

The Australian Stock Horse Society Limited

A Company Limited by Guarantee

ABN 35 001 440 437

ACN 001 440 437



Australian Stock Horse
SOCIETY

FINANCIAL REPORT

1st April 2020 - 31st March 2021

Includes Notice for Annual General Meeting



Chairman of the Board
Lorna Fanning

Vision

The Australian Stock Horse Society wants the Australian Stock Horse to have the highest profile of any breed of horse in Australia with worldwide recognition.

Aims

To preserve the heritage and identity of the Australian Stock Horse.

To promote the development and popularity of Australian Stock Horses throughout Australia and the world. To maximise the benefits of owning a Registered Australian Stock Horse and being a Member of The Australian Stock Horse Society.

Mission

To maintain the heritage and to promote the bloodlines and high performance of the Australian Stock Horse among equestrian activities and the general public.

Chairman's Annual Report

It is a privilege and a pleasure to be presenting this report to you, the Members of the Australian Stock Horse Society.

The Society has enjoyed another successful year and the Board's focus on the finances, has again returned rewards.

The Board has committed to major computer system upgrades to the Stud Book to enable transfers and registrations to be done online. This is costing the Society a substantial amount of money but the outcome should reward Members immensely and allow staff to focus on other tasks. HSH registrations will happen automatically and I believe this is what members want.

We are also committed to the establishment of our own nomination system, which will be linked to Stud Book, Membership and Finance. This hopefully will be in the test stage by November and when completed will be rolled out to Branches and State Management Councils.

It is fantastic to see Branches becoming active again this year, after the disaster COVID-19 caused in 2020 and running events for the Members. I hope the incentive that the Board approved has helped in your recovery.

A big thank you must go to the 50th Anniversary Committee for their commitment to getting activities happening to celebrate this wonderful milestone and to the Branches who have run functions to help celebrate. I have really enjoyed attending those events that I have been able to attend.

Once again, the National Show Committee hosted a fantastic event at AELEC Tamworth and I would like to thank them for their continued dedication to showcasing our wonderful breed. The Breed for Every Need.

A Youth National Show Committee has been formed and they are in the early stages of planning the Youth Nationals, to be held at White Park in Scone at the end of September. I'm looking forward to seeing the youth of the Society there, competing and having fun.

The Board has been extremely active in trying to find ways to reward Members for their loyalty and give Members a reason to belong to this great Society.

A new event that the Society is sponsoring, is the "Swan Cup" for registered ASH playing polocrosse and they are also having an approved ASHS sale. This event will be held in Inverell in July and I hope it is a very successful event.

The inaugural ASHS Campdraft Championships will be run at Warwick on the 20th – 22nd August and I hope this will prove successful and become an annual event. Thank you to the committee putting this all together.

I would like to thank the Board of Directors for their support and for their dedication and commitment to the Society. They have worked extremely hard for you, the Members, and they have to make decisions that are in the best interests of the majority of Members, Australia wide. We cannot please everyone all of the time, we can only do what we think is best for the Society always with the Vision, Aims and Mission Statement of the Society in mind.

I would like to thank our CEO and staff for their hard work and to all the volunteers in our Branches and State Management Councils, as you are the backbone and life blood of the Society.

Being our 50th Year, I would like thank our founding Members who had the foresight and vision to get the Society off the ground and to all Directors over the years, who have contributed to forming the Society as it is today. Without you we would not be what we are today, with over 200,000 registered horses and 8,000 members.

I look forward to meeting members at the AGM being held in Scone, on the 31st July.

Best wishes,
Lorna Fanning

Australian Stock Horse Society Limited

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Financial Report For The Year Ended 31 March 2021

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AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 31 March 2021.

Directors

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

J Petrich
L Cutler resigned (17/10/2020)
M Wilson resigned (17/10/2020)
J Allen
L Fanning
B Welsh
L Butcher
D De Jong
V Mascord resigned (17/10/2020)
B Moore
D Ricketts appointed (17/10/2020)
D Nash appointed (17/10/2020)
S Grills appointed (17/10/2020)

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

Principal Activities

The principal activity of the entity during the financial year was:

- The promotion and preservation of the identity of the Australian Stock Horse.
- Breeding improvement and popularity of this breed of horse.

Short-term and Long-term Objectives

The entity's short-term objectives are to:

- Continue to promote the Australian Stock Horse breed and improve services to members.

