid at the rate of 25% of membership levies received which is the same as that paid this year. Our constitution provides for a minimum of 20%.

The outcomes of the business review will improve the future sustainability of the A & P movement. In my view its fitting that districts if necessary contribute towards the cost of this hence the budgeted lower than normal level of rebate.

That said, if we are successful with our funding applications then this may not be necessary, and we could restore the annual rebate to prior COVID-19 pandemic levels. From the balance sheet you will note that it would appear all districts have sufficient funds available to them now to fund their activities for the ensuing year. The

next rebate will be paid in March 2022. In the past the rebate has been paid out earlier and at times has been paid when not all Member Societies have paid their levies. We have been paying the rebate on projected income which may or may not materialise. The intention to pay the rebate later removes any overpayment risk and works in the best interest of all districts.

I appreciate that this is a slight departure to my response from the question raised at the Mid Northern AGM. However, I did quantify this by saying that I was in the process of finalising the budget for the next financial period and it would be dependent upon what was achievable or not.

In closing, I would like to thank the executive once again for their support in what has been a difficult and trying year, your tenacity has achieved the aspired financial outcomes. To our CEO, Debbie Cameron thank you for all that you do and continue to do for this organisation. Few understand and recognise the dedication and commitment that you bring and the voluntary work that you undertake outside of your contractual obligations and that together with the extra work that the business case review involves is recognised and appreciated. To Christine Roberts, in many cases our unsung administration hero who works tirelessly in the background. To you I extend my most sincere thanks and gratitude. To the membership it has been a privilege to have been involved with the organisation once again and I wish you all every success for the future.

I formally move the adoption of the audited financial statements for the year ended 31st March 2021.

Malcolm McKerrow
TREASURER



2021

Financial Statements

The Royal Agricultural Society of New Zealand

Performance Report

For the year ended
31 March 2021

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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 2021

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

Entity's Purpose or Mission: *

The RAS exists to inspire members to promote rural excellence, sustainability and innovation.

Entity Structure: *

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 & Kindred 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 664 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.

Main Sources of the Entity's Cash and Resources:*

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.

Main Methods Used by the Entity to Raise Funds:*

Annual sponsorship and grants.

Entity's Reliance on Volunteers and Donated Goods or Services: *

The RAS is predominantly 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 and 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.

ASHTON
WHEELANS

The Royal Agricultural Society of New Zealand

Entity Information

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

For the year ended
31 March 2021

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 2021

Description of the Entity's Outcomes*:

A full Business Strategic Review commenced in November 2020. There are three stages to this and Stage 1 is complete with Stage 2 due to get underway.

	Actual*	Actual*
	This Year	Last Year
Description and Quantification (to the extent practicable) of the Entity's Outputs:*		
Stage 1 of the Review was an exercise undertaken by an independent entity SGL Funding. It has involved talking to a range of RAS members to gather feedback, as well as talking to current and potential partners. From that feedback a number of recommendations have come forward to ensure the sustainability of the A&P Showing Sector.		Nil still in progress.
Review of how Royal Shows & Events are working, and how to improve on our flagship event.	To be encompassed in Stage 2	In progress
Review of Written Papers for Equestrian Judges	In light of full Business Review will be encompassed in Stage 2	In progress

Additional Output Measures:

Additional Information:

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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 2021

	Note	Actual* This Year \$	Actual Last Year \$
Revenue			
Donations & similar revenue	1b	10,494	19,411
Fees/Subscriptions/other revenue members/competitors	1c	147,464	184,341
Fundraising Revenue	1a	-	26,543
Interest / Dividends and other Investment Income	1e	29,327	2,299
Revenue from providing Goods & Services	1d	63,697	86,400
Total Revenue		250,982	318,994
Expenses			
Costs Relating to Providing Goods & Services	2a	176,270	289,496
Other	2b	41,034	1,150
Total Expenses*		217,304	290,646
Net surplus/(Deficit) for the Year*		33,678	28,348

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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 Financial Position

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

As at
31 March 2021

	Note	Actual* This Year \$	Actual* Last Year \$
Assets			
Current Assets			
Bank Accounts & Cash	3a	287,742	255,779
Debtors and Prepayments	3b	18,649	12,694
Stock on Hand	3c	12,585	13,173
Total Current Assets		318,976	281,646
Non-Current Assets			
Investments	3d	5,477	26,272
Trademark Costs - Badges & Medals		1,900	1,900
Fixed Assets	4	139,379	140,193
Total Non-Current Assets		146,756	168,365
Total Assets*		465,732	450,011
Liabilities			
Current Liabilities			
Trade Creditors	3e	6,932	23,195
Total Current Liabilities		6,932	23,195
Total Liabilities*		6,932	23,195
Total Assets less Total Liabilities (Net Assets)*		458,800	426,816
Accumulated Funds			
Accumulated surpluses or (deficits)*		256,568	228,220
Net Surplus (Deficit) this Year		33,678	28,348
Life Members Fund	5	32,180	33,874
Trophies Fund	5	136,374	136,374
Total Accumulated Funds*		458,800	426,816

