

New Zealand Jersey Cattle Breeders' Association (Inc)

**jersey**<sup>NZ</sup>

# ANNUAL REPORT

FOR THE YEAR 1 JULY 2020 TO 30 JUNE 2021





Official Publication  
of the  
NEW ZEALAND JERSEY  
ASSOCIATION (INC)

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

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## Board of Directors

<b>President</b>	Alison Gibb	Taupiri
<b>Vice-President</b>	Barry Montgomery	Dargaville
<b>Directors</b>	Tony Landers	Hawera
	Barry Montgomery	Dargaville
	Peter Gilbert	Ashburton
	Glenys Ellison	Hamilton
	Julie Pirie	Thames

# Notice of 2021 Annual General Meeting

The 119<sup>th</sup> Annual General Meeting for members of New Zealand Jersey Cattle Breeders' Association Inc will be held via Zoom on Wednesday 2 February commencing at 7.00 pm.

*This Zoom meeting replaces the Annual General Meeting originally scheduled for September 2021, which was postponed due to the Covid-19 government mandated lockdown level. All reports contained in this Annual Report were written in September 2021 and relate to the financial and governance year ending 30 June 2021.*

## 2021 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 (information only)
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
  - Audit & Risk Committee
  - Jersey Advantage
  - TOP & Judges Committee
  - Promotions & Marketing Committee
  - Genetics
  - Link Livestock Ltd
  - Conference Committee
  - Youth Committee
16. General Business

By Order of the Board  
Pam Goodin  
14 January 2022

# President's Report

Another interesting year has passed and we still find ourselves at the mercy of a global pandemic. Resilience has long been a trendy word in the farming fraternity however I believe those of our nation outside of farming, have had to dig deep and find their level of resilience while generally speaking life goes on down on the farm.

At the Annual Conference, together JerseyNZ and Jersey Advantage, announced the intention of purchasing a 215ha farm in Southland. Both organisations, in different ways, face challenges in funding and the decision to purchase was primarily to diversify our income streams. As a breed society we are constantly faced with the changing needs of the breeders of today – what provided a strong income source ten years ago is not necessarily so today. To that end the farm will be run as a commercial operation generating cashflow and providing a sustainable income. Considerable planning and due diligence have resulted in the establishment of Jerseyland Farms with a separate board who will provide the governance with direct reporting from Dairy Direct Ltd who will oversee the management direction. This is truly a very exciting venture and long term has huge potential to do a great deal to promote the jersey breed. Thank you to the membership who so far have been generous in their monetary support of this venture. There are still opportunities for others to contribute so do not be hesitant in speaking to one of the board members to discuss options.

Link Livestock Ltd, continues to grow and increase its presence in the world of livestock sales. The team of agents has recently grown with the appointment of Stewart Cruickshank who brings a wealth of experience in this field. Nigel Riddell has stepped down from the role of General Manager to operate as an independent contractor and very recently Lisa Treleaven was appointed as Business Manager. Lisa has much to offer this role having worked the last seven years at Carrfields. The Directors of Link Livestock recently reviewed their strategic plan in preparation for the next five years and are excited at the prospects that lie ahead. JerseyNZ is very much appreciative of the dividend received this year and thank Link Livestock for their efforts.

Our position within the dairy industry is vital and none more so than now as the breed societies, in conjunction with NZAEL and DairyNZ, endeavour to finalise the development of the Breed Society solution for the Dairy Industry Good Animal Database (DIGAD) known as BreedIT. The financial assistance from MPI has enabled the Breed Societies to finance the development of the programming to support TOP information that interfaces independently to LIC and CRV. The new hand-helds were implemented last year, and apart from some teething issues, the programming appears to be working well. The current focus is on the 3GP reporting and provides us with an opportunity to review and update the information that could be included in that report. DIGAD has been in making for more than 10 years and, for some time, looked as if it might not happen. Enter Dr Brian Wickham. A breath of fresh air, whose "can do" attitude, coupled with



**Alison Gibb**  
President

his vast experience in the development of similar databases overseas, provided this project with the necessary momentum to get it to where we are today. Very sadly Brian was diagnosed with stage 4 cancer and resigned to undertake palliative chemotherapy. On behalf of the board, I would like to thank Brian for all that he has done for the dairy industry, his knowledge and ability to cut through the red tape and find a solution has been greatly appreciated by all.

