

New Zealand Jersey Cattle Breeders' Association (Inc)



jersey^{NZ} ANNUAL REPORT

FOR THE YEAR 1 APRIL 2019 TO 31 JUNE 2020





Official Publication
of the
NEW ZEALAND JERSEY
ASSOCIATION (INC)

OFFICE LOCATION

Livestock Improvement Centre
Cnr Morrinsville & Ruakura Rd
Newstead, Hamilton

POSTAL ADDRESS

595 Ruakura Rd, R D 6,
Hamilton 3286

TELEPHONE

07 856 0731

GENERAL MANAGER

Pam Goodin
pgoodin@jersey.org.nz

E-MAIL

info@jersey.org.nz

WEBSITE

www.jersey.org.nz

BUSINESS ADMINISTRATOR

Michelle Calcott
mcalcott@jersey.org.nz

PROMOTIONS AND MARKETING CO-ORDINATOR

Kandin Robinson
krobinson@jersey.org.nz

MEMBER SERVICES ADMINISTRATOR

Robyn Gordon
rgordon@jersey.org.nz

Jersey NZ is the official trade name of
the New Zealand Jersey Cattle Breeders'
Association Inc

Table of Contents

Board of Directors	below
Notice of Annual Meeting	3
President's Report	4
Remits	6
Notices of Motion	6
Strategic Plan 2020	6
Registrations Analysis	7
Membership Analysis	7
TOP and Classification Numbers	7
Jersey NZ Awards	8
Statement of Financial Performance and Position	10
Director Expenses Review Committee Report	27
General Manager's Report	28
Industry Affairs Committee Report	30
TOP & Judges Committee Report	32
Link Livestock Ltd Report	34
Genetics Report	35
Conference Committee Report	36
Youth Committee Report	37
Jersey Advantage	38
2019 AGM minutes	39

Board of Directors

President Alison Gibb ————— Taupiri
Vice-President Barry Montgomery ————— Dargaville

Directors Tony Landers ————— Hawera
Barry Montgomery ————— Dargaville
Peter Gilbert ————— Ashburton
Glenys Ellison ————— Hamilton
Julie Pirie ————— Thames

Notice of 2020 Annual General Meeting

The 118th Annual General Meeting for members of New Zealand Jersey Cattle Breeders' Association Inc will be held on Thursday 15 October 2020 commencing at 10.00am at The Verandah, Hamilton.

2020 Annual General Meeting Agenda

1. AGM Notice of Meeting
2. Apologies
3. Obituaries
4. Minutes of the previous Annual General Meeting
5. President's Report
6. Remits
7. Notices of Motion
8. To receive and adopt the Financial Report and Financial Statements
9. Election of auditor
10. Confirmation of Director appointments for the Board
11. Election of the Director Appointments Committee
12. Director Expenses Review Committee recommendation
13. Election of Director Expenses Review Committee
14. General Managers Report
15. Committee Reports
 - Industry Affairs Committee
 - TOP & Judges Committee
 - Promotions & Marketing Committee
 - Genetics
 - Link Livestock Ltd
 - Conference Committee
 - Youth Committee
16. General Business

By Order of the Board
Pam Goodin
1 Oct 2020

Notice of Special Meeting to be held at the conclusion of the AGM.

1. Confirmation of Notices of Motion

President's Report

What an interesting time it has been since I wrote my last AGM report; a change in financial balance date, a postponed conference, staff working from home for extended periods of time, sale of the office, the development of BreedIt and all during the grip of a global pandemic.

At the last AGM, Jersey Profit presented to us their proposals for promoting the breed beyond the membership, to tell the story of the Jersey and to promote greater understanding of the capabilities of the breed in order to increase its representation in the wider industry. During the last 12 months; Jersey Profit rebranded to become Jersey Advantage, registered as a charitable not-for-profit trust, and have an active Board and committees gaining significant traction in the promotional space. JerseyNZ support the work of Jersey Advantage and have representation on both the board and the committees. As a result of these significant developments we are currently reviewing the Memorandum of Understanding to reflect this progress.

To this end, our Marketing and Promotions committee has greatly reduced and operates very much in house. Pam Goodin, General Manager, and Kandin Robinson, Marketing and Promotions Co-ordinator deal with all marketing as pertains to JerseyNZ and its membership, allowing Jersey Advantage to promote in the wider industry space.

Our position within the dairy industry is vital and none more so than this year with the development of the Breed Society solution for the Dairy Industry Good Animal Database (DIGAD) now named BreedIt. With substantial financial assistance from MPI the Breed Societies have finally been able to build the programming to support TOP information which will interface independently to LIC and CRV. The new hand-holds were implemented this year, and apart from some teething issues, the programming appears to be meeting all expectations. We also took the opportunity to review the classification awards to be more in line with those of ICAR. The Board would like to acknowledge the invaluable assistance and support we have received from Brian Wickham of NZAEL. Brian was involved in the development of a similar database in Ireland and his experience and knowledge have been fundamental in moving this project along.

Developing and promoting genetics is done through the Genetics and Jersey Genome Committees. Jersey Advantage are strong advocates for increasing the intake of Jersey bulls, a sentiment supported by JerseyNZ as we continue to promote Jersey Future. This year's catalogue has been very well received, as indicated by the semen sales and, is an excellent source of bulls, very competitively priced. This is particularly helpful to all farmers looking to access good genetics at a competitive price.

From the female perspective, Jersey Genome in collaboration with CRV Ambreed, identifies potential bull mothers and ultimately bulls for marketing. This too is an excellent opportunity for members to be involved in the genetic scene as well as having the potential to promote their individual brand. The bottom line: both the Jersey Future and Jersey



Alison Gibb
President

Genome programmes offer quality genetics backed by quality data and reinforce the need for all farmers to be particularly vigilant when recording matings, weights, birthing issues, herd tests etc as the industry is so reliant upon the quality of data received.

The Youth Council farewellled Philip Brewster and James Wallace and welcomes Chloe Belfield and Abbey Stantiall to the team. Since its inception, the Youth Council training has been open to the other breeds and this year we were delighted to be joined by David Ackermann from the Ayrshire Society. Unfortunately, the pandemic has severely limited the number of face-to-face meetings but zoom has enabled the members to stay connected, to share their insights and support one another as they adjusted to their "new normal" lifestyles. The team is looking forward to their first face-to-face meeting at the end of October when Annette Ryan will take them through their strategy refresh. Robyn Gordon from the office is the Youth Council secretary and we thank her for support and enthusiasm.

The Conference Organising Committee is working well and under the guidance of their chair, Marian Wallace, has had to be flexible and face the challenges associated with the conference postponement. However, on the positive side, it does enable the committee to organise additional activities now that the AGM has been taken out of the equation and, given the time of year, will enable members to visit farms to see in-milk cows.

Link Livestock Ltd, as a brand, is now strongly established and continues to grow from strength to strength. In August, the Directors appointed Nigel Riddell as General Manager. Nigel is no stranger to the role of livestock marketing having managed Jersey Marketing in its former days. The desire is, to grow the livestock marketing team and it is encouraging to see the appointment of Liam Simmons, a young and enthusiastic stock agent. On behalf of the Board and the

membership I would like to acknowledge the work that Ross Riddell has done to resurrect what was Jersey marketing and progress it into the business it is today. Ross' enthusiasm and passion for the Jersey breed and, the sustainability of JerseyNZ, has been the driving force behind Ross' desire to rebuild, reinvigorate and launch Link Livestock Ltd. Although Ross will be stepping back from the management role, he is still very much part of the team.

Since the last AGM we have established the Audit and Risk committee under the capable leadership of Glenys Ellison. Although to many this does not sound the most captivating of committees, it is nonetheless essential from a governance perspective. Glenys and her team have developed a very comprehensive risk register, assisted our general manager with the budget, reviewed our financial policies and regularly assist the board in carrying out its functions relating to the safeguarding of our assets.

I would like to take this opportunity to thank everyone who is involved in the committees for their enthusiasm, passion, ideas and support; your input is valued and vital to the development and implementation of the strategy.

Special thanks to Pam Goodin, General Manager, and her staff who have had a particularly challenging year working predominantly from home. While fully supportive of LIC's management decisions pertaining to the office use, it has not been easy for our small team whose roles dovetail and are not conducive to working in isolation. Fortunately, the office had moved to an independent IT system in preparation for BreedIt and, this greatly lessened the upheaval and assisted the team in terms of communication. I would also like to acknowledge that through Pam's excellent management, our staff were fully paid without the use of the government's wage subsidy.

This year the Board, after careful consideration of the pros and cons, decided it was time to sell our office space at

LIC and purchase independent premises. We have until June of next year to move out of LIC so are currently looking at what office spaces are available for purchase and what options are available to us.

With the pandemic came the increased use of Zoom meetings which provided the Board with the means of meeting more regularly. I would like to acknowledge the Board who give of their time so generously to participate at meetings, lead and support committees, attend functions and remain visionary and focussed on the tasks ahead.

Lastly the membership: I appreciate the conversations, debates and ideas that come from the you, the members, and hope that these continue. I hope the year hasn't been too traumatic for any of you and that you continue to ride the wave of positivity for Jerseys.

Alison Gibb | President

Remits

There are no remits.

Notices of Motion

That Rule 7.2 (c) be amended as follows:

Associate: Any person, partnership, company or other corporate body, or spouse of any senior member and the partners or associates or nominee representing a corporate membership, or any interested person or organisation not actively engaged in breeding Jersey cattle may be admitted to Associate membership. There are no voting rights nor eligibility to hold any elected office of the Association. By permission of the Chairperson of any meeting the voice may be heard. Associate members shall be entitled to receive the official publication of the New Zealand Jersey Cattle Breeders Association. Upon registration of more than 20 animals for the lifetime of the membership, such financial member shall be transferred to Senior membership at the then current subscription rates.