The performance report was approved for and on behalf of the executive committee on 20 May 2021

President: Brent Snellix

Treasurer: Malcolm McKerrow




**ASHTON
WHEELANS**

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 2021

	Actual* This Year \$	Actual* Last Year \$
Cash Flows from Operating Activities*		
Cash was received from:		
Donations, fundraising and other similar receipts*	8,744	45,954
Fees, subscriptions and other receipts from members*	138,018	186,714
Receipts from providing goods or services*	63,697	86,400
Interest, dividends and other investment receipts*	900	2,299
Net GST		
Cash was applied to:		
Payments to suppliers and employees*	226,418	292,802
Donations or grants paid*		
Net Cash Flows from Operating Activities*	(15,059)	28,565
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*	49,222	1,086
Proceeds from loans borrowed from other parties*		700
Receipts from trophy bonds		
Capital contributed from owners or members*		
Cash was applied to:		
Payments to acquire property, plant and equipment*		
Payments regarding trophy bonds	2,200	
Payments to purchase investments*		175
Repayments of loans borrowed from other parties*		
Capital repaid to owners or members*		
Net Cash Flows from Investing and Financing Activities*	47,022	1,611
Net Increase / (Decrease) in Cash*	31,963	30,176
Opening Cash*	255,779	225,603
Closing Cash*	287,742	255,779
This is represented by:		
Bank Accounts and Cash*	287,742	255,779

ASHTON
WHEELANS

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 Accounting Policies

"How did we do our accounting?"

For the year ended

31 March 2021

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 as a registered charity 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.

The Share Portfolio was sold during the year. Prior to this, the shares were recorded at their cost price unless the carrying amount of the investment was unlikely to be recovered and in this case, shares were recorded at their 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.

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.

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The Royal Agricultural Society of New Zealand
Notes to the Performance Report
For the year ended
31 March 2021

Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year \$	Last Year \$
1a. Fundraising revenue	Sponsorship	-	26,543
	Total	-	26,543
1b. Donations and other similar revenue	Donations Received	2,347	7,459
	Grants Received	8,147	11,952
	Total	10,494	19,411
1c. Fees, subscriptions and other revenue from members/competitors	Levies	65,909	80,088
	Levies - Equestrian	65,739	89,640
	Life Membership	1,694	1,783
	Sundry Income	14,122	12,830
	Total	147,464	184,341
1d. Revenue from providing goods or services	Revenue from Sale of Products	5,750	8,191
	Royal Show & Event Hosting	10,000	15,500
	Delegate Catering & Registration	426	18,930
	Equestrian Replacement Certificates	12,162	10,069
	Equestrian Measuring Fees	35,359	33,710
	Total	63,697	86,400
1e. Interest, dividends and other investment revenue	Interest - Royal Agricultural Society of NZ	133	248
	Interest - Other Districts	195	283
	Dividends - Royal Agricultural Society of NZ	572	1,768
	Realised Capital Profit on Sale of Investments	28,427	-
	Total	29,327	2,299

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The Royal Agricultural Society of New Zealand

Notes to the Performance Report

For the year ended
31 March 2021

Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year \$	Last Year \$
2a. Costs related to providing goods or services	Accommodation / Travel	2,911	23,404
	Administration - Complaints	5,000	6,062
	Administration - Equestrian	85,534	99,467
	Administration - F/S Admin Costs	-	4,537
	Administration - General	28,512	33,156
	Administration - Data Entry	3,896	4,587
	Audit	4,790	4,590
	Badges / Medals / Sashes	5,625	7,299
	Bank Fees	338	380
	Catering / Venue Hire / Equipment	1,371	18,995
	Consultancy	3,200	3,715
	Dairy Cattle Expenses	-	3,330
	Equestrian Related Expenditure	8,805	13,991
	Clean Sport Expenditure	700	4,161
	General Expenses	2,570	6,273
	Insurance	1,327	1,189
	Legal - Equestrian	-	-
	Legal - General	-	-
	Meeting Expenses	715	1,110
	Postage / Freight	7,116	5,824
	Printing & Stationery	10,723	20,553
	Prize Money	175	12,740
	Product for Sale	46	922
	Promotional Assistance to Host Associations	-	1,000
	Subscriptions	902	3,841
	Telephone	2,005	1,808
	Training	9	6,562
	Total	176,270	289,496
2b. Other expenses			Last Year \$
	Bad Debts	50	-
	Depreciation	814	1,150
	Strategic Business Review	40,170	-
	Total	41,034	1,150

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The Royal Agricultural Society of New Zealand