The development and promotion of 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 and we continue to promote the Jersey Future team. Last year we had some setbacks when bulls failed to provide semen, something completely beyond our control and it appeared to be an issue nationwide but we move on and this year's catalogue is out. With its excellent source of bulls, this has been very popular and coupled with the competitive price of these bulls provides farmers with an excellent opportunity to source good genetics.

Jersey Genome, in collaboration with CRV Ambreed, looks at genetics through the female line and identifies potential bull mothers. This programme is an excellent opportunity for members to be involved in the genetic scene and provides regular updates of progress made. It also provides another platform to allow members to develop their individual brand. The bottom line: both the Jersey Future and Jersey 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.

As last year was so interrupted by COVID, the Youth Council decided not to roll over two of their members as is the usual protocol but to

give everyone another year's training. To that end, the Youth Council had an excellent session on their Strategic Plan with Annette Ryan. Not only did this session consolidate the strategy but it taught the council the value of strategic thinking, to provide road map in which to follow and avoid the trap of being distracted from their core purpose. One of the major discussions was finding a satisfactory definition of youth. A category based on age (anyone up to the age of thirty-five) provides a huge challenge when deciding on activities and programmes to offer. Through the strategy session, "youth" was categorised by interest rather than age and each youth councillor was therefore assigned a particular category. From this, programmes can be tailored to fit the need rather than the age. Planning is currently under way to meet some of the needs. We are very fortunate to have Robyn Gordon from the office as our secretary and we thank her for her support and enthusiasm.

With the change of the end of financial year date and, the AGM held as a separate meeting from the conference, this year's conference was able to be held at a time when cows are still in milk and the weather more conducive to stepping out on farm. Thank you to the organising committee, led by Marian Wallace, for providing an excellent combination of farm visits, thought provoking speakers, fun and laughter at the evening activities and overall, a more relaxed atmosphere. With the various lock downs and restrictions of the previous year, I believe we were all ready to catch up with jersey friends again and have some fun.

The Audit and Risk committee, under the capable leadership of Glenys Ellison, has proved to be a valuable addition to the board portfolios. As you can see from the Audit and Risk report, a great deal has been set in place to ensure that the Board is financially prudent, policies written and kept current allowing the board to address issues mindful of both opportunities and threats. Although to many this does not sound the most captivating of committees, it is nonetheless

essential from a governance perspective. Audit and Risk are particularly valuable in assisting the General Manager to develop the budget and prepare information for the audit process. Peter Sharp, an independent member of the committee, resigned from the committee earlier in the year. The Board acknowledges his valuable contribution and wish him all the best for his future endeavours.

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 managing an office shift, providing feedback and data for the BreedIT development, taking on the increased workload with Jerseyland Farms and for their agility and flexibility when working from home is required. The Board appreciates and values all that you do.

I would like to acknowledge the Board who give of their time so generously to manage their individual portfolios, interface with membership and juggle their governance roles while managing their own businesses. Your enthusiasm and participation are greatly appreciated.

Lastly the membership: I appreciate that with all the unsettled times we have had you remain so constant. I appreciate the conversations, discussions and ideas that come from the you and your continued support of JerseyNZ. With this year's strong pay-out, I trust you are having an excellent season and that you are all well and happy.

**Alison Gibb | President**

# Remits

There are no remits.

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## Notices of Motion

The following Notices of Motion will be presented at a Special General Meeting which will be called as part of the Annual Conference in May 2022, and voted on at that meeting.

**That Rule 32 be amended as follows:**

### Accounts and Audit

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. **If the Association should hold in excess of 80% of the ordinary shares of any limited liability company the said accounts shall be reported separately as an unaudited Special Purpose Report.** 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 reelection. **The Auditor shall audit the accounts of the Association, prior to the Annual Meeting, and a statement showing the financial position of the Association** and examined and certified by the Auditor **along with the Special Purpose Report of any subsidiary** 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.

Moved Trent Paterson / Seconded Ross Riddell

### Explanation:

The current rules require that the consolidated accounts are audited, however this requirement is operationally problematic for Link Livestock Ltd. The proposed Notice of Motion would mean that Jersey NZ accounts are still audited. The Link Livestock Ltd accounts would be prepared as a Special Purposes Report which is prepared to the Financial Reporting Standards as required by the Companies Act. The Jersey NZ Annual Report would include the Jersey NZ audited accounts and the Link Livestock Ltd Special Purpose Report.

**That Rule 33(a) be added:**

For the purposes of these Rules, any Annual, Ordinary or Extraordinary General meeting may be held either in person or virtually at the discretion of the Board.

Moved: Jersey NZ Board

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## Strategic Plan 2021/22

### 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:

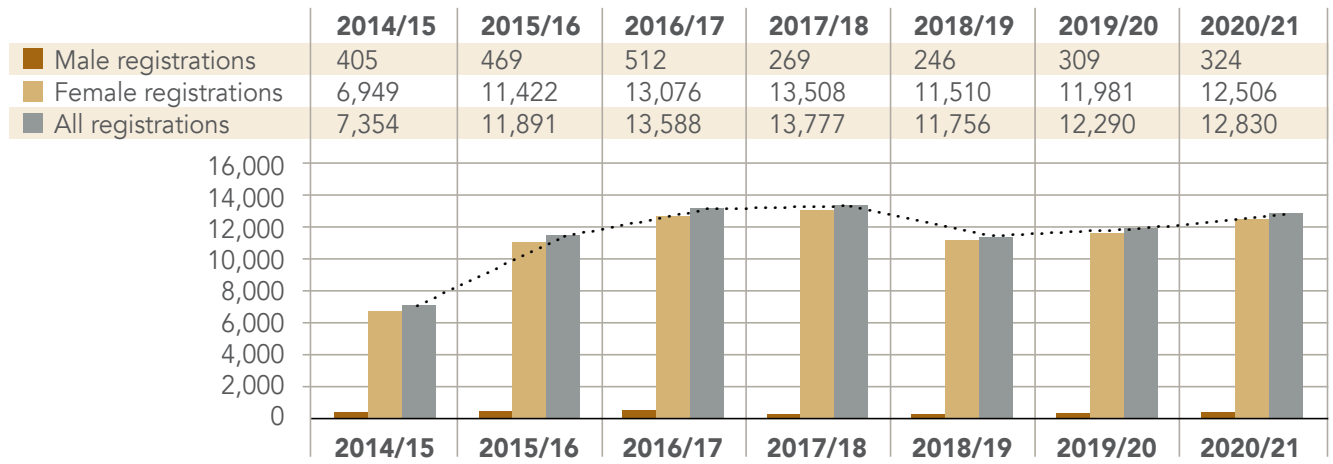
#### Recognised for leading in

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

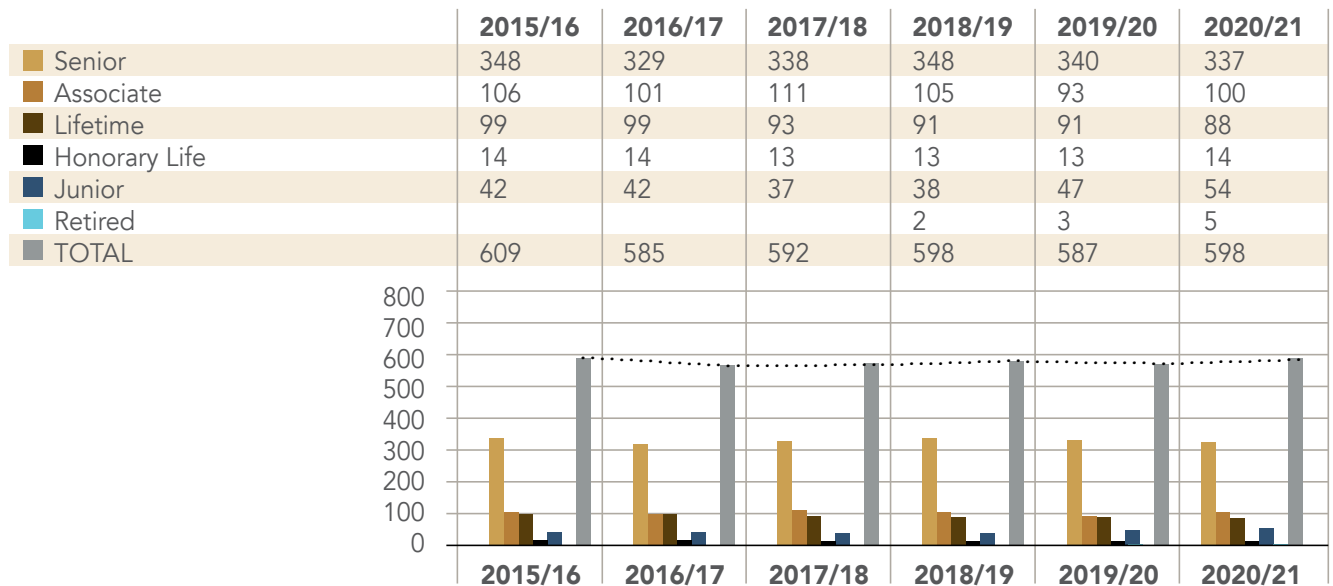
### CORE VALUES:

**Integrity | Sustainability | Quality | Collaboration**

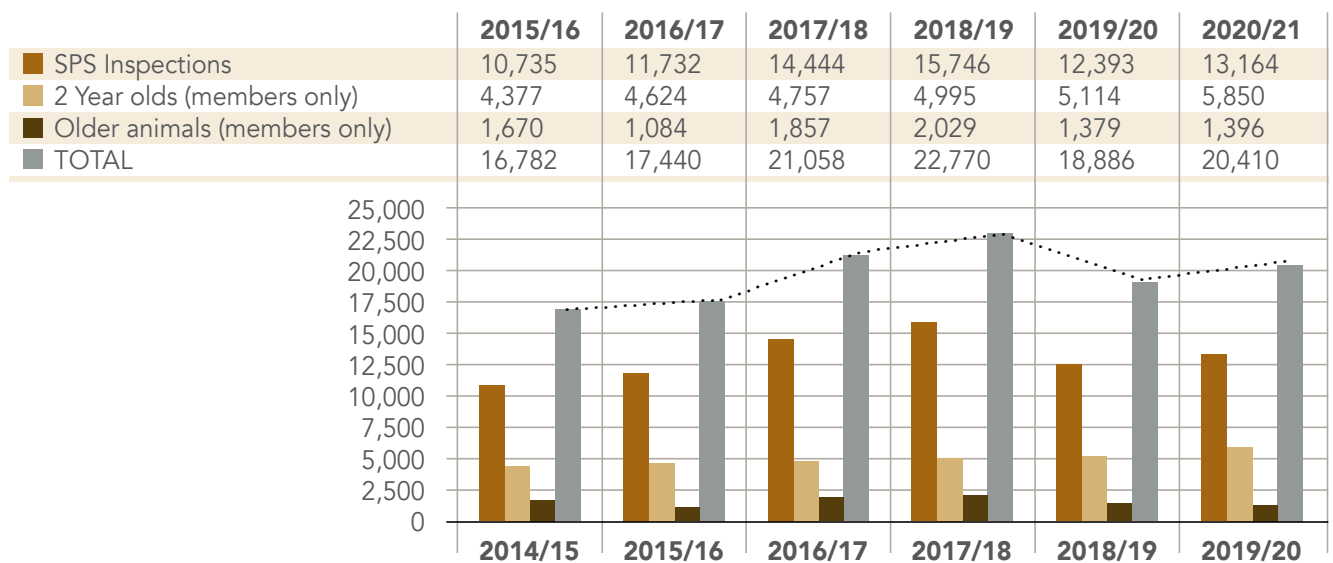
# Registration Analysis



# Membership Analysis



# TOP and Classification



# Production Awards 2019/20

## Top Herd by Milksolids

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

Cliff Shearer

Milksolids: 659 Registered Jerseys: 31 Milk: 6,494 litres Fat (kgs): 379 Protein (kgs): 280 DIM: 304

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

Roma Farm Ltd, B & M Morris

Milksolids: 682 Registered Jerseys: 265 Milk: 6,986 litres Fat (kgs): 390 Protein (kgs): 292 DIM: 296

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

Ashvale Jerseys Ltd, R & N Dobson

Milksolids: 519 Registered Jerseys: 408 Milk: 4,945 litres Fat (kgs): 300 Protein (kgs): 219 DIM: 281

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

Wilson Farms Ltd, S & N Wilson

Milksolids: 490 Registered Jerseys: 515 Milk: 4,944 litres Fat (kgs): 284 Protein (kgs): 206 DIM: 269

## Top Milksolids Cow - Jersey NZ Production Award

C Shearer - Starview Virgil Gwen, Ex4

Milksolids: 985 Milk: 11,241 Litres Fat (kgs): 533 Protein (kgs): 452 DIM: 305

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

Roma Farm Ltd, B & M Morris - Carrondale Sultan Desirae, VG4

Milksolids: 855 Milk: 10,033 Litres Fat (kgs): 483 Protein (kgs): 372 DIM: 305

## Top BW Cow - Mitchell Challenge Trophy

B & M Sim - Glen Leith Hanks QLA BW: 415

## Top herd by BW - Jersey NZ Production Award

B & M Sim

Cows: 20 Milk: 4,337 Litres Fat (kgs): 278 Protein (kgs): 187 Milksolids: 465 DIM: 240 BW: 307

# Jersey NZ Awards

## Semex Jersey On-Farm Challenge 2020

**Region 1 Team - Northland** - No Entry

**Region 2 team - West Waikato** - Cinagro Jerseys, N J Moffitt Trust - 47.11 points

**Region 3 Team - East Waikato** - Upland Park Jerseys Limited, A & N Walford - 47.65 points

**Region 4 Team - Lower North Island** - Merrifields Jerseys, R & J Gibson - 47.24 points

**Region 5 Team - South Island** - Lynbrook Farm Ltd, S & N Ireland - 47.29 points

**National Team - 2nd place** - Crescent Genetics 2020 Ltd, M & D Townshend, 47.60 points

**Fauvel Trophy - Production & Type Team Trophy** - Upland Park Jerseys Ltd, A & N Walford - 47.65 points

**2yr old conformation 1st place** - Belbrook Joel Lulu, Belbrook Farming Ltd, J & R Wakelin - 94 points

**3yr old conformation 1st place** - Ferdon Tequila Caramel, Ferdon Genetics, W & M Ferguson - 100 points

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

**6 & 7yr old conformation 1st place** - Parlan Marcel Stellar, R & S Johnson & N & B Parkes - 96 points

**8 & 9 yr & older conformation 1st place** - Leithlea Charlie Dewdrop, Leithlea Jerseys, T & M Luckin - 93.50 points

**10yrs & over conformation 1st place** - Ferdon B Stone Rose, Ferdon Genetics, W & M Ferguson - 93 points

**Highest Semex conformation class winner** - Leithlea Aldrin Coconut, Leithlea Jerseys, T & M Luckin - 97 points

**Supreme Winner** - Ferdon Tequila Caramel, Ferdon Genetics, W & M Ferguson - 100 points



## World Wide Sires Photo Competition 2021

**Class E1 - 1st place** - Sherborne Casino Pippa, Henry Scherer

**Class E2 - 1st place** - Ferdon Tequila Lois, Thomas Jeyes

**Class A - 1st place** - Ferdon Tequila Caramel, Ferdon Genetics

**Class B - 1st place** - Premier Tequila Sweet, Gilbert Family

**Class C1 - 1st place** - Ferdon Joels Lady, C Ferguson

**Class C2 - 1st place** - Leithlea Valentino Esme S3J, Leithlea Jerseys

**Class D - 1st place** - Snowfed Farm

## Special Awards

**JT Thwaites sire of the season 2020/21** - Glen Leith Quigley ET S2J

BW 344/80 Bred by: Bruce & Margaret Sim Semen code: 317517

**Murray Harnett Junior Judging 2020/21** - Joanna Fowlie

**Mr & Mrs J W Singer Efficiency Scroll 2021** - To be announced at the Annual Conference

**Cyril Dermer Cup 2021** - To be announced at the Annual Conference

**George Henry Dawick Memorial Trophy 2021** - To be announced at the Annual Conference

## Ian Harris Memorial Heifer Competition 2020

**1st Place Senior** - Ruby Williams - Williams Limerick Mia - 174 points

**1st Place Junior** - Krystal Bennett - Benworth King Phillis S3J - 163 points

**Overall Winner** - Ruby Williams - Williams Limerick Mia - 174 points

**Overall Production Winner** - Henry Scherer - Sherborne Chrome Bree - 100 points

**Overall TOP Winner** - Aleasha Shaw -Anchor GP Ultralass - 79 points

## Holley Geck Memorial Junior Showing Award 2021

**1st Place Overall** - Henry Scherer

## Marcus Trotter Award 2021

**1st Place Overall** - Thomas Jeyes

## INDEPENDENT AUDITOR'S REPORT

### To the Members of NZ Jersey Cattle Breeders Association

#### Opinion

We have audited the special purpose financial statements of NZ Jersey Cattle Breeders Association (the Parent) and its controlled entities (the Group) on pages 8 to 21, which comprise the Balance Sheets of the Parent and Group as at 30 June 2021, and the Profit and Loss Statements and Statements of Changes in Equity of the Parent and Group for the year then ended, and notes to the special purpose 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 Parent and Group as at 30 June 2021, and their financial performance for the year 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 financial statements, which describes the basis of accounting. The special purpose financial statements are prepared to assist the Group to meet the requirements of the Rules of the Society. As a result, the special purpose financial statements may not be suitable for another purpose. Our report is intended solely for the Group's members, as a body and should not be distributed to parties other than the Group and its members. Our opinion is not modified in respect of this matter.

#### Emphasis of Matter

We draw attention to Note 13 of the 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.*

*Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd.*

*Services are provided by Crowe New Zealand Audit Partnership an affiliate of Findex (Aust) Pty Ltd.*

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### **Information Other Than the Special Purpose 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 22 to 23 but does not include the special purpose financial statements and our auditor's report thereon.

Our opinion on the special purpose 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 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 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.

### **Boards' Responsibilities for the Special Purpose Financial Statements**

The Board are responsible on behalf of the Group for the preparation of the special purpose 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose 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 Financial Statements**

Our objectives are to obtain reasonable assurance about whether the special purpose 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 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 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the 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 overall presentation, structure and content of the special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 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.

#### **Restriction on Use**

This report is made solely to the Group's members, as a body. Our audit has been undertaken so that we might state to the Group's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Crowe New Zealand Audit Partnership**  
CHARTERED ACCOUNTANTS

Dated at Hamilton this 14th day of September 2021

# Profit and Loss Statement (Group)

## New Zealand Jersey Cattle Breeders Association Incorporated For the year ended 30 June 2021

	NOTES	2021	2020
<b>Trading Income</b>			
Annual Conference Income		39,798	23,324
Bad Debts & Capital Recovered		1,132	729
Contracting Income		75,400	90,477
Commission Received		314,916	171,134
Donations		43,320	-
Gain on Sale of Asset		2,616	-
IDW Youth Challenge Tour		-	23,353
Insurance for Stock Received		-	15
Interest Received		1,090	7,295
Jersey Genome		6,525	3,875
Other Income		2,164	4,858
Registrations		103,933	96,614
Semen Sales & Royalties		115,389	148,950
Semex Competition		5,085	4,140
Souvenirs, Advertising & Publications		46,456	11,489
Subscriptions		63,482	127,519
Three Generation Pedigrees Income		37,142	23,954
TOP & Classifications		125,575	118,082
<b>Total Trading Income</b>		<b>984,024</b>	<b>855,807</b>
<b>Total Income</b>		<b>984,024</b>	<b>855,807</b>
<b>Expenses</b>			
Accounting & Audit Expenses		44,165	53,234
Accounting Depreciation & Amortisation		29,484	12,546
Annual Conference Expenses		34,776	39,795
Board & Custodian Costs		11,590	14,872
Commission Paid		136,662	100,999
Field Consultants Expenses		-	3,113
General Expenses		7,579	11,462
Genetic Programme Expenses		3,000	3,399
Honorariums		45,800	45,800
IDW Youth Challenge Tour Expenses		-	22,199
Insurance		7,566	6,038
Interest Expense		666	611
Low Value Assets		1,100	-
Miscellaneous Auction Expenses		6,377	-
Office & Administration Expenses		88,343	61,455
Office R&M Expenses		302	3,588
Personnel - Human Resource Expenses		7,630	20,094
Personnel - Salaries & Wages		337,925	305,673

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



	NOTES	2021	2020
Promotional Expenses		8,413	26,738
Semex Competition Expenses		3,764	3,817
Souvenir & Publication Expenses		15,918	16,224
Three Generation Pedigree		27,936	21,594
TOP & Classification Expense		73,599	64,146
<b>Total Expenses</b>		<b>892,597</b>	<b>837,398</b>
<b>Profit / (Loss) for the Year</b>		<b>91,427</b>	<b>18,409</b>
<b>Additional Items</b>			
Capital Gain on Asset Sale		207,389	-
Prior Period Adjustment		-	14,986
<b>Total Additional Items</b>		<b>207,389</b>	<b>14,986</b>
<b>Total Profit / (Loss) for the Year</b>		<b>298,816</b>	<b>33,395</b>

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 year ended 30 June 2021

	2021	2020
<b>Equity</b>		
Opening Balance	729,943	483,070
<b>Recognised Revenues and Expenses</b>		
Profit / (Loss) for the Period	298,816	33,395
Revaluation Reserve	(213,479)	213,479
<b>Total Recognised Revenues and Expenses</b>	<b>85,337</b>	<b>246,874</b>
<b>Total Equity</b>	<b>815,281</b>	<b>729,943</b>

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 2021

	NOTES	2021	2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Bank		451,197	138,292
ANZ Term Deposit		-	250,000
Prepaid Expenses		2,396	-
Trade and Other Receivables		74,132	151,185
<b>Total Current Assets</b>		<b>527,725</b>	<b>539,477</b>
<b>Non-Current Assets</b>			
Property, Plant & Equipment	8	54,200	322,579
Trophies		5,970	5,970
Jerseyland Farm Investment	5	750,000	-
<b>Total Non-Current Assets</b>		<b>810,170</b>	<b>328,549</b>
<b>Total Assets</b>		<b>1,337,895</b>	<b>868,026</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Bank - Credit Card		1,596	662
Current Loans	10	357,500	-
Trade and Other Payables		45,578	102,892
GST Payable		28,134	14,818
Expenses Accrued		19,793	19,440
Hire Purchase (Current)		1,050	271
Income in Advance		3,351	-
<b>Total Current Liabilities</b>		<b>457,002</b>	<b>138,083</b>
<b>Non-Current Liabilities</b>			
Non Current Loans	10	65,000	-
Hire Purchase (Non Current)		612	-
<b>Total Non-Current Liabilities</b>		<b>65,612</b>	<b>-</b>
<b>Total Liabilities</b>		<b>522,614</b>	<b>138,083</b>
<b>Net Assets</b>		<b>815,281</b>	<b>729,943</b>
<b>Equity</b>			
Accumulated Income		815,281	516,465
Revaluation Reserve		-	213,479
<b>Total Equity</b>		<b>815,281</b>	<b>729,943</b>

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 year ended 30 June 2021

	NOTES	2021	2020
<b>Trading Income</b>			
AGM Income		1,705	-
Annual Conference Income		38,638	28,198
Bad Debts & Capital Recovered		1,132	729
Contracting Income		75,400	90,531
Donations		43,320	-
Gain on Sale of Assets		2,616	-
IDW Youth Challenge Tour		-	23,353
Interest Received		1,088	7,292
Jersey Genome		6,525	3,875
Other Income		2,164	1,863
Registrations		103,933	96,614
Semen Sales & Royalties		115,389	148,950
Semex Competition		5,085	4,140
Souvenirs, Advertising & Publications		20,258	12,033
Subscriptions		63,482	127,742
TOP & Classifications		125,575	118,082
Three Generations Pedigree Income		37,996	30,470
<b>Total Trading Income</b>		<b>644,307</b>	<b>693,869</b>
<b>Total Income</b>			
		<b>644,307</b>	<b>693,869</b>
<b>Expenses</b>			
Accounting and Audit Expenses		31,381	44,458
Accounting Depreciation & Amortisation		17,062	12,352
Annual Conference Expenses		34,776	39,795
Bad Debts		-	65
Board & Custodian Costs		11,590	14,872
General Expenses		7,579	8,101
Genetic Programme Expenses		3,000	3,399
IDW Youth Challenge Tour Expenses		-	22,199
Insurance		4,342	4,064
Interest Expense		605	13
Honorariums		45,800	45,800
Office & Administration Expenses		52,153	58,739
Office R&M Expenses		302	3,588
Other Expenses		5,587	4,929
Personnel - Salaries & Wages		246,810	305,673
Personnel - Human Resource Expenses		7,630	19,760
Promotional Expenses		8,413	15,012
Semex Competition Expenses		3,764	3,817
Souvenir & Publication Expenses		15,898	16,224

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



	NOTES	2021	2020
TOP & Classification Expenses		73,599	60,481
Three Generation Pedigree		27,936	21,594
<b>Total Expenses</b>		<b>598,226</b>	<b>704,933</b>
<b>Profit / (Loss) Before Taxation</b>		<b>46,081</b>	<b>(11,063)</b>
<b>Additional Items</b>			
Capital Gain on Asset Sale		207,389	-
Prior Period Adjustment		-	14,986
<b>Total Additional Items</b>		<b>207,389</b>	<b>14,986</b>
<b>Total Profit / (Loss) for the Year</b>		<b>253,469</b>	<b>3,923</b>

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 year ended 30 June 2021

	2021	2020
<b>Equity</b>		
Opening Balance	695,164	477,763
<b>Movement</b>		
Income for the Period	253,469	3,923
Property Revaluation Reserve	(213,479)	213,479
<b>Total Movement</b>	<b>39,991</b>	<b>217,401</b>
<b>Total Equity</b>	<b>735,155</b>	<b>695,164</b>

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 2021

	NOTES	2021	2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Bank		348,789	75,705
ANZ Term Deposit		-	250,000
Prepaid Expenses		2,396	-
Trade and Other Receivables		47,452	58,397
<b>Total Current Assets</b>		<b>398,637</b>	<b>384,102</b>
<b>Non-Current Assets</b>			
Jerseyland Farm Investment		750,000	-
Property, Plant and Equipment		21,899	321,997
Shares - Link Livestock Limited		35,000	35,000
Trophies		5,970	5,970
<b>Total Non-Current Assets</b>		<b>812,869</b>	<b>362,967</b>
<b>Total Assets</b>		<b>1,211,506</b>	<b>747,069</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Bank - Credit Card		1,596	662
Current Loans		357,500	-
Trade and Other Payables		15,906	14,848
GST Payable		11,543	16,683
Expenses Accrued		19,793	19,440
Hire Purchase (Current)		1,050	271
Income in Advance		3,351	-
<b>Total Current Liabilities</b>		<b>410,739</b>	<b>51,905</b>
<b>Non-Current Liabilities</b>			
Hire Purchase (Non-Current)		612	-
Non Current Loans		65,000	-
<b>Total Non-Current Liabilities</b>		<b>65,612</b>	<b>-</b>
<b>Total Liabilities</b>		<b>476,351</b>	<b>51,905</b>
<b>Net Assets</b>		<b>735,155</b>	<b>695,164</b>
<b>Equity</b>			
Accumulated Income		735,155	481,685
Property Revaluation Reserve		-	213,479
<b>Total Equity</b>		<b>735,155</b>	<b>695,164</b>

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 year ended 30 June 2021

### 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.

#### **Change of Balance Date**

The 2020 financial statements were 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.

Registration revenue is recognised at a point in time when the customer signs up for the services provided and pedigree registrations are processed

Commission revenue is recognised when the sales transaction is entered into through the creation of an invoice at a point in time.

Semen sales are accounted for when the goods are transferred to the customer.

TOP & Classifications revenue is accounted as earned at a point in time when inspections are complete.

#### **Receivables**

Receivables are stated at their net realisable value.

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



### **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.

### **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 and then sold during the 2021 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:

<b>Account</b>	<b>Method</b>	<b>Rate</b>
Office Equipment	Straight Line / Diminishing Value	7% - 67%
Building & Improvements	Straight Line	1.3% - 13.5%
Computer Equipment	Straight Line / Diminishing Value	36% - 50%
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 and Joint Ventures**

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**

There have been no changes in accounting policies from the prior year.

### **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.

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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 (2020: \$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 \$833 by New Zealand Jersey Cattle Breeders Association Incorporated for services provided and management fees (2020: \$1,965).

## 3. Contingent Liabilities

There are no contingent liabilities as at 30 June 2021 (2020: NIL)

## 4. Investments in Subsidiaries

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

**Name of entity:** