



# **ANNUAL REPORT 2016**

**New Zealand Milking Shorthorn  
Association (Inc)**





Official Publication  
of the  
NEW ZEALAND  
MILKING SHORTHORN  
ASSOCIATION (INC)

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## Board of Directors | 2016

President	Ross Soffe	Stratford
Directors	David Wood	Palmerston North
	Logan Kelly	Kaitangata
	Ian Dibble	Te Aroha
	Chris Bailey	Kaipoi

**Notice of the 103<sup>rd</sup> ANNUAL GENERAL MEETING 2016**  
**and**  
**REPORT and STATEMENT OF FINANCIAL PERFORMANCE**  
**for the year ended 31 December 2015**

The Annual General Meeting of members of the New Zealand Milking Shorthorn Assn (Inc) will be held at Airport Gateway Motor Lodge, Christchurch, on Wednesday 9 March 2016, commencing at 9.00 am.

**BUSINESS**

1. Welcome
2. Present
3. Notice of Meeting
4. Apologies
5. Obituaries
6. Minutes of the 2015 Annual General Meeting
7. Matters arising from the previous minutes
8. To receive and adopt the Presidents Report
9. To receive and adopt the Statement of Financial Performance
10. Remits
11. Notices of Motion
12. Reports           (i)     Red Breeds  
                         (ii)     Publicity  
                         (iii)    Dairy Breeds Federation & TOP Advisory
13. Board Meeting Report
14. Election of Officers   (i)     President  
                                 (ii)     Vice President  
                                 (iii)    Treasurer  
                                 (iv)     Patron
15. General Business

By order of the Board  
Mrs P M Goodin, Secretary  
26 February 2016  
595 Ruakura Rd, R D 6, Hamilton 3286

**CONFERENCE PROGRAMME**

- |                   |   |
|-------------------|---|
| Monday 7 March    | Bus Trip & Board Meeting                        |
| Tuesday 8 March   | Bus trip<br>Dinner, Prizegiving & entertainment |
| Wednesday 9 March | Annual General Meeting<br>AGM & Prizegiving     |

In the past year we have had some difficult times in our organisation and on our farms. It is important that we remain positive and proactive in this difficult time, especially when all the indicators suggest that tough times on the farm with low commodity prices look to be with us for a while yet. I think we are making progress on some of our own issues.

Most of you should have received a 'what if' list for the free registration of unregistered animals in your herd up to 2014 born animals. Hopefully within the next few months the changes to the database will be completed so our new Herd Book rules will be able to be implemented for registration of our 2015 animals. One problem that has arisen that we did not foresee is that with no registrations we are unable to pick up the production records for these unregistered animals which are now in milk. Consequently, some production awards and trophies cannot be calculated.

You may have received the latest magazine which was delayed from last year. You will notice that there are two years of production records which brings us up to date. The next magazine, due in October 2016 will cover the 2015/16 season and will include the 2015/16 production year.

Thanks to our Secretary for her work through the year. We appreciate your position and the knowledge and contacts that you bring to our organisation. We also understand the difficulties and the timing that were against you this past year but the delays which we experienced with our magazine must never be allowed to happen again.

I thank those members who put up their two yr old heifers for TOP. I appreciate that this is an extra cost but the information that we get from this is very valuable and along with production information we now have some bulls with good positive BW's and good TOP graphs. This progress is testament to the great work done by breeders and the RBG over the last 30 plus years and shows that this effort is being rewarded. Thanks to those breeders who continue to provide bulls to our bull teams as we could not run our breed scheme without you and thanks to SEMEX for your ongoing support. Our semen sales have been steady again with good sales of our young bulls and ongoing sales of bulls from previous teams and our proven bulls.

I recently took a show team to the NZ Dairy event. This is a great showpiece of the top cows in New Zealand of all breeds and we can be proud of how the Milking Shorthorns have been represented at this event and at A & P Shows around the country. We have had exhibitors gaining more All Breeds placings than we have for many years and our breed is attracting more attention. I congratulate all members who show their cattle. These shows are one the few opportunities we have to get our breed in the public eye so they can see the quality of cattle we now have.

As in my opening, stay positive. Talk to your neighbours and you will find that we all have the same problems. These tough times will pass and allow us all to move forward again.

*Ross Soffe*

President

## **Vision** – New Zealand Milking Shorthorn Association

Grow the breed profitably within the NZ Dairy Industry.

### **Values:**

- To encourage and expect all members and staff to display a progressive, confident and positive breed image.
- To promote unique and economically important breed advantages.

### **12 Month Action Plan:**

- To implement changes to the herdbook to better reflect the current registration practices.
- To clarify and redefine the current eligibility for showing and production awards.
- Improve the promotion of the breed with the intent to increase semen sales.

The condolences of the Association and membership are offered to all members who have suffered bereavements during the year. The following obituaries of past and present members have been noted: D Blumhardt, Mrs J Mills

### PRODUCTION 2014/15

**Association Cup** - Highest Cow above standard

Eyreton Lea Farm – Eyretonlea P Maggie

7985 litres, 317 kg fat, 269 kg protein (585 kg milksolids) in 286 days at 6 years

**Mahora Challenge Cup** - Highest Herd Average 10-100 cows

Westell Properties, 27 pedigree cows, 6174 litres milk, 229 kg fat, 211 kg protein, (440 kg MS) in 235 days

**Kaiwharehau Trophy** - Highest herd average 101 cows and over

Rushbrook Farm Ltd, 258 pedigree cows, 5302 litres milk, 246 kg fat, 201 kg protein (447 kg MS) in 294 days

**Gillett Trophy** - For highest five cow average for fat

Rushbrook Farm Ltd – 353 kg fat

**Totara Park Trophy** - For highest five cow average for protein

Rushbrook Farm Ltd – 286 kg protein

**Webster Trophy** - For herd with highest increase over previous seasons, minimum 10 cows

Tauhei Farms – increase 74 kg milksolids

**Barwell Trophy** - For cow seven yrs & over with highest quantity of milk & a minimum of 4.2 test

Rushbrook Farm Ltd - Te Kiripi 07-40 S1S, 7524 litres, 4.2 test, 7 yrs

**Top Three Cows Litres of Milk** - one herd

Eyreton Lea Farm Ltd	Eyretonlea KM Erica	8011 litres
	Eyretonlea P Maggie	7985 litres
	Eyretonlea KS Keystone	7605 litres

**Merit Awards** - For Exc and VHC cows who have produced 500 - 630 kg milksolids in not more than 305 days

Northbrook Bead MR2, VHC, 521 kg MS in 305 days – D & J Wood

Northbrook Honeycomb S1S, Exc, 506 kg MS in 264 days – D & J Wood

Westell Titian Fiona S1S, Exc, 506 kg MS in 280 days – Westell Properties

**Elite Merit Awards** - For Exc and VHC cows who have produced more than 630 kg milksolids in not more than 305 days

No cows eligible

### OTHER AWARDS

**Tairanga Milking Shorthorn Trophy** - For outstanding contribution to Red Breed Genetics

not presented (no registered 2 yr olds)

**Ken Hall Memorial Trophy** - For highest BW Milking Shorthorn bull on initial proof

Burness Patrick Sorb S02, BW 13/52

**Oregon Park Trophy** - For the highest TOP score overall in 2014

D & R Murphy

### ROYAL SHOW AWARDS 2015

There were no Milking Shorthorn entries at the Royal Show 2015 (Hastings)

There are no remits

## Notices of Motion

2016

There are no Notices of Motion

## Membership

2016

	2016	2015
Senior	36	38
Associate	31	30
Paid Life	9	9
Honorary Life	5	5
Junior	1	1
	82	83

## Red Breeds Genetics Report

2016

I will open my report by introducing the two new bulls into our breed scheme.

The first bull is Brecon Tana a white bull with a pink nose. The dam was shown at the at the dairy event. She has good type. Tana has a good BW and is strong for litres of milk.

Brecon Antonio is a red bull with a pink nose. He comes from a strong female family line with all three dams, still milking in the herd. Antonio has a good BW with strong fat and protein percentages.

Northbrook T Wilson the Turbo son will be available again as part of the team.

This years sales have resulted in similar numbers to last season, with approximately a thousand straws sold from the three young bulls.

Thank you to all the breeders that who offered up the new bulls for selection. It was great to have a total of eighteen bulls to pick from, and hopefully we can better that next season. I encourage all members to put their bulls forward as even the smallest and newest members could have what we are looking for.

I would like to thank my team for their support during my first year in the job.

I encourage all our members to use our team and support Semex to get a solid proof for our young bulls.

*Logan Kelly*

Red Breed Genetics Convenor

Publicity for the 2015 year has included the two major events, namely: New Zealand Dairy Event and Central Districts Field Days

To profile the Milking Shorthorn breed at the 2015 NZDE the North Island Champion Cow was held. This gave us a presence as a feature breed and was well supported by our national membership.

No advertisements were placed in national papers due to cost but we may wish to revisit this to maintain profile.

The Central Districts Field Days also gives good exposure for our breed. One take away that has been used by the Central and Taranaki Branches is the annual magazine. So it is disappointing that there was no current magazine for the 2014 year (published 2015). Furthermore, the magazine is handy to give away to interested parties at other times. Moving forward as an organisation we need to ensure that publication will occur and have clear timelines for those who wish to advertise in the magazine and for branches and individuals to send in copy.

*David Wood*

Publicity

### Show Ethics Report

Finally under way at the Dairy Event. Australia vet used scanner to check cows udder. Also training a New Zealand vet. It all went off very successfully.

### T.O.P.

Number of 2 year heifers done 184, Number of cows done 6. Must have gone well as I haven't heard any complaints. The problem is numbers being done will depend on dairy payout.

I have attended meetings throughout the year. Issues;- phasing out hand held units. Condition scoring. My view on condition scoring is that it is a waste of time due to the fact if she can't look after herself (condition wise) she is no use to me as a dairy farmer! Your feed back please?

Voting power of AI companies is a concern. Moving away from farmer user.

### Dairy Breeds Federation

Submissions made to Dairy Herd testing regulations. No update on DIGAD. Young Handler competitions, guidelines discussed. Animal Evaluation advised bull enrolment information is still included but not available publicly. Animal Evaluation reviewing cost of AE enrolment. Would all like to see a G3 profile on all overseas bulls on AI.

*Ian Dibble*

Dairy Breeds Federation & TOP Advisory

	2015	2014
2 year	184	368
Older	6	88
Herds	7	9

## INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT

To the Members of The New Zealand Milking Shorthorn Association  
(Incorporated)

### Report on the Financial Statements

We have reviewed the accompanying financial statements of The New Zealand Milking Shorthorn Association (Incorporated), which comprise the statement of financial position, including movement in accumulated funds as at 31 December 2015 and the statement of financial performance for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Council Members Responsibility for the Financial Statements*

The Council Members are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Assurance Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standards on Review Engagements (New Zealand) (ISRE (NZ)) 2400, *Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity*. ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires that we comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE (NZ) 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these financial statements.

Other than our review engagement services provided to the Association, our firm has no relationship with, or interest in the Association.

#### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of The New Zealand Milking Shorthorn Association (Incorporated) as at 31 December 2015, and its financial performance for the year then ended, in accordance with generally accepted accounting practice in New Zealand.



Crowe Horwath New Zealand Audit Partnership  
CHARTERED ACCOUNTANTS  
26 February 2016

Crowe Horwath New Zealand Audit Partnership is a member of Crowe Horwath International, a Swiss Verein. Each member of Crowe Horwath is a separate and independent legal entity.



**THE NEW ZEALAND MILKING SHORTHORN ASSOCIATION (INC)**


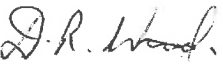
**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 DECEMBER 2015**

2014	INCOME	2015
8,565	Red Breed Genetics	5,879
430	Centenary Book	157
1,503	TOP Classification	739
234	Interest	6,325
3,155	Magazine Advertising	-
645	Registrations	95
6,490	Subscriptions	6,348
52	Three Generation Pedigrees	111
-	Other Income	-
(2,243)	Opening Stock	(2,070)
2,070	Closing stock	2,340
20,901		19,924
	Less Expenditure	
5,720	Administration to Ayrshire New Zealand	5,729
1,800	Advertising	1,635
738	Financial Review	815
-	Bad debts written off	-
90	Bank Charges	119
1,503	TOP Classification	739
21	Council and Travelling Expenses	1,476
144	Depreciation	124
330	LIC and Red Breed Genetics	-
1,321	Magazines	-
-	Herd Book	-
1,010	Photocopying, Printing and Postage	305
8	Registrations	-
188	Administration	849
(10)	Three Generation Pedigree expenses	21
310	Royal Agricultural Society and Other Subs	1,310
(25)	Secretary and Treasurer Remuneration	-
		13,123
13,148		13,123
7,753	Excess of Income over Expenditure	6,800



**THE NEW ZEALAND MILKING SHORTHORN ASSOCIATION (INC)**

**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2015**

2014	<b>Accumulated Funds</b>	2015
86,654	Opening Balance	94,407
7,753	Income over Expenditure ( Expenditure over Income )	6,800
<hr/>		<hr/>
94,407		<u>101,207</u>
<hr/> <hr/>	<b>Represented By:</b>	
	<b>Investments:</b>	
68,717	Westpac Trust	71,603
<hr/>		<hr/>
68,717		<u>71,603</u>
	<b>Current Assets:</b>	
2,070	Stock on Hand	2,340
18,787	Westpac Cheque account	14,169
6,131	Westpac on Call account	6,298
2,720	Accrued Interest	3,138
1,798	Outstanding Debtors	4,589
<hr/>		<hr/>
31,506		<u>30,534</u>
	<b>Less Current Liabilities:</b>	
(32)	Goods & Services Tax	32
	GST Holding	242
6,734	Outstanding Creditors	1,418
<hr/>		<hr/>
6,702		<u>1,692</u>
<hr/>		<hr/>
24,804	Working Capital	<u>28,841</u>
	<b>Fixed Assets:</b>	
886	Semen Bank	762
<hr/>		<hr/>
		<u>762</u>
<hr/> <hr/>	<b>Net Assets</b>	<u>\$101,207</u>
\$94,407		
		
	_____ President	26/02/2016
		Date
	_____ Treasurer	



## THE NEW ZEALAND MILKING SHORTHORN ASSOCIATION (INC)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

#### 1) Statement of Accounting Policies

The New Zealand Milking Shorthorn Association (Incorporated) is an Incorporated Society registered under the Incorporated Societies Act 1908. The New Zealand Milking Shorthorn Association (Incorporated) is a reporting entity for the purpose of the Financial Reporting Act 1993. The financial statements of The New Zealand Milking Shorthorn Association (Incorporated) have been prepared in accordance with the Financial Reporting Act 1993.

##### a) Measurement Basis

The general accounting policies recognised as appropriate for the measurement and reporting of results and the financial position under the historical cost method have been followed in the preparation of these financial accounts.

##### b) Specific Accounting Policies

###### i) Accounts Receivable

Accounts receivable are stated at their anticipated realisable value.

###### ii) GST

The financial statements have been prepared on a GST exclusive basis, except for accounts payable and accounts receivable which are recorded inclusive of GST.

GST owed by the entity at balance date as recorded in the Statement of Financial Position has been determined on an accruals basis.

###### iii) Differential Reporting

The entity is not publicly accountable and it is not large under the Differential Reporting Regime.

Accordingly it has taken advantage of all differential reporting exemptions allowed under the Framework for Differential Reporting.

##### c) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in previous years.

#### 3) Stock On Hand

		2015	2014
Badges	44 @ \$7.75	\$ 341	\$ 357
Centenary Books	70 @ \$28.55	\$ 1,999	\$ 1,713
		<u>\$ 2,340</u>	<u>\$ 2,070</u>

These figures have been confirmed by a stock take.



4) Contingent Liabilities

There were no contingent liabilities at balance date. (2014: Nil)

5) Principal Activity

The principal activity of the association is to administer the breeding of Milking Shorthorn cattle.

6) Change in Balance Date

In 2014 the Association elected to move it's Balance Date from 31 March to 31 December. As such the 2014 accruals are for a 9 month period.

7) Taxation Policy

The Association is not subject to income tax in accordance with CW51 (Herd Improvement Bodies) of the Income Tax Act 2007.