Notes to the Performance Report

For the year ended
31 March 2021

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	218,921	185,032
	Northern District	20,307	20,813
	Eastern District	10,631	8,518
	Western District	7,482	8,228
	Central District	9,209	5,112
	Mid Northern District	10,762	7,728
	Southern District	10,430	20,348
	Total		287,742
3b. Debtors and prepayments	Debtors	15,373	7,621
	Prepayments	3,276	5,073
	Total	18,649	12,694
3c. Inventory	Ties	1,025	948
	Badges, Ribbons etc	11,560	12,225
	Total	12,585	13,173
3d. Investments	Central District - Term Deposit	5,477	5,333
	Auckland International Airport - 2700 shares	-	4,952
	Infratil Ltd - 3000 shares	-	5,332
	PGG Wrightson Ltd - 351 shares	-	614
	Sanford Ltd - 1200 shares	-	5,181
	Seeka Kiwifruit Ltd - 1500 shares	-	4,860
	Total	5,477	26,272
3e. Creditors and accrued expenses	Trade and other payables	2,242	16,405
	Accrued expenses	4,690	4,590
	Trophy Bond	-	2,200
	Total	6,932	23,195

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The Royal Agricultural Society of New Zealand

Notes to the Performance Report

For the year ended
31 March 2021

Note 4 : Property, Plant and Equipment

This Year	Opening Carrying Amount*	Purchases	Sales/Disposals	Current Year Depreciation and Impairment*	Closing Carrying Amount*	PPE7 - PPE8	
						Current Valuation*	Source and Date of Valuation*
Asset Class*							
Trophies	136,374				136,374	136,374	McLeay Jewellers 31/3/17
Furniture and fixtures*	1,658			263	1,395		
Website	270			135	135		
Banners	1,891			416	1,475		
Total	140,193	-	-	814	139,379		
Last Year	Opening Carrying Amount*	Purchases	Sales/Disposals	Current Year Depreciation and Impairment*	Closing Carrying Amount*		
Asset Class*							
Trophies	136,374				136,374		
Furniture and fixtures*	2,005			347	1,658		
Website	540			270	270		
Banners	2,424			533	1,891		
Total	141,343	-	-	1,150	140,193		

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The Royal Agricultural Society of New Zealand

Notes to the Performance Report

For the year ended
31 March 2021

Note 5: Accumulated Funds

Description*	This Year			Total*
	Life Member Fund	Accumulated Surpluses or Deficits*	Reserves*	
Opening Balance	33,874	256,568	136,374	426,816
Capital contributed by owners or members*				-
Life Membership Transferred to Revenue Surplus/(Deficit)*	(1,694)			(1,694)
Distributions paid to owners or members*		33,678		33,678
Transfer to Reserves*				-
Transfer from Reserves*				-
Closing Balance	32,180	290,246	136,374	458,800

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 2021 as per the latest valuation dated 31 March 2017.	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 2021

Note 6 : Commitments and Contingencies

Commitments

There is a commitment to Stage 2 of the Business Strategic Review as funding becomes available. (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 2021

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 - Effect of Covid-19*

The lockdown imposed by the NZ Government in response to the COVID-19 pandemic had a significant impact on the RAS. Several shows were cancelled and this substantially reduced revenue to both the affected Member Societies and the RAS. However with strict financial planning and a substantial reduction in expenses the RAS has managed to return a surplus this financial year. The Society retains adequate cash reserves to ensure debts can be paid as they fall due; the going concern assumptions remain valid.

INDEPENDENT AUDITOR'S REPORT

To the Members of The Royal Agricultural Society of New Zealand

Qualified Opinion

We have audited the consolidated performance report of The Royal Agricultural Society of New Zealand (the Society) on pages 2 to 15, which comprises the statement of financial position as at 31 March 2021 and the entity information, statement of service performance, statement of financial performance and statement of cash flows for the year then ended, and notes to the performance report, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable.
- b) the performance report presents fairly, in all material respects:
 - the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position of the Society as at 31 March 2021 and its financial performance and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Qualified Opinion

The Society 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 2021 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 of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). 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 Society 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 qualified opinion.

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

Executive Committee's Responsibilities for the Performance Report

The Executive Committee are responsible on behalf of the Society for:

- a) identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b) the preparation and fair presentation of the performance report which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and

INDEPENDENT AUDITOR'S REPORT

To the Members of The Royal Agricultural Society of New Zealand

Executive Committee's Responsibilities for the Performance Report (continued)

- c) such internal control as the Executive Committee determine 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 are responsible on behalf of the Society for assessing the Society'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 Society or to cease operations, or have no realistic alternative but to do so.

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) and ISAE (NZ) 3000 (Revised) 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.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Executive Committee, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable are relevant, reliable, comparable and understandable.

We communicate with the Executive Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.



ASHTON WHEELANS
Chartered Accountants
Christchurch

20 May 2021