Moved: Jersey NZ Board of Directors

Strategic Plan 2020/21

CORE PURPOSE:

Supporting our membership and wider Jersey community by promoting and driving the Jersey breed and Jersey products

BHAG:

Jersey #1 Breed - Adding integrity and value to your farming business

VISION:

Recognised for leading in

- Profitability and efficiency
- Membership and engagement
- Genetic gain
- Reduced environmental footprint
- Consumer preference
- Animal welfare

CORE VALUES:

Integrity | Sustainability | Quality | Collaboration

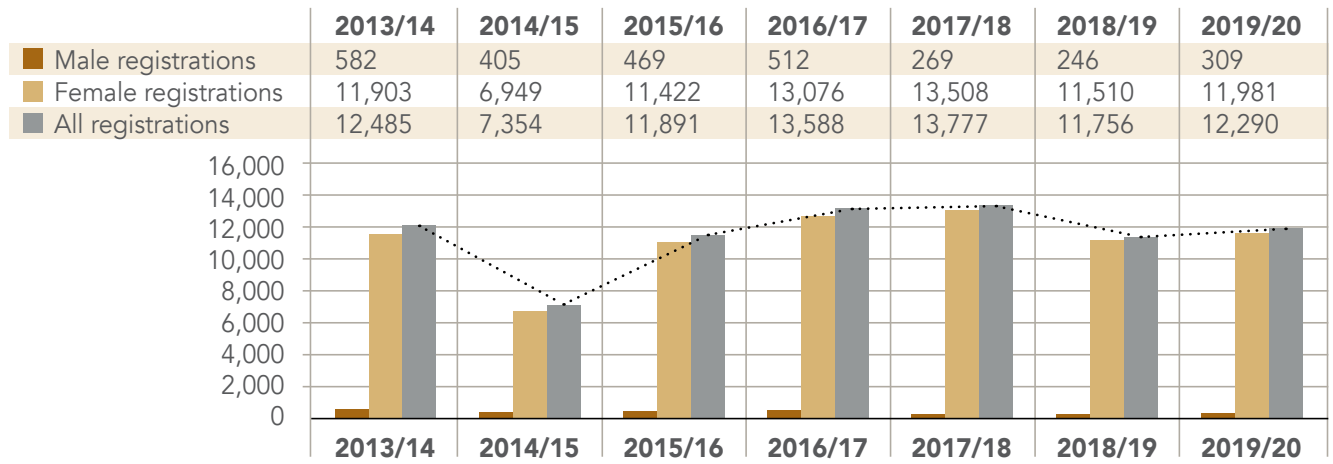
One Year Strategic Priorities:

- BreedIT fully operational
- Survey member feedback and develop multiple channels for member & club engagement
- Promote our value proposition to the industry
- Empower our Ambassadors
- Budget & forecast profit
- Purchase a building
- Explore diversity of income streams
- Form collaborative partnerships with industry leaders
- Maintain awareness of consumer trends and animal welfare issues

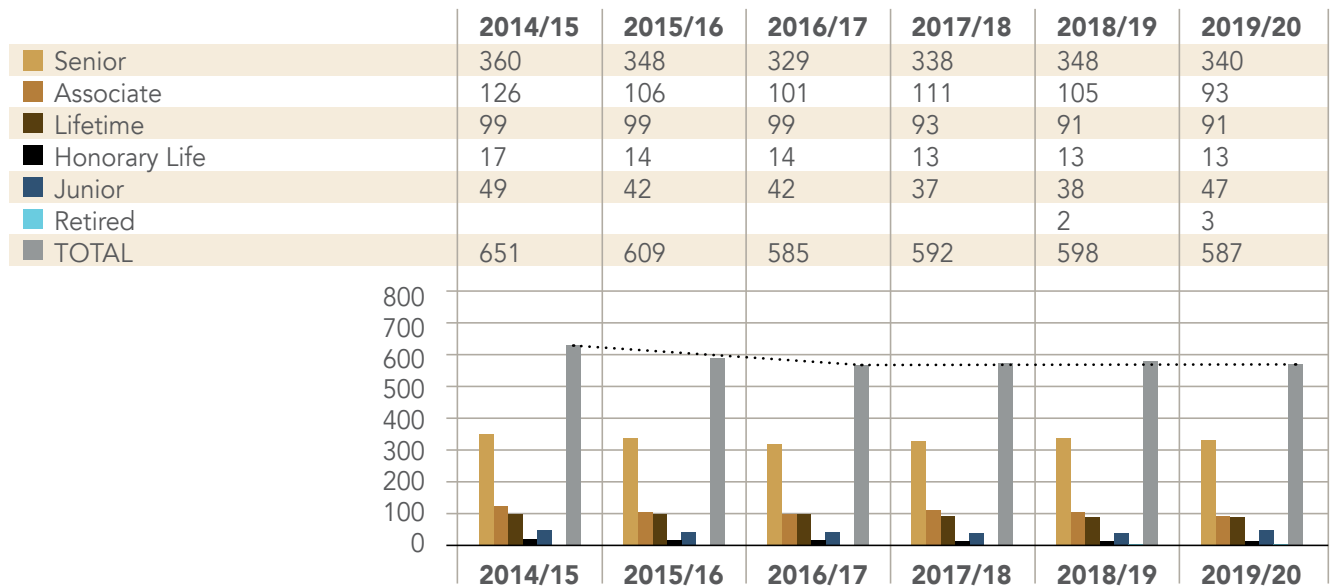
Three Year Strategic Priorities:

- Sustainable bobby calf solutions available for Jersey farmers
 - Collaborate with Jersey Advantage for consistent messaging
 - Increase members participation and use of core services
 - Implement and incentivise genomic testing
 - Consumer adoption
 - Diversification of the genetic base
 - Provide scientific research to validate vision
 - Establish diversity of income streams
 - Modernisation of administration programmes utilising BreedIT
-

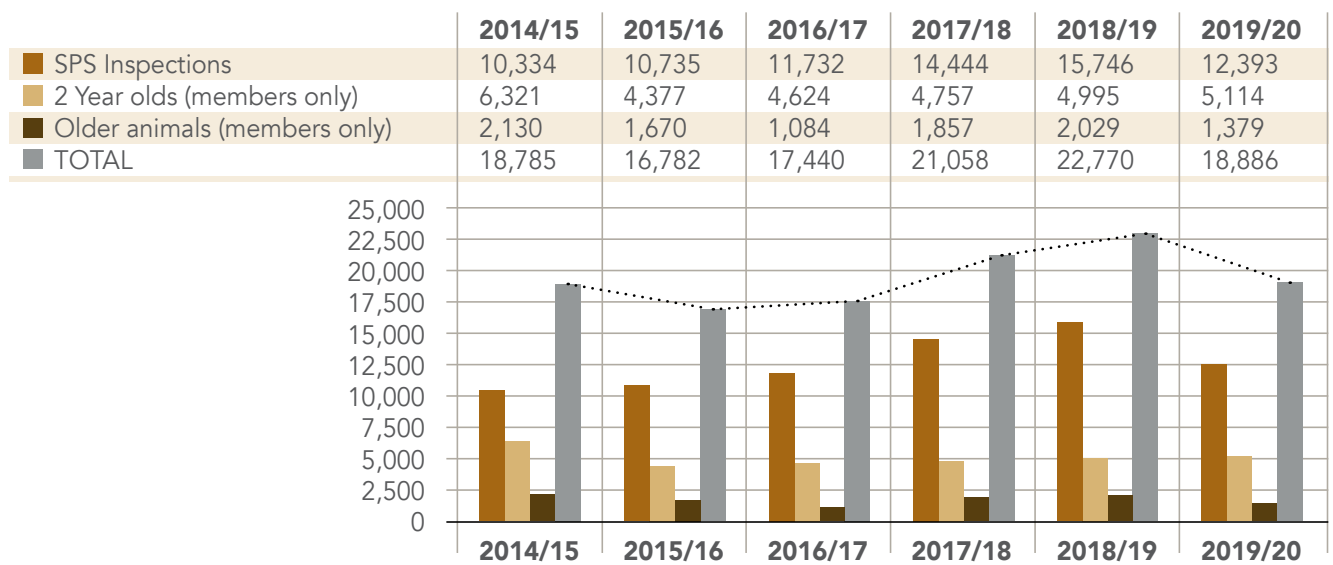
Registration Analysis



Membership Analysis



TOP and Classification



Production Awards

Top Herd by Milk solids 2018/19

Herd Size 20-150 cows - Jubilee Trophy Bowl - Presidents Section

Cliff Shearer

Milk solids: 642 Registered Jerseys: 31 Milk: 6,890 litres Fat (kgs): 350 Protein (kgs): 292 DIM: 299

Herd Size 151-300 cows - Jubilee Trophy Bowl - Council Section

Roma Farm Ltd, B & M Morris

Milk solids: 644 Registered Jerseys: 237 Milk: 6,487 litres Fat (kgs): 367 Protein (kgs): 277 DIM: 293

Herd Size 301-500 cows - Jubilee Trophy Bowl - Breeders Section

Ashvale Jerseys Ltd, R & N Dobson

Milk solids: 532 Registered Jerseys: 421 Milk: 5,243 litres Fat (kgs): 307 Protein (kgs): 225 DIM: 274

Herd Size 501+ cows - Jubilee Trophy Bowl - Pioneers Section

Kaycee Farms Ltd, K & C Tucker

Milk solids: 488 Registered Jerseys: 518 Milk: 5,054 litres Fat (kgs): 284 Protein (kgs): 204 DIM: 269

Top Milk solids Cow 2018/19

C Shearer - Glenbrook Hans Cadenza, GP2

Milk solids: 942 Milk: 9,678 Litres Fat (kgs): 519 Protein (kgs): 423 DIM: 305

Top Milk solids Cow (10 years & over) 2018/19 - KA Bennett Memorial Trophy

Ashvale Jerseys Ltd, R & N Dobson - Ashvale TGM Betsy, Ex2

Milk solids: 734 Milk: 6,586 Litres Fat (kgs): 433 Protein (kgs): 301 DIM: 281

Top BW Cow - Mitchell Challenge Trophy

Wilson Farms Ltd, S & N Wilson - Puriri Maxwell Sal, Ex2 BW: 285

Top herd by BW

Palm Grove Trust, G Tosland

Cows: 24 Milk: 2,559 Litres Fat (kgs): 159 Protein (kgs): 120 Milk solids: 279 DIM: 270 BW: 181

Jersey NZ Awards

Semex Jersey On-Farm Challenge 2019

Region 1 Team - Northland - Totara Dale Farm Ltd, T & M, N & S Browning - 45.64 points

Region 2 team - West Waikato - Thornwood Family Trust, S & M Good - 46.49 points

Region 3 Team - East Waikato - Upland Park Jerseys Limited, A & N Walford - 46.04 points

Region 4 Team - Lower North Island - P & S Ingram - 46.27 points

Region 5 Team - South Island - Lynbrook Farm Ltd, S & N Ireland - 46.54 points

National Team - 2nd place - Thornwood Family Trust, S & M Good - 46.49 points

National Team - Winner - Lynbrook Farm Ltd, S & N Ireland - 46.54 points

Fauvel Trophy - Production & Type Team Trophy - Lynbrook Farm Ltd, S & N Ireland - 46.54 points

2yr old conformation 1st place - Ferdon Fronrunner Lola, 94 points, Ferdon Genetics, W & M Ferguson

3yr old conformation 1st place - Kuku Van Gemmah, 97 points, P & K Horn

4 & 5yr old conformation 1st place - Leithlea Vanderol Esme S3J, 99.00 points - Leithlea Jerseys, T & M Luckin

6, 7 & 8yr old conformation 1st place - Glenalla Clip Frisky S3J, 96-50 points, M Gilbert

9yr & older conformation 1st place - Ferdon B Stone Rose, 98 points, Ferdon Genetics, W & M Ferguson

Highest Semex conformation class winner - Ferdon B Stone Rose, 98 points, Ferdon Genetics, W & M Ferguson

Supreme Winner - Leithlea Vanderol Esme S3J, 99.00 points - Leithlea Jerseys, T & M Luckin

World Wide Sires Photo Competition 2020

Class E1 - 1st place - Sherborne Lemon Piper, Henry Scherer

Class E2 - 1st place - Manor Winstons Ruby S2J, Thomas Jeyes

Class A - 1st place - Ferdon B Stone Venus ET, Ferdon Genetics, W & M Ferguson

Class B - 1st place - Ferdon B Stone Lippy - Ferdon Genetics, W & M Ferguson

Class C1 - 1st place - Lynbrook Hilario Sis, Lynbrook Farm Ltd, S & N Ireland

Class C2 - 1st place - Thornlea Goas Ezzie, Just Jerseys Ltd, N & J Riddell

Class D - 1st place - Totara Dale Farm Ltd, T & M, N & S Browning

Ian Harris Memorial Heifer Competition 2019

Junior 1st place - Shyla Lindsay – Ngatea Shyla Pumpkin - 163.6 points

Senior 1st place - Nick Browning – Totara Dale Twink Ruby - 169.4 points

Overall TOP Winner - Danika Beardsall – Totara Dale Gun Leeanne - 77.00 TOP points

Overall Production Winner - Nick Browning – Totara Dale Twink Ruby - 98.4 Production points

Special Awards

JT Thwaites sire of the season 2019/20 - Glen Leith AND Quiz S2J

BW 343/77 Bred by: Bruce & Margaret Sim Semen code: 316517

Murray Harnett Junior Judging 2019/20 - Not Awarded

Mr & Mrs J W Singer Efficiency Scroll 2020 - To be announced at the Annual General Meeting

Cyril Dermer Cup 2020 - To be announced at the Annual General Meeting

George Henry Dawick Memorial Trophy 2020 - To be announced at the Annual General Meeting

INDEPENDENT AUDITOR'S REPORT

To the Members of NZ Jersey Cattle Breeders Association

Opinion

We have audited the special purpose consolidated financial statements of NZ Jersey Cattle Breeders Association and its controlled entities (the Group) on pages 8 to 20, which comprise the consolidated balance sheet as at 30 June 2020 and the consolidated profit and loss statement for the fifteen months then ended, and notes to the special purpose consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose financial statements present fairly, in all material respects, the financial position of the Group as at 30 June 2020, and its financial performance for the fifteen months then ended in accordance with the accounting policies as disclosed in Note 1 of the special purpose financial statements.

Basis for Opinion

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

Other than in our capacity as auditor we have no relationship with, or interests in, NZ Jersey Cattle Breeders Association or any of its controlled entities.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution

We draw attention to Note 1 to the special purpose consolidated financial statements, which describes the basis of accounting. The special purpose consolidated financial statements are prepared to assist the Group to meet the requirements of the Rules of the Society. As a result, the special purpose consolidated financial statements may not be suitable for another purpose.

Emphasis of Matter – COVID-19

We draw attention to Note 12 of the special purpose consolidated financial statements, which describes the effects relating to the spread of COVID-19. Our opinion is not modified in respect of this matter.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Information Other Than the Special Purpose Consolidated Financial Statements and Auditor's Report

The Board are responsible for the other information. The other information comprises the information included in the Depreciation Schedule on pages 20 and 21 but does not include the special purpose consolidated financial statements and our auditor's report thereon.

Our opinion on the special purpose consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the special purpose consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the special purpose consolidated financial statements 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 Board for the Special Purpose Consolidated Financial Statements

The Board are responsible on behalf of the entity for the preparation of the special purpose consolidated financial statements in accordance with the accounting policies as disclosed in Note 1 of the special purpose financial statements and for such internal control as the Board determine is necessary to enable the preparation of special purpose consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose consolidated financial statements, the Board are responsible for assessing the Group'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 Board either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the special purpose consolidated financial statements, 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 Group's internal control.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 special purpose consolidated financial statements 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 Group to cease to continue as a going concern
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the special purpose consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for the audit opinion.

We communicate with the Board 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.



Crowe New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

Dated at Hamilton this 28th day of September 2020

Directors Report

New Zealand Jersey Cattle Breeders Association Incorporated For the 15 months ended 30 June 2020

Introduction

The Directors are pleased to present the approved financial report including the historical financial statements of New Zealand Jersey Cattle Breeders Association Incorporated for the 15 months ended 30 June 2020.



Alison Gibb

Date 25 September 2020



Glenys Ellison

Date 25 September 2020

Profit and Loss Statement (Group)

New Zealand Jersey Cattle Breeders Association Incorporated For the 15 months ended 30 June 2020

	NOTES	2020	2019
Trading Income			
Annual Conference Income		23,324	42,643
TOP & Classifications		118,082	130,162
Contracting Income		90,477	73,350
Commission Received		171,134	135,160
Jersey Genome		3,875	4,950
Donations		-	6,000
Other Income		4,858	9,545
Registrations		96,614	93,657
Semen Sales & Royalties		148,950	136,934
Semex Competition		4,140	3,325
Souvenirs, Advertising & Publications		11,489	29,957
Subscriptions		127,519	51,373
Three Generation Pedigrees Income		23,954	19,373
IDW Youth Challenge Tour		23,353	27,229
Total Trading Income		847,768	763,658
Other Income			
Insurance for Stock Received		15	360
Bad Debts & Capital Recovered		729	1,388
Interest Received		7,295	9,540
Total Other Income		8,039	11,288
Total Income		855,807	774,946
Expenses			
Accounting & Audit Expenses		53,234	37,579
Accounting Depreciation & Amortisation		12,546	5,653
Annual Conference Expenses		39,795	39,397
Board & Custodian Costs		14,872	29,339
Commission Paid		100,999	69,945
Field Consultants Expenses		3,113	17,258
General Expenses		11,462	4,605
Genetic Programme Expenses		3,399	3,187
Honorariums		45,800	45,800
IDW Youth Challenge Tour Expenses		22,199	25,485
Insurance		6,038	5,868
Interest Expense		611	5
Office & Administration Expenses		61,455	47,633
Office R&M Expenses		3,588	1,178
Personnel - Human Resource Expenses		20,094	9,539
Personnel - Salaries & Wages		305,673	236,762
Promotional Expenses		26,738	43,528

These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.



	NOTES	2020	2019
Semex Competition Expenses		3,817	2,662
Souvenir & Publication Expenses		16,224	27,937
Three Generation Pedigree		21,594	16,407
TOP & Classification Expense		64,146	67,796
Total Expenses		837,398	737,560
Profit / (Loss) for the Year		18,409	37,386
Additional Items			
Prior Period Adjustment		14,986	-
Total Profit / (Loss) for the Year		33,395	37,386



These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.

Statement of Movements in Equity (Group)

New Zealand Jersey Cattle Breeders Association Incorporated
For the 15 months ended 30 June 2020

	2020	2019
Equity		
Opening Balance	483,070	445,684
Recognised Revenues and Expenses		
Profit / (Loss) for the Period	33,395	37,386
Revaluation Reserve	213,479	-
Total Recognised Revenues and Expenses	246,874	37,386
Total Equity	729,943	483,070



These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.

Balance Sheet (Group)

New Zealand Jersey Cattle Breeders Association Incorporated As at 30 June 2020

	NOTES	30 JUN 2020	31 MAR 2019
Assets			
Current Assets			
Cash and Bank		138,292	128,514
ANZ Term Deposit		250,000	290,170
Prepaid Expenses		-	4,776
Trade and Other Receivables		151,185	156,819
Total Current Assets		539,477	580,278
Non-Current Assets			
Property, Plant & Equipment		322,579	106,095
Trophies		5,970	5,970
Total Non-Current Assets		328,549	112,064
Total Assets		868,026	692,343
Liabilities			
Current Liabilities			
Bank - Credit Card		662	6,564
Trade and Other Payables		102,892	19,871
GST Payable		14,818	37,051
Expenses Accrued		19,440	58,974
HP Liabilities		271	1,200
Deposits Received on Behalf		-	85,614
Total Liabilities		138,083	209,273
Net Assets		729,943	483,070
Equity			
Accumulated Income		516,465	483,070
Revaluation Reserve		213,479	-
Total Equity		729,943	483,070



These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.

Profit and Loss Statement (Parent)

New Zealand Jersey Cattle Breeders Association Incorporated For the 15 months ended 30 June 2020

	NOTES	2020	2019
Trading Income			
Annual Conference Income		28,198	42,643
TOP & Classifications		118,082	130,162
Contracting Income		90,531	73,350
Jersey Genome		3,875	4,950
Donations		-	6,000
Other Income		1,863	9,545
Registrations		96,614	93,657
Semen Sales & Royalties		148,950	136,934
Semex Competition		4,140	3,325
Souvenirs, Advertising & Publications		12,033	30,632
Subscriptions		127,742	51,373
Three Generations Pedigree Income		30,470	22,456
IDW Youth Challenge Tour		23,353	27,229
Total Trading Income		685,849	632,256
Gross Profit		685,849	632,256
Other Income			
Bad Debts & Capital Recovered		729	1,388
Interest Received		7,292	9,540
Total Other Income		8,020	10,928
Total Income		693,869	643,184
Expenses			
Accounting Depreciation & Amortisation		12,352	5,612
Insurance		4,064	5,869
Accounting and Audit Expenses		44,458	35,208
Honorariums		45,800	45,800
Personnel - Salaries & Wages		305,673	236,762
Personnel - Human Resource Expenses		20,094	9,539
Annual Conference Expenses		39,795	39,397
TOP & Classification Expenses		64,146	67,796
Promotional Expenses		15,012	39,835
Souvenir & Publication Expenses		16,224	27,937
Interest Expense		13	5
Bad Debts		65	7
Board & Custodian Costs		14,872	29,339
Office & Administration Expenses		58,739	40,869
Office R&M Expenses		3,588	1,178
Three Generation Pedigree		21,594	16,407
General Expenses		9,029	4,976

These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.



	NOTES	2020	2019
Genetic Programme Expenses		3,399	3,187
Semex Competition Expenses		3,817	2,662
IDW Youth Challenge Tour Expenses		22,199	25,485
Total Expenses		704,933	637,867
Profit (Loss) Before Taxation		(11,063)	5,317
Additional Items			
Prior Period Adjustment		14,986	-
Total Profit / (Loss) for the Year		3,923	5,317



These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.

Statement of Changes in Equity (Parent)

New Zealand Jersey Cattle Breeders Association Incorporated For the 15 months ended 30 June 2020

	2020	2019
Equity		
Opening Balance	477,763	472,446
Movement		
Income / (Loss) for the Period	3,923	5,317
Property Revaluation Reserve	213,479	-
Total Movement	217,401	5,317
Total Equity	695,164	477,763



These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.

Balance Sheet (Parent)

New Zealand Jersey Cattle Breeders Association Incorporated As at 30 June 2020

	NOTES	30 JUN 2020	31 MAR 2019
Assets			
Current Assets			
Cash and Bank		75,705	92,725
ANZ Term Deposit		250,000	290,170
Prepaid Expenses		-	4,776
Trade and Other Receivables		58,397	58,301
Total Current Assets		384,102	445,973
Non-Current Assets			
Property, Plant and Equipment	8	321,997	106,136
Investment - Link Livestock Limited		35,000	35,000
Trophies		5,970	5,970
Total Non-Current Assets		362,967	147,106
Total Assets		747,069	593,078
Liabilities			
Current Liabilities			
Bank - Credit Card		662	6,565
Trade and Other Payables		14,848	16,277
GST Payable		16,683	32,300
Expenses Accrued		19,440	58,974
HP Liabilities		271	1,200
Total Liabilities		51,905	115,315
Net Assets		695,164	477,763
Equity			
Accumulated Income		481,685	477,763
Other		213,479	-
Total Equity		695,164	477,763



These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.

Notes to the Financial Statements

New Zealand Jersey Cattle Breeders Association Incorporated For the 15 months ended 30 June 2020

1. Statement of accounting policies

Reporting Entity

These special purpose financial statements comprise New Zealand Jersey Cattle Breeders Association Incorporated and its subsidiary Link Livestock Limited (together the 'Group'). New Zealand Jersey Cattle Breeders Association is a not for profit Incorporated Society registered under the Incorporated Societies Act 1908.

The consolidated Group Financial Statements are a special purpose report that has been prepared as required by the Rules of the Association for its members and internal management purposes. The accounting policies are not in conformity with generally accepted accounting practice. Accordingly the financial statements should only be relied on for the expressly stated purpose.

The information is presented in New Zealand dollars. All values are rounded to the nearest dollar.

Name Change of Subsidiary

On 29 March 2019 Jersey Marketing Services Limited changed their name to Link Livestock Limited. This change has been reflected on the Companies Office.

Change of Balance Date

These financial statements are prepared for the 15 months ended 30 June 2020 as the entities changed their balance dates from 31 March to 30 June. Due to this the comparative balances may not be entirely comparative as they cover different periods.

Measurement Basis

The financial statements have been prepared on the basis of historical cost except that trophies are stated at cost.

Basis of Consolidation

The consolidated financial statements include the parent association and its subsidiary. All significant inter entity transactions and balances are eliminated on consolidation.

The following specific accounting policies which materially affect the measurement of the Profit and Loss Statement and the Balance Sheet have been applied:

Revenue recognition

Revenue is recognised when the goods are supplied (as in the sale of goods), in the accounting period in which the service is provided (in the rendering of services) and in the period in which the interest is accrued (Interest Income).

Accrued Sales and Royalties are only recognised as income where there are definitive contracts or agreements in place.

Receivables

Receivables are stated at their net realisable value.

Taxation

New Zealand Jersey Cattle Breeders Association Incorporated is exempt from Income Tax under section CW 51 of the Income Tax Act 2007. The subsidiary Link Livestock Limited is liable for income tax. Provision is made for taxation after taking full advantage of all deductions and concessions permitted using the taxes payable method.



These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.

Property, Plant & Equipment

Property, plant and equipment is recognised at cost less aggregate depreciation except for the deed of licence which was revalued in the 2020 year. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

Depreciation has been calculated to reflect the economic useful life of the assets.

The following estimated depreciation rates/useful lives have been used:

Account	Method	Rate
Office Equipment	Straight Line	7%-67%
Building & Improvements	Straight Line	1.3%-13.5%
Computer Equipment	Straight Line	36%
Leasehold Improvements	Straight Line	8.5%
Motor Vehicles	Straight Line	21.6%

Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year.

Investments

Investments are valued at lower of cost or market value.

Goods and services tax (GST)

The financial statements have been prepared exclusive of GST except for Accounts Receivable and Accounts Payable which are reflected inclusive of GST.

Changes in Accounting Policies

The current years financial statements have been prepared for a 15 month period (1 April 2019 - 30 June 2020), the comparatives based on the 12 months to 31 March 2019.

In the prior year, the office premises were previously recorded at cost less accumulated depreciation. During the year, the office premises were revalued in the amount of \$ 294,576 by the officers of the Association based upon confirmation from Livestock Improvement Corporation of the amount at which they would repurchase the deed of licence (supported by LIC'S own independent valuation). There have been no other material changes in accounting policies since the preparation of the last financial statements.

Expenditure

Expenses have been classified based on their business function.

Accounts Payable

Accounts payable and accruals are stated at cost and recorded inclusive of GST.

Bank Accounts and Cash

Bank accounts and cash comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.



These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.

2. Related Party Transactions

During the year there were transactions between the Directors of New Zealand Jersey Cattle Breeders Association Incorporated and its subsidiary. These include the use of Association Services including: membership subscriptions, registrations, TOP & Classification, Three Generation Pedigrees, Purchase of Jersey Future Semen, Jersey Genome Programme, allowances and reimbursement of expenses at arms length for 2 directors who are TOP Inspectors, competition entries, advertising in publications, and the sale/purchase of stock through Link Livestock Limited. These included sales and purchases of goods and services on an arm's length basis at market rates. The total remuneration paid to Directors during the year was \$45,800 (2019: \$45,800).

New Zealand Jersey Cattle Breeders Association Incorporated holds 100% of the shares in Link Livestock Limited. During the year Link Livestock Limited was charged a total of \$1,965 by New Zealand Jersey Cattle Breeders Association Incorporated for services provided and management fees (2019: \$2,167).

3. Contingent Liabilities

There are no contingent liabilities as at 30 June 2020 (2019: NIL)

4. Investment in Subsidiary

New Zealand Jersey Cattle Breeders Association Incorporated recognises the following investment in its subsidiary:

Name of entity: Link Livestock Limited (Previously Jersey Marketing Service Limited)

Principal Activity: Livestock Marketing

Ownership: 100%

Owner: New Zealand Jersey Cattle Breeders Association Incorporated

Balance Date: 30th June

5. Bank Overdraft

There is a bank overdraft facility with a limit of \$50,000. This is secured over the Deed of Licence NZ Jersey Cattle Breeders Association Group holds in respect of the building it occupies. There is also a Cross Guarantee between NZ Jersey Cattle Breeders Association Group and Link Livestock Limited.

6. Deed of Licence

The New Zealand Jersey Cattle Breeders Association Group holds an equitable interest in premises owned by Livestock Improvement Corporation situated on the corner of Morrinsville Road and Ruakura Road, Hamilton.

The interest is subject to a Deed of Licence signed 26 November 1993 and was operative 11 October 1993. The value of the interest was revalued in the amount of \$294,576 in the 2020 year based upon confirmation from Livestock Improvement Corporation of the amount at which they would repurchase the deed of licence (supported by LIC'S own independent valuation).

The Licence has an indefinite term and the monthly licence charge, is based on their portion of occupancy costs. The occupied floor area is 116m² as contained in Schedule C to the Licence.



These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.

8. Property, Plant & Equipment

As at 30 June 2020

	Cost	Revaluation	Accumulated Depreciation	Closing Value	Depreciation for the Year
Office Equipment	32,550		23,939	8,610	4,474
Buildings & Improvements	134,407	213,479	50,098	297,788	3,202
Computer Equipment	17,152		7,061	10,091	4,033
Motor Vehicles	36,348		36,348	-	-
Leasehold Improvements	7,875		1,785	6,090	837
	228,332	213,479	119,231	322,579	12,546

As at 31 March 2019

	Cost	Accumulated Depreciation	Closing Value	Depreciation for the Year
Office Equipment	22,182	10,525	11,657	2,422
Buildings & Improvements	134,407	46,896	87,511	2,562
Computer Equipment	3,028	3,028	-	-
Motor Vehicles	36,348	36,348	-	-
Leasehold Improvements	7,875	948	6,927	669
	203,840	97,745	106,095	5,653

2020 2019

9. Tax Reconciliation

Operating surplus / (deficit) before tax

Link Livestock Operating Surplus	29,432	32,109
Total Operating surplus / (deficit) before tax	29,432	32,109

Timing differences

Losses Carried Forward	(96,076)	(128,185)
Total Timing differences	(96,076)	(128,185)

Taxable profit / (loss) (66,645) (96,076)

Tax payable at 28% - -

Losses to Carry Forward 66,645 96,076

Deductions from tax payable

RWT Paid	-	-
Total Deductions from tax payable	-	-

Current tax expense - -



These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.

10. Capital Commitments

The Company has no capital commitments as at 30 June 2020 (2019: Nil).

11. Subsequent Events

The Committee has on the 18th May 2020 resolved to sell its Deed of License to occupy 114m² of the office premises on LIC Campus back to LIC, pursuant to clauses contained within the deed.

The sale is however subject to a finalized sales and purchase agreement signed by both parties. Refer to note 8 for further details of the office premises.

There were no other significant events after the balance date that impact these special purpose consolidated financial statements

12. Going Concern

The Committee is aware of the World Health Organisation's declaration of a global health emergency relating to the spread of COVID-19 on 31 January 2020 and the New Zealand Government's decision that all non-essential businesses are to close effective 25 March 2020 for a period of four weeks. At the date of issuing the special purpose consolidated financial statements, the Group has been able to absorb majority of the impact from the nationwide lockdown.

The Committee consider that there is a reasonable expectation that the Group has adequate resources to continue to operate for the foreseeable future, in particular a period of not less than one year from the approval date of these special purpose consolidated financial statements. This is based on the Committee view that future operational profitability and cashflows will be adequate to meet the investing and financial cashflow requirements of the Group. For this reason, the Committee continue to adopt the going concern assumption in preparing the special purpose consolidated financial statements for the fifteen months ended 30 June 2020.



These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report.

Recommendation of Director - Expenses Review Committee

The board this year have had had a very high level of commitment in a challenging year due to covid-19. The board have undertaken their roles and performed well and generally within a timely manner. The board had a total of 10 meetings either in person, video conference or phone with only one director unable to attend a meeting. The total hours for these meetings alone are an estimated 40 hours. This doesn't include any pre or post meeting work or committee work undertaken as a representative of the board.



Rob Farley



Euan Reeve

Total board expenses were \$7825 out of a budgeted \$10000. These expenses included board lunches, airfares, rental cars, outside strategy facilitators and claimed expenses by board members for flights and mileage. The board members have covered a lot of expenses themselves personally in the form of accommodation and mileage. It is pleasing to see the use of technology reducing costs and directors time away from their own business and we encourage it to continue.

The honorarium is appropriate for the directors, but as a total (budgeted \$45800 Actual \$45798), is a large sum as percentage of the operating budget for an organisation of this size. This comment has been made by the accountant when reviewing the figures with the General Manager.

In conclusion the boards total cost is \$53605. Are we getting value for money? Yes. Do the directors earn more? Yes. Can the JNZ afford to lift the honorarium? No.

Rob Farley & Euan Reeve | Director Expenses Review Committee

	RECOMMENDATION FOR 2020/21	ACTUALS FOR 2019/20
HONORARIUMS	THIS YEAR	LAST YEAR
1. Base Honorarium	\$6,500.00	\$6,500.00
2. President (extra)	\$5,000.00	\$5,000.00
3. Vice President (extra)	\$1,800.00	\$1,800.00
TOTAL ELECTED DIRECTORS HONORARIUMS	\$32,800.00	\$32,800.00
4. Appointed Director	Board discretion	Board discretion
DIRECTOR MEETING EXPENSES		
5. Travel (for own car)	Included in base honorarium	Included in base honorarium
6. Airfares	Reimbursed	Reimbursed
7. Board Meetings	Included in base honorarium	Included in base honorarium
8. Meeting accommodation	Bed & breakfast plus \$30 evening meal allowance	Bed & breakfast plus \$30 evening meal allowance
9. Sub-committee of Board	Included in base honorarium	Included in base honorarium
10. Member representation days, meetings. Training days, Dairy Industry Meetings (including DIGAD & AEL), TOP Advisory Days and membership specific meetings (including all relating to Governance Review and Specialised projects as needed)	\$100 per day, \$0.35 cents per kilometre car allowance, Airfares & Motel expenses (all subject to prior Board approval)	\$100 per day, \$0.35 cents per kilometre car allowance, Airfares & Motel expenses (all subject to prior Council approval)
11. Royal Show	Board discretion	Board discretion
12. R.A.S meetings	Board discretion	Board discretion
13. W.J.C.B Meetings	Board discretion	Board discretion
BOARD MEETING EXPENSES (ACTUAL)		\$7,825 (\$7,515 17/18)
TOTAL BOARD EXPENSES (ACTUAL)		\$45,800 (\$45,800 17/18)

General Managers Report

Having recently returned to working from the Jersey NZ office again from the second bout of working from home this calendar year, I can safely say that the last year has been a period of great contrast and change for the Jersey NZ team. Adapting to a change of balance date and the flow on effects throughout the organisation, implementing a new IT infrastructure, BreedIT and contemplating moving offices have all been over and above our core business.

What has changed little through this period is our core Jersey NZ team. Alongside myself, Robyn Gordon (Member Services Administrator) and Kandin Robinson (Promotions & Marketing Coordinator) were joined in late October 2019 by Michelle Calcott in the part-time role of Business Administrator. Throughout this year we have also been aided by our casual admin assistant Kate Gore, a student at Waikato University who has assisted us through busy periods as required. We also made great use of a graphic design intern through a programme with the University for a semester earlier this year.

We are a very 'lean' team in terms of the productivity we manage to achieve. Still undertaking all administration and promotion/publication functions for both Ayrshire New Zealand and the NZ Milking Shorthorn Association, what we achieve for Jersey NZ is also replicated through to two other breeds. With joint membership of just under 1000 we administer three sets of Board functions, three sets of accounts and annual audits, register approx. 18,000 animals and administer the TOP inspections of around 26,000 heifers annually. We promote and administer two on farm competitions; three photo competitions and various other breed competitions; two sets of youth programmes and competitions; three major breeding programmes across two breeds; three sets of production award calculations (all different); three judges lists; and promotions and publications for all three breeds. That's five magazines, at least 15 newsletters, three Annual Reports, three Herd Books & two Production Registers, three separate websites and multiple social media accounts. Approx. 1.2 FTE staff (full time equivalent) of our complement of 3.6 FTE permanent staff are allocated to other breed work via the Memorandums of Understanding. What this means from a practical perspective is that each team member is completing their role for each of the three breeds. While at times there are conflicts in terms of deadlines, we manage this to the best of our ability and wherever possible schedule activities to avoid clashes of workload.

After eight years of waiting for the industry to decide how the Breed Society solution for DIGAD would operate, the first aspects of BreedIT are now operational. Led by Holstein-Friesian NZ, the Jersey NZ team are also having input into the new programmes. TOP data collection is currently underway on new handheld devices, and this reflects a period of less than 12 months from approval through a tender process, provider selection, the securing of funding and 'go live' of the first component. Further modules will come online over the coming months, and we are delighted that our own CRM programme

Outreach has been selected as the provider for the membership component of BreedIT. The full financial implications of the implementation and ongoing use of BreedIT and data access are yet to be fully realised, the Board will continue to monitor this evolving issue. I would like to acknowledge the leadership, commitment and work of HFNZ General Manager Cheryl Watson throughout this ongoing process.

As part of the preparation for BreedIT, earlier this year we exited from our use of the LIC computer network and lease arrangement for computer hardware. Local Hamilton company Skypoint now host our IT infrastructure and there has been considerable expense in the provision of new computer hardware for the team as a result. More recently our phone system has also come out of the LIC system and is also hosted by Skypoint. While these changes were a real bonus in terms of working from home this year, being cloud-based the system is also very portable and will move easily with us as we move offices sometime in the next few months.

The Covid-19 global pandemic of course had a major impact in the last 3-4 months of the year. From the end of March the team spent over three months working from home during lockdown. More recently another four-week period was undertaken working from home. However, the difference in the type of seasonal activities we undertake meant that we asked LIC for permission to return through the TOP season. As we are situated in our own wing of the campus this was approved, but we do need to follow on site rules very carefully. The postponement and cancellation of many events and activities has had an ongoing effect on workload, with many activities moving to a more online platform than normal. These changes have not resulted in any major loss of income, and we have been able to complete all activities with the exception of the Annual Conference, and have also been able to retain all staff on full hours and pay throughout the crisis. We must acknowledge that members' use of core services and continued participation in breed activities and programmes has had a large impact on the fact that we did not need to rely on the government's Covid-19 support programme.



Pam Goodin
General Manager

Towards the later part of the year, the Board undertook a strategy refresh. The Board strategy and values underpin all our activities. This refresh identified several new focus areas, and work is already commencing on priorities such as increased membership engagement; providing additional resources and support to our regional ambassadors; and promoting relationships with consumers and producers.

The next twelve months are exciting. New premises are on the horizon, and within a few months BreedIT will be fully operational. Designed initially for the provision of core services, the new ways that we will be able to access, analyse and use data will also increase efficiencies across many of our other programmes.

Financial Report

Despite adaptations brought about by the Covid-19 global pandemic, the move to an October Annual General Meeting means that we are able to report in full to members on the 15 month financial period brought about by the change in balance date. A June AGM would have meant that only an interim, unaudited report would have been available.

The audited accounts for 2019/20 relate to the period 1 April 2019 to 30 June 2020, a 15 month period, and the comparison figures in the audited accounts for the 2018/19 period relate to a twelve month period. Some major income and expenditure items (e.g. subscriptions) are captured twice within the 15 month reporting period due to timing of the activity.

This report will concentrate on areas where any accounting anomaly is outside that created by the extended financial reporting period.

1. PROFIT & Loss Statement (Group)

- » Annual Conference. Income down mainly as a result of reduced attendance at Conference but also a reduction in sponsorship available.
- » TOP & Classifications. While membership TOP numbers remained static, SPS numbers were down in the 2019 season.
- » Souvenirs, advertising & publications / Promotional expenses. Additional spend in the 2019 year was a Board strategic decision, the 2020 figure is a more accurate one from a historical perspective.
- » Accounting and audit expenses. Additional expenditure included a feasibility report commissioned by the Board in relation to the sale of the LIC Deed of License; work required for the change of balance date and changes for Link Livestock Ltd.
- » Accounting, depreciation & amortization. Increased depreciation relates to the purchase of the new IT infrastructure and associated hardware.
- » Board cost. All meetings took place in Hamilton and there have been no in-person meetings since early March 2020.

- » Personnel – Human Resources expenses. Additional expenditure focussed on staff training & development opportunities, extra recruitment support and the General Managers attendance at the Associations and Not-For-Profit summit.
- » Prior period adjustment. This amount relates to GST and the fraud issue which has been held on the balance sheet as a liability since 2015, and which the IRD have now confirmed they have written off.

2. Balance Sheet (Group)

- » ANZ Term Deposit. The Board resolved that the new IT infrastructure and purchase of the handheld devices for TOP data collection were funded from reserves.
- » Property, plant & equipment. The Deed of License for the premises occupied at the LIC campus have been revalued in line with the purchase offer made by LIC.

3. Conclusion

Increase in income 2018 to 2019 \$80,861, increase in expenditure \$99,838 with previous period adjustment resulting in a surplus of \$33,395 (2019: \$37,386). Equity has increased by \$246,873.

Conclusion

The Jersey NZ team have had a rollercoaster ride this year. I greatly admire their combined ability to adapt and persevere, and to continue to meet the needs of members on a daily basis. I thank them for their continued support, resilience and energy.

I also acknowledge and thank the Board for their continued support. The implementation of the Audit & Risk Committee has greatly enhanced both my role and that of the Board. The continued professionalism shown by your Board through some major decision-making this year stand the breed in good stead.

Finally, without our members we simply would not survive. Members have also had to adapt to a new reality this year, but throughout have continued to support the activities of the Association. Entries and support for many of our programmes and competitions have increased. I acknowledge that this is a two way street, and indicates confidence in our programmes, and know that together we will all continue to promote the breed reflecting the strategy and values of Jersey NZ throughout the year to come.

Pam Goodin | General Manager

Industry Affairs Committee

Members

Julie Pirie, Glenys Ellison, Pam Goodin, Toby Sneddon, Clive Perrott, Roger Ellison (convenor).

Alison Gibb stepped back from this committee during the year but as President, maintains a keen interest in its activities.

Scott Townshend resigned after the 2019 Annual General Meeting. We thank Scott for his contributions to the committee over the past several years. He was particularly instrumental in improving our understanding how the Fonterra milk price manual operated, especially how the value component ratio (VCR) was calculated.

Meetings and attendance

The Industry Affairs Group met four times during the year (November, February, April, July) and also was in contact by phone and email between meetings. The April and July meetings were via zoom. Because of overlaps in interests, both Industry Affairs and Genetics committee members attended all meetings.

Topics addressed

Topics addressed over the year included:

- NZAEL issues
- Bobby calves
- The Environment
- LIC and CRV relationships
- Fonterra and JerseyNZ
- Building relationship with JNZ Youth Council
- JerseyNZ strategy refresh

Two things are worth highlighting here:

- As discussed in last years annual report, it was very pleasing that there was a continuation of the good will previously established between industry groups and the JerseyNZ Industry Affairs committee. Representatives of industry bodies were always keen to come and talk to us when approached.
- Over the year, the relationship with Jersey Advantage developed positively and constructively. The year was characterised by both Industry Affairs driven initiatives and Jersey Advantage driven initiatives. Where interests were similar, there was much cooperation between the two entities and this was possible because of the presence of Industry Affairs members on the Jersey Advantage action groups.

Industry contacts over the last 12 months have included Fonterra, NZAEL, CRV Ambreed, LIC, DairyNZ, Massey University, Greenlea Meats, Meat Industry Association, and other dairy breed societies.

NZAEL issues

Genomics. Both Industry Affairs and Jersey Advantage have had several discussions with Dr Brian Wickham over the year on NZAEL plans to include genomic information in the national evaluation database. NZAEL is working towards including this in the February 2021 NZAEL run. It has become clear to us all that

genomics is the next step change for genetic gain and is something JerseyNZ supports. An article, covering some of the more technical aspects of genomics was included in the September 2020 Jersey Focus publication. All the discussions to date indicate that in the not too distant future farmers will be able to initiate and obtain NZ relevant genomic profiles of their own animals.



Roger Ellison
Industry Affairs Convenor

Email: glen.rog@xtra.co.nz

DIGAD (Dairy Industry Good Animal Database). Industry affairs committee hasn't had a lot of input in this area as it has largely been a focus of the JerseyNZ management and board and the Breeds Federation. However we did provide feedback to Dr Brian Wickham on a fee structure proposal he was working on. At the point of writing, no feedback on this input has been received.

BW accounting for different energy requirements for different calf breeds. This was a Jersey Advantage initiative with an Industry Affairs representative. Currently the BW system does not allow for differences in energy requirements of pregnancy due to cows carrying a fetus of different breed/size. NZAEL agreed that not accounting for the breed/size of the fetus was an anomaly in the BW system that needed correcting and put an interim proposal to the group. Discussions are ongoing.

The bobby calf conundrum

This is an ongoing work-on as it is believed to be a significant risk to the growth of the Jersey breed. Initially both JerseyNZ Industry Affairs committee and Jersey Advantage were working on this independently. However, given that it is a priority for both groups, representatives of both groups have combined resources.

There have been discussions with JerseyNZ, Fonterra, Meat companies, Beef and Lamb NZ, Massey University, LIC and First Light over the last year. Although there are some initiatives to find alternative outlets, these are generally small-scale and there is no nationally coordinated effort by the industry to find outlets for significant numbers of bobby calves. Fonterra tells us there is currently little pressure from NZ consumers to stop the bobby calf industry but they are keeping a watching brief on what happens overseas, particularly in Europe. Fonterra's view is that

this is an industry issue, not a Fonterra issue and that any initiative needs to be driven by DairyNZ. DairyNZ acknowledged to us that no one was talking about zero bobby calves and they see the bobby calf issue as a component of the industry's Dairy Tomorrow Strategy.

Industry Affairs/Jersey Advantage angle is that zero bobby calves is not an option if the dairy industry is to remain profitable. It is working with industry groups to promote the benefits of Jersey x beef meat in terms of quality and fat marbling. Currently the best approach for Jersey farmers who wish to drop bobby numbers is to use sexed semen for replacement heifers and a beef breed for the rest. Setting up contracts with beef growers is more likely to pay dividends rather than relying on the 4-10 day calf market where Jersey cross calves are competing head-on with Friesian x animals.

We are closely following a couple of trials at the moment, a Jersey x wagyu trial and Jersey x Angus trial. These trials are measuring the performance of calves from birth to slaughter where the proportion of different meat cuts, tenderness and marbling will be assessed. We expect the animals with Jersey genetics will be finished and killed earlier and with a lighter body weight than other breeds but the hope is that the meat quality will be superior, therefore attracting a higher price and compensating for the lower killing weights. We are also staying in contact with the Massey researchers that are working on new generation beef – 10 month slaughtered dairy x beef animals.

The environment and the role of the Jersey cow/farmer

This is another area where Industry Affairs and Jersey Advantage have combined resources and is now being led by Jersey Advantage. We are working with industry to make sure all of industry is using kg Liveweight/ha and not cows/ha as a measure of stocking rate.

We have had discussions with LIC about their new hoofprint measure which is a prediction of net emissions (methane and urinary nitrogen) by a bull's daughters. The greater efficiency of Jersey in converting dry matter into milk means Jersey's consistently come out as the most environmentally friendly breed. It was pleasing but not surprising to see that this is demonstrated in the LIC hoofprint models. As the pressure comes on the dairy industry to decrease its environmental footprint, the Jersey breed is sitting in a good position. We have also questioned Overseer about whether the Jersey benefits are included in the Overseer models. We are awaiting a response.

Relationship with LIC and CRV

We have kept in general contact with CRV and had a zoom session with Malcolm Ellis, LIC General Manager Marketing NZ.

Malcolm updated us on several LIC initiatives which included:

- LIC single step genomics model and how this is working – is a definite improvement from the previous model.
- Beef breed initiatives to help farmers with the bobby calf issue – LIC is cementing relationships with beef industry to access semen from beef bulls that produce low birth weight and high growth rate offspring.
- LIC's projection of type of semen use over the next five years - in 5y time, a high proportion of semen to breed replacements

is likely to be genomic, and fresh sexed. The beef semen market will have grown substantially as well.

- Genetic gain versus management of inbreeding – trick is to manage inbreeding without significantly impacting genetic gain. One purpose of Jersey Future is to provide a diversity of sires that achieve this balance.

Fonterra

Industry Affairs and Jersey Advantage had meetings with various Fonterra managers. Topics included bobby calves, VCR pricing, A2 milk market, possible incentivising SCC, the cooperative difference programme and the importance of doing due diligence on payment packages from other dairy companies if considering switching from Fonterra.

Building relationships with JerseyNZ Youth Council

During the year, one of the things Industry Affairs identified was the lack of engagement with the youth of JerseyNZ. We therefore invited the JerseyNZ Youth Council to the combined July Industry Affairs/Genetics committee meeting to better understand the roles of the different committees and explore areas of common interest or where the committees can assist each other achieve their goals. The meeting was positive and identified some areas where we can work together resulting in some actions that are being worked on. It is envisaged that such a joint meeting will continue on an annual basis.

JerseyNZ Strategy Refresh

Industry Affairs, through its convenor, was invited to the JerseyNZ Boards strategy refresh session in June. This ensured that the direction of Industry Affairs stays strongly aligned to the JerseyNZ strategy.

Communication to and from JNZ members

During the year, the Industry Affairs committee contributed an article in each of the Jersey Focus magazines. There has also been an occasional short communication in the Jersey Update email. This annual report is another way this committee communicates to members.

The role of the committee is also to seek ideas from JNZ members. Input of ideas and feedback from members is encouraged so that our activities remain relevant to members. The AGM is one forum for the exchange of information and ideas. Letters, emails or phone calls are other avenues that are welcome.

Roger Ellison | Convenor

TOP & Judging

We welcomed Warren Ferguson to the committee after last years AGM.

Judging

Two Judging schools were run in conjunction with Ayrshire New Zealand in Northland and Manawatu in early March. At Brownings and Hutchings in Northland and Fitzgeralds in the Manawatu. South Island Judging Schools in Southland and Marlborough were cancelled out of concern for the Covid 19 situation.

At this time there is some movement to reinstate Dairy cattle classes at some A&P shows. The M Bovis situation is stabilizing and giving a degree of confidence to organizers and competitors to run events with close regard to MAF suggestions and requirements.

The Waikato Show will take place this spring in October. Royal status has been placed on the Dairy Cattle classes at Stratford in late November. The NZ Dairy Event will resume at Feilding in late January. Jersey NZ's Murray Harnett Junior Judging Competition will take place at this event. It is open to all members under thirty years of age.

Our judges, although missing out on A&P appointments have been active, judging on farm shows all around the country. This form of dairy cattle exhibition is becoming a well-regarded substitute for livestock at one venue competition.

Jersey NZ's Semex on farm event was successfully concluded with Mr Graeme Collins officiating as judge. Our committee would like to thank Graeme for his work and congratulate all winners for their success. Mr Richard Adams will be the judge this coming year.

The Jersey NZ Judges List has been reviewed and updated. We would like to congratulate Mr Warren Ferguson of Ferdon Genetics for the invitation he has received to judge internationally on both Jersey Island and the British mainland.

Finally we thank all those people, whose farms and facilities were made available to host our judging schools. Without your passion and support this could not happen.

T.O.P. / Classification

The timing of our AGM this year, is allowing us the opportunity to sum up last seasons TOP/Classification performance but also give an early assessment of the current situation in what is a watershed year for classification in our organisation.

Last spring your small, very professional group of classifiers covered thousands of kilometres, both driving and flying to deliver SPS contract requirements on time and then to participate in the member classification tours. This is the real reason we take on this role. The opportunity to engage with members, with their animals, on their farms, is the reward for weeks of work. The chance to see the many tremendous areas

of the countryside, that you would not otherwise visit is also the 'can't be valued' reward. Our team last year had ten classifiers active, with seven doing the major portion of the SPS work.

Early spring workshops were attended by our classifiers last year prior to undertaking SPS tours. It has become a requirement for TOP inspectors to attend these across breed days to, drive a tighter assessment result. The industry needs quality information.

We ran a combined classifiers field day with Ayrshire New Zealand on the Gibb farm at Orini, prior to undertaking the membership tours. Thank you, Natalie, Russell and Alison, for your tolerance and good humour. We will be running a similar day this year.

The TOP/Classifier training and certification days were held in March, at Cambridge on the Hayward farm. Good result to have all current classifiers who needed to re-certify passing their certification, with Andy Walford and Julie Pirie gaining a four year and one-year pass respectively as new inspectors. Congratulations to you both. We received notice that Des Hickey had decided to retire from the classifier role that he has carried out for many years. Des deemed it the appropriate time for him to step aside. Thank you, Des, for your years of commitment. You will be missed. Our SPS and member classification numbers, were slightly down on expectation last year, but as they have in the past, still show a very positive impact on our balance sheet.

As you will all be aware of by now, we are embarking on a new phase in the classification of our dairy cows. I will quote from my Presidents Report to the Dairy Breeds Federation. "With the very welcome news received in early March, that MPI would be forwarding funding, from its Sustainable Food and Futures Fund, to the Breed Societies DIGAD Solution; allowed us to move forward with our objectives within this solution. The purchase of a new platform to deliver TOP information and allow classification of our registered cow populations became a reality. The agreement in principle that we had, to purchase an internationally recognized (ICAR) system/ platform has happened."



Barry Montgomery
TOP & Judging Convenor

We released an information package earlier in the year, pertaining to the changes in our classification system and this is available through the office. The major changes relate to the non-awarding of an excellent classification award at two and three years as per international standards and the pointing of animals relevant to their classification. The TOP linear scoring remains the same.

The TOP Advisory Board has reviewed the stature scale previously used and a change has been made to this. A five-centimetre increase for a nine stature animal has necessitated the scale moving down to accommodate the change. The stature height at the shoulder for a TOP assessed animal will now be one number less than previous and in many instances now will align with the weight call. When reading an animal's TOP scores from 2020 onwards you will need to make that small mental adjustment that 447..... equates to 547..... previously.

At the time of writing this report, your classifiers have been very active using the new handheld technology on early SPS herds. This has not gone without some major teething issues. All classifiers are rapt with the new units and are quickly coming to terms with all the new features and functions. They are very user friendly in collecting the information. However there has been loss of information when uploading this to data receivers. Rezare, the company contracted to deliver our system are working through this to solve the issues.

The problem has necessitated classifiers transferring all collected data to paper to safeguard the information. This has meant hours of paperwork after each day on farm TOP inspections. Special mention and thanks must go to Robyn Gordon for the countless extra hours she has put in, and the Jersey NZ team for their extra support.

Whilst transferring thousands of numbers to paper one evening just recently, I remarked to Graeme Collins how impressed I was with the professional attitude and approach from both office staff and classifiers to the issues being faced. He suggested that we should be called "Pro-am's". Performing professionally, paid like amateurs! I have a feeling the name will stick.

To become a TOP inspector/ Classifier is a great opportunity, to meet members in their farm environment, see our wonderful country, develop a worthwhile skill and maybe be labelled a "pro-am". So for all interested people, give it a go, we need you.

Finally, Peter and my thanks to the Judges/ Classification Committee for their support throughout the year. We have discovered that Covid 19 inspired Zoom meetings can achieve good outcomes.

Also, a thank you to our classifiers and judges for carrying out your tasks and representing Jersey New Zealand with pride.

Barry Montgomery & Peter Gilbert | Convenors

Link Livestock Ltd Report



It is my privilege as Business manager to present the extended 19/20 Link Livestock Ltd Annual Report.

The cattle trading environment was very similar to the previous year but there appeared to be a very gradual decrease in numbers traded largely due to many farmers reducing stocking rates. Many farmers unloaded stock during and following the drought and chose not to replace all of them, but still there were very few surplus cattle carried into the new season.

19/20 was the first complete year traded under the new Link Livestock Ltd flag. The reason for the change was to broaden our trading base and not to be viewed as only jersey orientated but conscious of the fact also progress would not happen overnight. The benefits are materializing.

The costs involved in the name change have temporarily to some extent affected our financial result but generally the business is building as is our profile within the industry.

We have been involved in online and on farm auctions, heifer export and the traditional paddock transactions during the year. The arrival of Covid has speeded up the acceptance of online cattle trading and further improvements will no doubt be made. Livestock trading is very competitive nationally.

During the year a set of portable yards and a new computer and printer were purchased. These are a necessity if we are to present as a serious and professional business competitor.

Since the financial year's end, the Link Livestock Directors have appointed Nigel Riddell as General Manager who also under the constitution becomes a Director. A vehicle has been purchased for the GM's use.



Ross Riddell
Business Manager

My thanks to our agents and office administrator and also to the staff of JerseyNZ for their efforts during the year.

It should also be noted that our two Directors Warren Berry and Trent Paterson diligently apply their time and skills to their appointed task for no financial reward.

We can't always sell everybody's surplus stock or find the ideal cattle to purchase, but we do appreciate being given the opportunity.

Ross Riddell | Business Manager

2020/21 Link Livestock team

- Nigel Riddell | General Manager
- Ross Riddell | Sales Agent
- Grant Aiken | Sales Agent
- Karen Fitzgerald | Sales Agent
- Liam Simmons | Sales Agent

Genetics Report

One fundamental word sums up 2020 **“Challenging”**
One word we can take out of some of those challenges that describes what we do **“Essential”**

The answers to those challenges will mostly come in the form of efficiency. Genetic gain and driving efficiency has never been as important to our jersey business as it is today. We are all becoming increasingly aware of consumer demands and expectations when consumers purchase food items.

Increasing regulations on farm adds to the need to reduce environmental impacts.

The genetic decisions we make for our breeding programs carries more importance now than it did 20 years ago. Our business attracts significantly more scrutiny than it has in the past.

Meetings

We’ve combined Jersey Genetics meetings with Industry Affairs. Much of our agendas cross over and combining our groups have helped with continuity and communication eg. Jersey Future.

Jersey Future contract

We’ve worked with LIC and made amendments to the original contract making changes where required. We now have a contract that gives us greater access to royalties with semen sold outside of ALPHA proven or PSS . Royalties will now also be paid when our bulls are marketed in sexed and forward PAK genomic teams.

Jersey Future semen can now be sold outside Jersey NZ membership with amendments made.

Semen sales Jersey Future semen has sold well meeting targets of 1200 straws per bull.

As I write this report we are reviewing semen orders. Some of our current team are struggling with semen collection. “ That Challenging word crops up again” only two of the six bulls are firing on four cylinders. We’ve got constant communication with members and LIC as we work through this issue.

Other agenda items

NZAEL genomics NZAEL are working towards an independent genomic platform. Genomic technology is improving at rapid rates. The reliability of genomic predictions is also improving.

NZAEL recognise independent national genomic testing has significant benefits. Farmers will have more confidence in an independent national genomic index .where there are no market pressures etc. There is significant work being achieved on work and investment towards building this platform.

National breeding objective NBO.

AbacusBio is part way through the NBO review. We understand there has been a huge response to the national survey. AbacusBio are working through this process there are some very clear messages for some changes with regards to traits and economic values from the industry. Watch this space!



Steve Ireland
Genetics Covenor

LIC /CRV IP agreements. In recent years LIC and CRV have negotiated a reciprocal agreement where they can use up to 30 proven bulls from each other’s breeding programs to sire young bulls. Both companies have failed to reach agreement to continue with that situation and will discontinue sharing sires of sons. We aren’t fully aware of the impacts apart from the fact that breeders will be restricted in the ability to sell some very high ranked bull calves into progeny test schemes. Both LIC and CRV have been working towards using more young genomic bulls as sires of sons therefore we had a similar situation occurring where restrictions were increasing over time. At this stage we are told there is no intention of applying female restrictions to LIC and CRV semen.

Samen NZ genetics. Samen NZ has applied restrictions to the use of their semen sold. Both bull calves and heifer calves will incur breeding rights to Samen NZ. Greater clarification can be sought from their website or by contacting them direct.

Samen NZ are looking to work with other parties including breed societies to ensure their genetics continue to assist genetic gain and genetic diversity within NZ.

Sexed semen. LIC will be offering Jersey sexed liquid semen around NZ regions. Availability will more than likely come down to demand in your region. If you are interested we encourage Jersey farmers to utilise this product.

Inbreeding our Jersey Future team consists of several bulls who offer lower levels of inbreeding than other available bulls. Bruce, Morale, Topshot and Base have given breeders greater options for cow matings where they haven’t been able to keep progeny down to below 7 or 8 % inbreeding with most other high BW options.

Genetics Report *Continued...*

There's always a balancing act between genetic diversity and genetic gain. The gap between bulls with high levels of genetic efficiency and bulls with greater genetic diversity remains wide. We've sought advice from AbacusBio, NZAEL and LIC on this matter. Their advice, don't chase diversity for the sake of diversity alone. 7% or 8% inbreeding is not problematic. Continue to invest in genetic diversity but not at the expense of genetic gain. As long as breeding programs are able to manage inbreeding in a way that we don't see rapid rise in inbreeding to levels greater than 10% and beyond the strategy is sustainable and optimal.

We encourage members to invest in genetically diverse sires with a very measured approach.

Matriarch has been formed to create opportunities for breeders and to enhance and support genetic gain for all breeds of dairy cattle. Matriarch is supported with over 25 members and growing. So far Matriarch represents nearly 60% of bulls entering PT schemes.

In essence, Matriarch is wanting to increase the number of young bulls entering bull schemes and to provide quality sires with breeder influences.

Jersey Genome

The selection process for the 2019 born heifers was also very challenging. With the advent of Covid no genomic testing of heifers was available, so the Jersey Genome working group had to go through 501 pedigrees to select the 2020 team. This process enabled 120 heifers from 28 breeders to make the 2020 team. Breeders of these heifers were then offered an opportunity to get a genomic test done, as circumstances had by this stage changed. The Jersey Genome joint venture between CRV and JNZ continues to go from strength to strength. Thank you to Glenys Ellison, Glenn Wilson, Josh Sneddon and the convenor Tony Landers for their time involved right throughout the whole process.

I would like to thank committee members, Barry Montgomery, Tony Landers, Ross Riddell and Clive Perrott. Thanks for meeting the challenges head on.

Steve Ireland | Convenor

Conference Committee Report

The 2020 conference in New Plymouth had to be postponed to due to Covid 19. The plan is to have the conference in April 2021. The committee are working on the programme. The timing change to April was made by the board and this will be reviewed for 2022.

Communication has been by zoom with follow up emails between the teleconferences, this has worked very well.

The committee consists of

- Marian Wallace – Chair
- Pam Goodin
- Alison Gibb
- Ross Turner
- Michele Capper
- Ross Riddell

We have some excellent speakers planned and due to the AGM happening in October, we have more time for farm visits and social activities.

Further details will be available nearer the time.

Marian Wallace | Convenor



Marian Wallace
Conference Convenor

Youth Committee Report

As convener of the Youth Committee, I started off with some great ideas and help following the Youth Teams success at IDW.

Soon after, the Covid-19 pandemic hit, and chances of organising JerseyNZ youth activities diminished.

The Youth Council have some great ideas that the Committee can work with, so I am looking forward to re-engaging the youth committee. Covid-19 has seen the improved use of digital technology for communication, and along with a real need to connect will provide a good platform going forward.

Julie Pirie | Youth Committee Convenor



Julie Pirie
Youth Committee Convenor

Jersey Advantage

Report from the Jersey NZ representatives on the Jersey Advantage Trust Board.

In August 2019 Jersey NZ directors signed a Memorandum of Understanding with Jersey Advantage (initially named Jersey Profit). This was the culmination of several months of discussion between the two parties. The intention was for Jersey Advantage to operate independently of Jersey NZ but it also believed Jersey Advantage could achieve more with cooperation from Jersey NZ.

At that time the stated purpose of Jersey Profit was outlined as “to promote the economic proposition of Jersey Genetics to the wider Dairy Industry.” To do this Jersey profit created two arms:

- The Jersey Trust Board – its primary role is to administer a capital fund and operational income stream. A longer-term goal is to build the capital fund to acquire a farm for promotional and research purposes. The Trust Board will also have a mentoring role for the Action Groups.
- Jersey Profit Action Groups comprising younger and commercially efficient jersey farmers. The aim being for these people to build the skills and relationships to interface with the Dairy Industry for the next 10-20 years. The three action groups are Breed Promotion, Commercial Influence and Future Proofing.

Jersey New Zealand is represented on the Jersey Advantage Trust Board by Glenys Ellison and Evan Smeath. Jersey Advantage members on the Trust Board are Mark Townshend, John Bailey, Richard Gibson and Rodney Dobson. JNZ representatives on the Jersey Advantage action groups are Roger Ellison, Julie Pirie, Toby Sneddon and Colin Hickey. They provide input into planning, promotional activities and industry meetings and help ensure cohesion between the two organisations. The Trust Board representatives from JNZ report regularly to the JNZ Board. As planned in the initial MOU, a review is now underway given that Jersey Advantage has progressed from concept to an established entity.

The Jersey Advantage Trust Board has met regularly, initially by teleconference and now by zoom. It has completed all of the formal set up requirements for Jersey Advantage including the Trust Deed, attaining Charitable Trust status, bank account and accountant. General Manager is Michelle Good, Financial Administrator is Louise Berry. Combined meetings of the Trust Board and the Action Groups have reviewed progress and enabled co-ordinated planning of future activities.

The action groups have worked on the important stories that need to be told around the economic, environmental and animal welfare advantages of the Jersey breed. Jersey Advantage’s work to date has been promoting the breed advantages to dairy farmers. They are also advocating to industry organisations for the Jersey breed on a range of issues including increasing the intake of Jersey bulls for sire proving schemes; adjustments to indices to incorporate the effect of sire breed on pregnancy energy requirements



Glenys Ellison
Representative



Evane Smeath
Representative

and breed differences in pregnancy rates; and adjustments to capacity charges which will reward herds with higher milk solid percentages.

They are also working with those in the beef industry to explore opportunities for Jersey Beef and outlets for surplus calves.

Longer term, Jersey Advantage is looking to partner with other organisations on research initiatives around environmental and animal welfare advantages of the Jersey breed, as well as the branding of Jersey and Jersey cross milk and meat products.

There is also a vision to invest in land to support research and demonstration of breed benefits.

A strong social media presence and high standard of presentation for their promotional material has been established. This and all of the above activities serve to enhance the reputation of the Jersey breed and ultimately be of benefit to Jersey NZ and its members.

Now is the time for Jersey NZ and Jersey Advantage to work together and evolve to protect the future of the Jersey Breed. The view of the Jersey NZ representatives on the Trust Board is that Jersey NZ has made a positive step by entering into this collaboration. Separately we each have a voice and role within the industry and where we work together we become stronger advocates for the Jersey breed.

Glenys Ellison & Evan Smeath | Representatives

Mrs A Gibb (President) welcomed 48 members and Directors to the 2019 Annual General Meeting, including Jersey Australia Director Lisa Broad.

1. AGM NOTICE OF MEETING

The Notice of Meeting was taken as read.

2. APOLOGIES

P & S Ingram, R & J Gibson, B & I Cutforth, M & S Booth, L & C Pedley, J & J Ellison, J & A Ellis, C & D Perrott, I & C Jordan, G Collins, S Donald, W & M Ferguson, B & B Oyler, E & C Boccock, K Fitzgerald, M Johnson, D Ireland, N & J Riddell, B & M Morris.

That the apologies as listed are accepted.

A Hazlitt / T Ford

Carried.

3. OBITUARIES

The meeting stood for a moments silence for those members, past and present, who have passed since the last Annual Meeting - M Muggidge, G H Dear, T Sorenson, S Cameron, M Crow, B Pedersen, Mrs I Thompson, Mrs M Ireland.

4. MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING

That the Minutes of the Annual General Meeting of 8 June 2018 are taken as a true and correct record.

D Hickey / J Pirie

Carried.

There were no matters arising.

5. PRESIDENT'S REPORT

The President's Report was tabled as printed in the Annual Report, A Gibb summarised her report

- We are riding the crest of a wave for Jersey
- Experiencing increased semen sales
- Slight increase in membership, but more work to do
- More positive year financially

The report was opened for discussion, there was no discussion.

That the Presidents Report is adopted.

A Gibb / S Ireland

Carried.

6. REMITTS

There are no remits.

6. NOTICES OF MOTION

A Gibb spoke to the Notice of Motion as printed in the Annual Report, this is primarily driven by Link Livestock Ltd. She also outlined the implications for future Annual Meetings, but felt that two separate balance dates would be too messy. R Riddell spoke on behalf of Link Livestock Ltd, this will align the balance dates more closely to the farming/sales season. The Notice of Motion was opened for discussion, J Pirie noted that the Board have already advised that there will be consultation on Annual Meeting timing moving forward.

That Rule 32 be amended as follows:

Accounts and Audit

32. True accounts shall be kept of the sums of money received and expended by the Association, the matters in respect of which such receipts and expenditure take place, and of the assets, credits and liabilities of the Association in books of account, which shall be kept at the registered office of the Association or at such other place or places the Association thinks fit. The true accounts shall be presented to the Annual Meeting in simple form, and, if the Association should hold in excess of 80% of the ordinary shares of any limited liability company the said accounts shall be consolidated with the accounts of such company(s) and such consolidated accounts shall be presented at the Annual Meeting. At each Annual Meeting in every year an Auditor shall be appointed by resolution, who shall hold office until the next Annual Meeting, but shall be eligible for re-election. The Auditor shall audit the accounts of the Association, and any consolidated accounts (where appropriate) prior to the Annual Meeting, and a statement showing the financial position of the Association and the consolidated group (where appropriate) and examined and certified by the Auditor shall be sent to each member ten days before the day of the meeting and laid before every Annual Meeting. The financial year of the Association shall end on the 30th day of June in each year.

That Rule 38 be amended as follows:

38. A notice may be served by, or on behalf of the Association, upon a member personally or by sending through the post in a prepaid letter, addressed to the member at his registered place of abode. Furthermore, any reference contained in these rules to 'post, mail, sent, by hand, in writing, left at' (and their variations) is deemed to include forms of electronic notification.

R Riddell / G Ellison

Carried.

8. TO RECEIVE AND ADOPT THE FINANCIAL REPORT AND FINANCIAL STATEMENTS

A Gibb noted that the Association has posted a profit for the 2018/19 financial year. P Goodin spoke to the accounts, and opened the accounts for discussion. There was no discussion.

That the Financial Report and the audited Financial Statements for the financial year ending 31 March 2019 are adopted.

R Ellison / T Paterson

Carried.

9. ELECTION OF AUDITOR

That Crowe Horwath are appointed as auditors for the financial period ending 30 June 2020.

J Pirie / G Ellison

Carried.

10. CONFIRMATION OF DIRECTOR APPOINTMENTS FOR THE BOARD

A Gibb spoke to the election process, noting that she and P Gilbert have both been elected as Directors this year in the lead up to the Annual Meeting, this has freed up the Appointed Director positions.

R Riddell as Chair of the Appointments Committee spoke to the selection. M Townshend has resigned from the Committee, so the current Committee is R Riddell and T Paterson, with a third member being sought. The Committee recommends that Tony Landers be appointed as a Director for a further one year term and that Julie Pirie be appointed as a Director for a two year term.

That T Landers is reappointed as Director for a term of one year, and that J Pirie is appointed as a Director for term of two years.

M Townshend / M Pedley

M Pedley asked if it would be possible for T Landers to stand for election next year, and was advised yes.

The motion was put to the meeting and was carried.

A Gibb congratulated both T Landers and J Pirie on their appointments, the meeting responded by acclamation. It was noted that the Board now has a 50/50 gender ratio.

11. ELECTION OF THE DIRECTORS APPOINTMENT COMMITTEE

T Paterson and R Riddell are both available to continue on this Committee. R Riddell noted that that a member with strong connections in the breed, or with Jersey & industry connections could be involved. A Gibb reiterated that this Committee considers opportunities to bring in skills not currently around the table in consultation with the Board.

R Hall	C Hickey / D Hickey	Carried
R Riddell	R Dobson / B Potts	Carried
T Paterson	A Hazlett / C Hickey	Carried

12. DIRECTOR EXPENSES REVIEW COMMITTEE RECOMMENDATION

The report as printed in the Annual Report was opened for discussion – there was no discussion.

That the recommendation as printed in the Annual Report 2019 is adopted.

B Potts / R Dobson Carried.

13. ELECTION OF THE DIRECTOR EXPENSES REVIEW COMMITTEE

R Farley has indicated that he would like to step down, E Reeve is available for re-appointment. A Gibb called for nominations.

E Reeve C Hickey / B Potts Carried.

D Hickey commented that this is not an onerous job, usually just one meeting and consultation with the General Manager.

S Ireland C Hickey / R Turner Carried.

14. GENERAL MANAGER'S REPORT

The General Manager's Report as printed in the Annual Report was taken as read.

15. COMMITTEE REPORTS

A Gibb suggested that all Committee Reports as printed in the Annual Report be adopted.

That the following reports are adopted - Industry Affairs Committee; TOP & Judges Committee; Promotions & Marketing Committee; Genetics Committee; Link Livestock Ltd; Conference Organising Committee; Youth Committee; Youth Council.

D Shaw / C Hickey Carried.

16. GENERAL BUSINESS

A Gibb reminded members to raise issues pertaining to the Annual Meeting, any other business may be raised in the 'cream can' forum after the meeting.

- 16.1 Audit & Risk Committee. L Shaw asked why there is no Audit & Risk Committee? A Gibb responded that there has been a lot of discussion and the Committee is currently being developed, the Board have been looking for the right people. There is a risk register in place and at least two items are discussed in the strategy session of each Board meeting. The Audit & Risk Committee will add additional authorisation to the decision making process and assist the General Manager with budget preparation etc.

That being all the business the meeting was closed at 9.33 am.

The Notices of Motion were confirmed at a subsequent meeting at the immediate conclusion of the AGM. These Minutes are unconfirmed and will be confirmed at the 2020 Annual General Meeting.

In 2019, President Alison Gibb updated the way in which the Annual General Meeting was conducted. Members were asked to restrict the AGM to Annual Meeting matters only, and Committee Reports were adopted as tabled in the Annual Report.

Throughout the Conference period, members had been asked to drop items that they wished to be discussed into a 'cream can' (either signed or anonymously). These items would then be discussed in the forum, along with any questions of Committee Convenors and any annual presentations would be made.

1. Link Livestock Ltd. R Riddell updated members on the name change and new branding (previously Jersey Marketing Services). Discussion followed on access to saleyards and collaborating with other sales agencies. M Pedley noted that the concept behind the initial structure was to have JMS agents also acting as Field Officers for Jersey NZ. It was noted that some administration work needs to be improved.
2. DIGAD. General Manager P Goodin gave a PowerPoint presentation on DIGAD (Dairy Industry Good Animal Database).
3. Promotions. General Manager P Goodin and Promotions Convenor C Hickey gave a PowerPoint presentation on the activities undertaken in promotions this year and future plans.
4. Jersey Profit. Jersey Profit advocates gave a PowerPoint presentation into their group's plans and answered questions with generally positive feedback.
5. Julie Pirie. Newly appointed Director Julie Pirie addressed the members.
6. Jersey Profit. Further open & honest dialogue continued on Jersey Profit after their advocates left the meeting. A number of concerns were expressed by members, and questions raised. In general, members felt that the Jersey NZ Board needs to work alongside Jersey Profit and continue to negotiate areas of access with them.

From the 'Cream Can'

7. World Wide Sires Photo Competition. Robert Hall wanted some updates to the use of 'identifiers' on the results, with the top 6 for each class displayed. B Montgomery advised that the Judging Committee intends to review the entire process for the competition.
8. Jersey Clubs. M Pedley asked how many clubs are still functioning well? How many are struggling? P Goodin spoke to work done from the Jersey NZ Board & office to re-engage Clubs, including via Regional Ambassadors. D Shaw suggested that Directors should also be visiting club meetings, this would help to get the best from the membership. B Montgomery noted that it is part of the Ambassador's role to undertake this, there are a good spread throughout the country. D Shaw wasn't aware that this was part of his role as Ambassador. He has found a lot of enthusiastic people, but not many wanting to use his services. B Montgomery noted that considerable work will be done on Committees and Ambassadors e.g. training days etc.

9. Farm purchase. A Gibb commented that this is a great idea, but the practicalities can be daunting. J Pirie spoke to her experiences working with the Donald Pearson Farm Trust, it is very different matter to govern a farm that you don't own. She believes that it would be better to partner with an already existing organisation. P Goodin spoke to the challenges experienced by Ayrshire New Zealand with their sharemilking operation, particularly around governance and management. R Riddell commented that the main driver is as a safe investment. D Mercer commented on a successful Jersey farm in New South Wales supplying Sydney cafes. A Gibb noted that there are opportunities yet to be explored with Lewis Road Creamery.
10. Genomics in the future. D Shaw commented that Jersey NZ and its members should be looking into genomics and encouraged members to genotype a percentage of their herd to build a genomic library. R Ellison spoke to discussions with Brian Wickham (NZAEL), we have started some initial discussions and are potentially looking at a working group to develop a business case. S Ireland advised that B Wickham is also looking further into this for DairyNZ, but there are IP issues that will need to be addressed. He also spoke to recent submissions to DIRA and suggested that Clause 62 is restricting genetic gain. A Parker (CRV Ambreed) noted that genomics is incredibly complex, CRV are already adding to the reference population and still finding it difficult due to IP restrictions. He agrees with B Wickham that we need one genomics platform for NZ. There is a danger of this becoming fragmented otherwise. He also agreed that IP is restricting genetic gain in NZ.
11. Excellent 2 cows. A Gibb asked if there is potential for Ex2 cows to be reclassified at 4 year or lose their Ex status? B Montgomery felt that the award is relevant to the cow at the time, especially for large herds, & would not like to see the status lost. M Pedley spoke to the history of moving from an 'A' heifer to the Ex2 award. B Montgomery felt that there is an ideal opportunity to revisit this as we rewrite programmes for DIGAD, there is the potential for a consensus on awards across all breeds. It was also noted that many members prefer to see raw scores and BVs.
12. TOP scoring. T Paterson asked how long will TOP be scored by the human eye, is there potential for electronic/digital platforms? M Pedley commented that this has been talked about for a long time, cows should be scanned. D Shaw feels that TOP is a great marketing opportunity for Jersey NZ. P Goodin spoke to the work done through TOP Advisory.
13. Registrations. D Shaw asked if where herds are totally Jersey, is there an opportunity to grade up to full pedigree status if all the information is on database? P Gilbert responded that this is already being discussed by the Board and a Working Group has recently been set up to progress this.