The entity's long-term objectives are to:

- Grow the membership base and increase engagement levels
- Strengthen communication with Branches and Office Bearers
- Streamline operations by embracing the digital age

Strategies

To achieve its stated objectives, the entity has adopted the following strategies:

- Enhance member services to increase the membership base
- Develop overseas branches
- Increase sports participation

Information on Directors

J Petrich	—	Junior Vice Chair
Experience	—	9 years currently as a director, 5 years previous
L Cutler	—	Resigned
Experience	—	6 years as a director
M Wilson	—	Resigned
Experience	—	6 years as a director
J Allen	—	Treasurer
Experience	—	6 years as a director
L Fanning	—	Chairman
Experience	—	5 years as a director
B Welsh	—	Senior Vice Chair
Experience	—	4 years as a director

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DIRECTORS' REPORT

L Butcher	—	Director
Experience	—	3 years as a director
D De Jong	—	Director
Experience	—	1 year 7 months as a director
V Mascord	—	Resigned
Experience	—	1 year as a director
B Moore	—	Director
Experience	—	1 year 7 months as a director
D Ricketts	—	Director
Experience	—	5 months as a director
D Nash	—	Director
Experience	—	5 months as a director
S Grills	—	Director
Experience	—	5 months as a director

Meetings of Directors

During the financial year, 11 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
J Petrich	11	11
L Cutler	6	6
M Wilson	6	6
J Allen	11	11
L Fanning	11	11
B Welsh	11	11
L Butcher	11	11
D De Jong	11	11
V Mascord	6	6
B Moore	11	11
D Ricketts	5	5
D Nash	5	5
S Grills	5	5

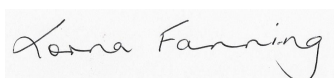
The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 31 March 2021, the total amount that members of the entity are liable to contribute if the entity is wound up is \$129,840 (2020: \$127,540).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 March 2021 has been received and can be found on page 3 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director



L Fanning

Dated this 14th day of July 2021

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**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF AUSTRALIAN STOCK HORSE SOCIETY LIMITED**

In accordance with Section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Australian Stock Horse Society Limited. As the lead audit partner for the audit of the financial report of Australian Stock Horse Society Limited for the year ended 31 March 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Name of Firm Rose & Partners



Name of Partner Paul Heaton

Date 14/07/2021

Address 109 Liverpool Street

Scone

NSW 2337

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDED 31 MARCH 2021

	Note	2021	2020
		\$	\$
Revenue	2	7,152	30,493
Other income	2	2,167,163	1,956,321
Employee benefits expense		(872,018)	(894,140)
Depreciation and amortisation expense	3	(79,255)	(79,922)
Motor vehicle expenses		(13,967)	(12,039)
Audit, legal and consultancy fees		(35,441)	(32,987)
Membership expenses		(56,202)	(66,787)
Registration and transfer expenses		(62,834)	(104,720)
Sports and events expenses		(113,177)	(144,006)
Journal expenses		(136,675)	(156,498)
Merchandise expenses		(37,422)	(54,405)
Branch expenses		(18,002)	(40,434)
Board expenses		(41,855)	(79,288)
Other administration expenses		(269,463)	(298,602)
Current year surplus before income tax		438,004	22,986
Income tax expense		-	-
Net current year surplus		438,004	22,986
Surplus attributable to members of the entity		438,004	22,986
Total comprehensive income attributable to members of the entity		438,004	22,986

The accompanying notes form part of these financial statements.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,977,667	1,407,861
Accounts receivable and other debtors	5	52,870	23,029
Inventories	6	129,717	41,711
TOTAL CURRENT ASSETS		<u>2,160,254</u>	<u>1,472,601</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	454,736	509,246
Intangible assets	8	8,021	5,462
TOTAL NON-CURRENT ASSETS		<u>462,757</u>	<u>514,708</u>
TOTAL ASSETS		<u>2,623,011</u>	<u>1,987,309</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	9	560,657	359,158
Lease liabilities	10	9,104	8,014
Employee provisions	11	95,856	95,751
TOTAL CURRENT LIABILITIES		<u>665,617</u>	<u>462,923</u>
NON-CURRENT LIABILITIES			
Accounts payable and other payables	9	23,564	17,455
Lease liabilities	10	3,164	13,012
Employee provisions	11	16,363	17,620
TOTAL NON-CURRENT LIABILITIES		<u>43,091</u>	<u>48,087</u>
TOTAL LIABILITIES		<u>708,708</u>	<u>511,010</u>
NET ASSETS		<u>1,914,303</u>	<u>1,476,299</u>
EQUITY			
Retained surplus		1,852,431	1,414,427
Reserves		61,872	61,872
TOTAL EQUITY		<u>1,914,303</u>	<u>1,476,299</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Note	Retained Surplus	Revaluation Surplus	Total
		\$	\$	\$
Balance at 1 April 2019		1,391,441	61,872	1,453,313
Comprehensive Income				
Surplus for the year attributable to members of the entity		22,986		22,986
Total comprehensive income attributable to members of the entity		22,986	-	22,986
Balance at 31 March 2020		1,414,427	61,872	1,476,299
Balance at 1 April 2020		1,414,427	61,872	1,476,299
Comprehensive Income				
Surplus for the year attributable to owners of the entity		438,004		438,004
Total comprehensive income for the year		438,004	-	438,004
Balance at 31 March 2021		1,852,431	61,872	1,914,303

For a description of each reserve, refer to Note 16.

The accompanying notes form part of these financial statements.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		2,360,147	2,178,152
Payments to suppliers and employees		(1,761,431)	(2,271,906)
Interest received		7,152	15,764
Net cash generated from operating activities	14	<u>605,868</u>	<u>(77,990)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	28,254
Payment for property, plant and equipment		(27,304)	(101,687)
Net cash used in investing activities		<u>(27,304)</u>	<u>(73,433)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(8,758)	(5,730)
Increase in finance lease commitments		-	26,756
Net cash used in financing activities		<u>(8,758)</u>	<u>21,026</u>
Net increase in cash held		569,806	(130,397)
Cash on hand at beginning of the financial year		1,407,861	1,538,258
Cash on hand at end of the financial year	4	<u><u>1,977,667</u></u>	<u><u>1,407,861</u></u>

The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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

Accounting Policies

(a) Revenue

Revenue recognition

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Australian Stock Horse Society Limited receives non-reciprocal contributions of assets from the government and other parties for no or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax.

(b) Inventories

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses.

Freehold Property

Freehold land and buildings are shown at their cost less subsequent impairment for buildings.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

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The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Buildings	3%
Plant and equipment	5 - 20%
Leased plant and equipment	20 - 40%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(d) Leases

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and Subsequent Measurement

Financial liabilities

A financial liability is measured at fair value through profit and loss if the financial liability is

- amortised cost; or
- fair value through profit and loss.

Financial liabilities are subsequently measured at:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or

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- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The entity initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on
- it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading and not a contingent consideration recognised by an acquirer in a business combination to which AASB 3: Business Combinations applies, the entity made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the entity's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

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A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (i.e. the entity has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amounts due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

- the general approach
- the simplified approach
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the entity assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the entity measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- there is no significant increase in credit risk since initial recognition, the entity measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15: Revenue from Contracts with Customers and contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (i.e. diversity of customer base, appropriate groupings of historical loss experience, etc.).

Purchased or originated credit-impaired approach

For a financial asset that is considered credit-impaired (not on acquisition or origination), the entity measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- a lender granting to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;

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- high probability that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumes that the credit risk has not increased significantly since initial recognition and accordingly it can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the entity applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term;
- adverse changes in economic and business conditions in the longer term may, but not necessarily will, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a risk of default lower than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the entity recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(f) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(g) Employee Provisions

Short-term employee provisions

Provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, sick leave and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee provisions expense.

The entity's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current employee provisions.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(h) Cash and cash equivalents

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

(i) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(l) Intangible Assets

Software

Software is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

(m) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(n) Comparative Figures

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

When the entity retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

(o) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the entity during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(p) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

Key Judgements

(i) Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

Note 2 Revenue and Other Income

	2021 \$	2020 \$
Revenue		
Revenue from grants		
— Other government grants	-	14,729
Total revenue	-	14,729
Other revenue		

AUSTRALIAN STOCK HORSE SOCIETY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

— Interest received on investments in government and fixed interest securities

	7,152	15,764
	<u>7,152</u>	<u>15,764</u>
Total revenue	<u>7,152</u>	<u>30,493</u>

Other income

— Other	15,875	41,784
— Membership Fees	988,472	1,063,463
— Registration and Transfer Fees	569,531	654,837
— Sports and events	43,301	34,863
— Journal	32,052	81,568
— Merchandise	59,532	79,806
— Jobkeeper	358,400	-
— Cash Flow Boost	100,000	-

Total other income	<u>2,167,163</u>	<u>1,956,321</u>
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Total revenue and other income	<u>2,174,315</u>	<u>1,986,814</u>
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Note 3 Surplus for the Year

	2021	2020
	\$	\$
a. Expenses		
Employee benefits expense:		
— contributions to defined contribution superannuation funds	872,018	894,140
Total employee benefits expense	<u>872,018</u>	<u>894,140</u>
Audit fees:		
— audit services	17,240	17,000
— taxation services	2,167	1,764
Total audit remuneration	<u>19,407</u>	<u>18,764</u>
Depreciation and amortisation:		
— Plant & Equipment	79,255	79,922
Total depreciation and amortisation	<u>79,255</u>	<u>79,922</u>

Note 4 Cash and Cash Equivalents

	2021	2020
	\$	\$
CURRENT		
Cash at bank – unrestricted	1,977,667	1,407,861
	<u>1,977,667</u>	<u>1,407,861</u>
	<u>1,977,667</u>	<u>1,407,861</u>

Note 5 Accounts Receivable and Other Debtors

	2021	2020
	\$	\$
CURRENT		
Accounts receivable	28,794	2,485
Other debtors	24,076	20,544
Total current accounts receivable and other debtors	<u>52,870</u>	<u>23,029</u>

Note 6 Inventories

	2021	2020
	\$	\$
CURRENT		
At cost:		
Inventory	129,717	41,711
	<u>129,717</u>	<u>41,711</u>

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Note 7 Property, Plant and Equipment

	2021 \$	2020 \$
LAND AND BUILDINGS		
Freehold land:		
— At cost	35,000	35,000
Total land	<u>35,000</u>	<u>35,000</u>
Buildings:		
— At cost	513,820	513,820
Less accumulated depreciation	(237,814)	(222,771)
Total buildings	<u>276,006</u>	<u>291,049</u>
Total land and buildings	<u>311,006</u>	<u>326,049</u>
PLANT AND EQUIPMENT		
Plant and equipment:		
At cost	555,281	547,023
Less accumulated depreciation	(476,587)	(431,333)
	<u>78,694</u>	<u>115,690</u>
Motor Vehicles:		
Motor Vehicles	49,916	50,794
Less accumulated depreciation	(17,866)	(9,439)
	<u>32,050</u>	<u>41,355</u>
Computer Software		
At cost	245,330	225,494
(Accumulated depreciation)	(215,261)	(204,027)
	<u>30,069</u>	<u>21,467</u>
Flags Pennants and Banners		
At cost	40,015	40,015
(Accumulated depreciation)	(37,098)	(35,330)
	<u>2,917</u>	<u>4,685</u>
Total plant and equipment	<u>143,730</u>	<u>183,197</u>
Total property, plant and equipment	<u>454,736</u>	<u>509,246</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings \$	Motor Vehicles \$	Plant & Equipment \$	Computer Software & Website Development \$	Flags Pennants & Banners \$	Total \$
2020						
Balance at the beginning of the year	341,229	29,141	125,537	17,647	6,504	520,058
Additions at cost		49,916	26,765	18,460		95,141
Disposals		(28,263)				(28,263)
Depreciation expense	(15,180)	(9,439)	(45,312)	(5,938)	(1,821)	(77,690)
Carrying amount at the end of the year	<u>326,049</u>	<u>41,355</u>	<u>106,990</u>	<u>30,169</u>	<u>4,683</u>	<u>509,246</u>
2021						
Balance at the beginning of the year	326,049	41,355	106,990	30,169	4,683	509,246
Additions at cost			3,071	19,836		22,907
Depreciation expense	(15,043)	(9,305)	(36,989)	(14,312)	(1,768)	(77,417)
Carrying amount at the end of the year	<u>311,006</u>	<u>32,050</u>	<u>73,072</u>	<u>35,693</u>	<u>2,915</u>	<u>454,736</u>

Note 8 Intangible Assets

	2021 \$	2020 \$
Trademarks - at cost	48,374	43,974
Accumulated amortisation	(40,353)	(38,512)
Net carrying amount	<u>8,021</u>	<u>5,462</u>

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Note 9 Accounts Payable and Other Payables

	Note	2021 \$	2020 \$
CURRENT			
Accounts payable		172,764	48,413
Deferred income		45,174	33,719
Other current payables		342,719	276,676
Other members Debtor		-	350
		<u>560,657</u>	<u>359,158</u>
NON-CURRENT			
Deferred income		23,564	17,455
		<u>23,564</u>	<u>17,455</u>

Note 10 Lease Liabilities

	Note	2021 \$	2020 \$
CURRENT			
Lease liabilities		9,104	8,014
		<u>9,104</u>	<u>8,014</u>
NON-CURRENT			
Lease liabilities		3,164	13,012
		<u>3,164</u>	<u>13,012</u>
TOTAL LEASE LIABILITIES	15	<u>12,268</u>	<u>21,026</u>

Lease liabilities are secured by the underlying leased assets.

Note 11 Employee Provisions

	2021 \$	2020 \$
CURRENT		
Provision for employee benefits: annual leave	62,156	52,600
Provision for employee benefits: long service leave	32,822	42,345
Time in lieu	878	806
	<u>95,856</u>	<u>95,751</u>
NON-CURRENT		
Provision for employee benefits: long service leave	16,363	17,620
	<u>16,363</u>	<u>17,620</u>
	<u>112,219</u>	<u>113,371</u>

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave, long service leave and time in lieu.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(g).

Note 12 Events After the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

Note 13 Related Party Transactions

a. Key Management Personnel

The totals of remuneration paid to KMP of the entity during the year are as follows:

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	\$	\$
KMP compensation:	424,364	491,915
	<u>424,364</u>	<u>491,915</u>

b. Other Related Parties

Other related parties include close family members of KMP and entities that are controlled or jointly controlled by those KMP individually or collectively with their close family members.

There were no payments made to related parties during the financial year ended 31 March 2021.

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

Note 14 Cash Flow Information

	2021	2020
	\$	\$
a. Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus		
Net current year surplus	438,004	22,986
Adjustment for:		
Depreciation and amortisation expense	79,255	79,922
(Increase)/decrease in accounts receivable and other debtors	(29,841)	13,319
Increase/(decrease) in accounts payable and other payables	207,608	(170,560)
Increase/(decrease) in employee provisions	(1,152)	(32,291)
(Increase)/decrease in inventories on hand	(88,006)	8,634
	<u>605,868</u>	<u>(77,990)</u>

Note 15 Financial Risk Management

The directors are responsible for monitoring and managing the entity's compliance with its risk management strategy. The directors overall risk management strategy is to assist the entity in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the directors on a regular basis. These include credit risk policies and future cash flow requirements.

Note 16 Reserves

a. Revaluation Surplus

The revaluation surplus records revaluations of non-current assets.

Note 17 Entity Details

The registered office of the entity is:

Australian Stock Horse Society Limited
48 Guernsey Street
Scone
NSW 2337

The principal place of business is:

Australian Stock Horse Society Limited
48 Guernsey Street
Scone
NSW 2337

Note 18 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the entity. At 31 March 2021 the number of members was 6,492.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED

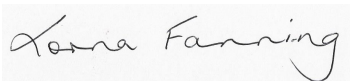
ACN: 001 440 437

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Australian Stock Horse Society Limited, the directors of the Registered Entity declare that, in the directors' opinion:

1. The financial statements and notes, as set out on pages 4 to 17, satisfy the requirements of the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position of the registered entity as at 31 March 2021 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

Director



L Fanning

Dated this

14th

day of

July

2021

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN STOCK HORSE SOCIETY LIMITED

Opinion

We have audited the financial report of Australian Stock Horse Society Limited (the Entity), which comprises the statement of financial position as at 31 March 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of Australian Stock Horse Society Limited is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the entity's financial position as at 31 March 2021 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 31 March 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the 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 directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN STOCK HORSE SOCIETY LIMITED

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 financial 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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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 our audit.

Auditor's name and signature: Paul Heaton



Name of firm: Rose & Partners



Address: 109 Liverpool Street, Scone, NSW, 2337

Dated this 14th day of July 2021

The Australian Stock Horse Society Limited
Profit & Loss Statement
For Period Ending 31/03/2021

	2021	2020
INCOME:		
Membership Fees	988,472	1,063,463
Membership Other	2,395	2,177
Registration & Transfer Fees	388,730	462,295
Registrations Other	180,801	192,542
Nat Show Sponsorship & Competitor Fees	0	(801)
Nat Show Nomination Fees	0	(1,191)
Fountain of Youth	5,000	0
Accreditation - Judges & Assessors	0	3,600
Youth National Show	0	28,882
Other Events	38,301	4,373
Journal Trading	(104,623)	(74,930)
Merchandise Trading	22,110	25,401
Interest Received	7,152	15,764
Profit/Loss On Sale of Asset	0	24,512
Other Administration & Sundry	471,881	29,825
TOTAL INCOME	2,000,218	1,775,912
EXPENSES:		
Membership	56,202	66,787
Registration	62,834	104,720
National Show Operating Costs	73	26,082
Nat Show Prizemoney	0	0
Fountain of Youth	3,887	4,626
Other ASHS Events	89,756	46,589
Marketing	17,305	18,205
Accreditation	537	18,568
Youth	1,619	29,936
Administration	1,288,145	1,358,124
Board Expenses	41,855	79,288
TOTAL EXPENSES	1,562,214	1,752,925
OPERATING PROFIT/(LOSS)	438,004	22,986

*** This statement is unaudited*

The Australian Stock Horse Society Limited
Trading Statements
For Period Ending 31/03/2021

	2020-2021	2019-2020
JOURNAL OPERATING STATEMENT		
Advertising Income	29,952	68,425
Other Income	2,100	13,143
Total Income	<u>32,052</u>	<u>81,568</u>
Less: Expenses	<u>(136,675)</u>	<u>(156,498)</u>
Net Loss incl. in Profit & Loss	<u>(104,623)</u>	<u>(74,930)</u>

	2020-2021	2019-2020
MERCHANDISE TRADING STATEMENT		
Sales Revenue	59,532	79,806
Less: Cost of Goods Sold	<u>(35,359)</u>	<u>(53,641)</u>
Gross Profit (Loss)	24,173	26,166
Less:		
Advertising & Promotion	<u>(2,063)</u>	<u>(764)</u>
Net Profit incl. in Profit & Loss	<u>22,110</u>	<u>25,401</u>

	2020-2021	2019-2020
BOARD EXPENSES		
Director Emolument	(16,000)	(16,000)
Travel	(4,361)	(27,121)
Accommodation & Room Hire	(7,209)	(16,017)
Meals	(2,789)	(6,069)
Election Expenses	(3,523)	(5,666)
Financial Statement Distribution	(949)	(749)
Sundry Expenses	(4,398)	(915)
Telephone	<u>(2,625)</u>	<u>(6,750)</u>
Total Board Expenses	<u>(41,855)</u>	<u>(79,288)</u>

The Australian Stock Horse Society Limited
Schedule of Administration Expenses
For Period Ending 31/03/2021

ADMINISTRATION EXPENSES	2020-2021	2019-2020
Accountancy & Audit Fees	19,407	18,764
Advertising	1,456	3,269
AGM	14,342	12,649
Amortisation	1,841	2,232
Bank & Finance Charges	15,763	16,242
Branches	18,002	40,434
Computer & Software	70,690	52,023
Depreciation	77,414	77,690
Donations	557	354
Electricity	8,404	8,114
Employment Services	470	1,887
Equipment - Small	8,092	314
Fringe Benefits Tax	515	1,212
Insurance	42,876	91,160
Legal Costs	16,034	14,223
Motor Vehicle Expenses	6,751	9,151
Postage	22,122	22,648
Printing & Stationery	7,180	4,494
Professional Fees	7,000	10,420
Rates	3,305	3,072
Rental - Office Equipment	4,261	12,352
Repairs & Maintenance	25,643	19,988
Staff Amenities	2,347	2,096
Staff Training	1,900	918
Subscriptions	2,727	2,905
Sundry Expenses	4,479	1,506
Telephone & Internet	24,557	22,306
Travel Expenses	2,619	6,328
Wages & Superannuation	872,018	894,140
Work Cover Insurance	5,372	5,231
Total Administration Expenses	1,288,145	1,358,124

Comparatives have been adjusted where necessary to reflect current management reporting and enhance readability.

*This schedule is unaudited

Notice of the Annual General Meeting

The Annual General Meeting of The Australian Stock Horse Society will be held VIRTUALLY on

Saturday, 4th September 2021 at 1.00pm

Via VERO Voting Platform. Guidelines on how to participate will be distributed to all eligible Members through VERO.

10.00am - 12.00pm	Members Forum
1.00pm	AGM Commences
3.00pm	AGM Closes

AGENDA

1. AGM Opening
2. Present
3. Apologies
4. Proxies
5. Confirmation of Minutes of the 2020 Annual General Meeting

Motion 1: Previous Minutes

6. Matters Arising from the Minutes

7. Chairman's Report

Motion 2: Chairman's Report

8. Treasurer's Report/Financial Report

Motion 3: Audited Financial Report

9. Appointment of Auditors for 2020/2021

Motion 4: Appointment of Auditors

10. Directors Reports

11. Board of Directors' Election Results

12. Special Resolutions

Alterations to Constitution:

Motion 5: The Board recommends that the Society Constitution Clause 15 - 15.2 Management Councils be amended from the following:

15.2 A Management Council shall have the following duties and responsibilities:

- (a) To operate at all time in accordance with its objects, rules and/or Constitution and so far as is relevant with the objects, rules, regulations and Constitution of the Society.
- (b) To implement the Society's aim within the State or Territory.
- (c) To make recommendations to the Board of specific matters on behalf of Branches within their designated geographical area and to liaise between the Board and Branches.
- (d) To **property** carry out any such other responsibility that may from time to time be directed by the Board.
- (e) To comply with all relevant statutes and legal requirements and obligations including in relation to the keeping of accounts and the filing of returns.

Agenda Continued

To:

15.2 A Management Council shall have the following duties and responsibilities:

- (a) To operate at all times in accordance with its objects, rules and/or Constitution and so far as is relevant with the objects, rules, regulations and Constitution of the Society.
- (b) To implement the Society's aim within the State or Territory.
- (c) To make recommendations to the Board of specific matters on behalf of Branches within their designated geographical area and to liaise between the Board and Branches.
- (d) To **properly** carry out any such other responsibility that may from time to time be directed by the Board.
- (e) To comply with all relevant statutes and legal requirements and obligations including in relation to the keeping of accounts and the filing of returns.

Motion 6: The Board recommends that Section 3.1 Number of Directors of the Society Constitution be amended from the following: shall comprise Directors as follows:

Clause 3.1 Number of Directors of the Constitution of the Society

- (a) The Society must have ten (10) Directors to be known as the Board, unless the Society in general meeting otherwise determines.
- (b) The said ten (10) Directors shall comprise Directors as follows:
 - (i) Four (4) Directors each residing in New South Wales;
 - (ii) Two (2) Directors each residing in South Queensland;
 - (iii) Two (2) Directors residing in South Australia and/or Victoria and/or Tasmania;
 - (iv) One (1) Director residing in Northern Queensland and/or Northern Territory; and
 - (v) One (1) Director residing in Western Australia.
- (c) For the purposes of this clause 3.1 (b) New South Wales shall be deemed to include the Australian Capital Territory.
- (d) The Directors shall be resident within the States/Territories they seek to represent and shall be elected by the Members within their respective States/Territories.
- (e) Notwithstanding the foregoing, a member shall be eligible to seek election to the Board in a State or Territory other than where they reside if they have been an active member of a Branch and / or Management Council within the relevant State or Territory for not less than five (5) years preceding the election. **An endorsement by the relevant Branch / Management Council to that effect must be included on the candidate's nomination and shall be conclusive evidence of that fact.**

To:

- (a) The Society must have ten (10) Directors to be known as the Board, unless the Society in general meeting otherwise determines.
- (b) The said ten (10) Directors shall comprise Directors as follows:
 - (i) Four (4) Directors each residing in New South Wales;
 - (ii) Two (2) Directors each residing in South Queensland;
 - (iii) Two (2) Directors residing in South Australia and/or Victoria and/or Tasmania;
 - (iv) One (1) Director residing in Northern Queensland and/or Northern Territory; and
 - (v) One (1) Director residing in Western Australia.
- (c) For the purposes of this clause 3.1(b) New South Wales shall be deemed to include the Australian Capital Territory.
- (d) The Directors shall be resident within the States/Territories they seek to represent and shall be elected by the Members within their respective States/Territories.
- (e) Notwithstanding the foregoing, a member shall be eligible to seek election to the Board in a State or Territory other than where they reside if they have been an active member of a Branch and / or Management Council within the relevant State or Territory for not less than five (5) years preceding the election. **The candidate's nomination must be verified by the relevant Branch / Management Council to that effect and shall be conclusive evidence of that fact.**

Agenda Continued

Foreword: The Board considers the advantages in changing the Financial Year to allow a more transparent planning process when developing Budgets, Budget forecasts and more importantly Cash Flow Management as the majority of the Society income will come in the first half of the financial year and not in the last quarter of the year as is the current process. This will bring the Membership Year and Financial Year in line with each other and provide a smoother workflow in the office for reporting all activities in a calendar year.

Motion 7: The Board recommends that Clause 1. 1.2 Definitions of the Society Constitution be amended from the following:

Financial Year means the period from **1st April** in any one year to **31st March** in the following year;

To:

Financial Year means the period from **1st January** to **31st December**

And

4.3.Nominations for election as a Director shall be by any two (2) financial Full Members, Honorary Life Members, Life Members or Honorary Members being natural persons over the age of eighteen (18) years and shall be in writing, including facsimile and email, in the manner prescribed by the Board and shall be forwarded to the Chief Executive Officer or General Manager and received no later than 4.30pm on the last business day **of April** preceding the election. Nominations shall be accompanied by the written consent of the Member nominated and shall contain such information as may be prescribed by the Board from time to time.

To:

4.3. Nominations for election as a Director shall be by any two (2) financial Full Members, Honorary Life Members, Life Members or Honorary Members being natural persons over the age of eighteen (18) years and shall be in writing, including facsimile and email, in the manner prescribed by the Board and shall be forwarded to the Chief Executive Officer or General Manager and received no later than 4.30pm on the last business day **of February** preceding the election. Nominations shall be accompanied by the written consent of the Member nominated and shall contain such information as may be prescribed by the Board from time to time.

And

4.6 Before the end **of June** the Chief Executive Officer or General Manager shall issue ballot papers for the election of as many Directors as shall retire at the following Annual General Meeting pursuant to the clause 3.6 and each ballot paper shall set out the surnames (followed by Christian names or initials) in the random order as drawn by the Chief Executive Officer or General Manager. The ballot papers and instructions for voting shall be such as is prescribed by the Board and may be conducted by an on-line ballot. The ballots shall close at 4.00pm on the last business day at least 30 days prior to the Annual General Meeting in each year.

To:

4.6 Before the end **of April** the Chief Executive Officer or General Manager shall issue ballot papers for the election of as many Directors as shall retire at the following Annual General Meeting pursuant to the clause 3.6 and each ballot paper shall set out the surnames (followed by Christian names or initials) in the random order as drawn by the Chief Executive Officer or General Manager. The ballot papers and instructions for voting shall be such as is prescribed by the Board and may be conducted by an on-line ballot. The ballots shall close at 4.00pm on the last business day at least 30 days prior to the Annual General Meeting in each year.

Motion 8: Honorary Life Membership

Honorary Life Membership be awarded to Mr David Wilson
(posthumously)

Motion 9: Honorary Life Membership

Honorary Life Membership be awarded to Mrs Gillian Ryan.

13. 2020 ASHS National Award Announcements
14. Close of Meeting

2021 ASHS Annual General Meeting - Proxy Form

Saturday, 4th September 2021

ABN 35 001 440 437 | ACN 001 440 437

If you want to appoint a proxy, use this form and make sure that the Chief Executive Officer receives it by Thursday 2nd September, 2021.

Step 1 - Your Details (please print)

Family Name _____ Given Names _____ ASHS Membership Number _____

Your Postal Address (please include postcode) _____

Step 2 - Proxy Details (Mark one box only, as shown here ☒)

For the Annual General Meeting of The Australian Stock Horse Society Limited on Saturday, 4th September 2021 and any adjournment of that meeting:

(a) ☐ I appoint the person I have named below as my proxy:

This person must be a Financial Member of The Australian Stock Horse Society Limited.

Your Proxy's Family Name	Their Initials	Their ASHS Membership Number or if an ASHS Director write 'Director'	Their Postcode
_____	_____	_____	_____

OR

(b) ☐ I appoint the Chairman of the meeting (including any adjournment of the meeting) as my proxy vote for me on a poll in accordance with my instructions (if any) on this proxy form.

Step 3 - Voting Instructions

To direct your proxy how to vote on the resolutions set out in the Notice of Meeting, mark one box only for the items set out below. If you do not direct your proxy how to vote, your proxy may decide how to vote.

Where a person appointed as a proxy is not given instructions as to how to vote on this proxy form by you and the proxy chooses not to vote, the Chairman cannot vote as your alternative proxy.

I authorise my proxy to vote

Motion 1	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Previous Minutes)
Motion 2	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Chairperson's Report)
Motion 3	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Audited Financial Report)
Motion 4	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Appointment of Auditors)
Motion 5	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of a change to Management Councils Clause 15, 15.2)
Motion 6	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of changes to Directors Clause 3, 3-1 (e))
Motion 7	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of changes to Financial Year, Clause 1, 1.2 and 4.3 and 4.6)
Motion 8	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Mr David Wilson NSW - Honorary Life Membership (posthumously))
Motion 9	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Mrs Gillian Ryan NSW - Honorary Life Membership)

The resolutions contained in the Notice to Members for the Annual General Meeting on Saturday, 4th September 2021.

Step 4 - Your Signature

Member's Signature - For Full Membership only the Nominee may sign the Proxy Form.

Please return Proxy Form to; Australian Stock Horse Society, Chief Executive Officer - AGM, PO Box 288, Scone NSW 2337 Australia

NOTES



Australian Stock Horse SOCIETY

View the current Financial Report online at
www.ashs.com.au

The Australian Stock Horse Society Limited

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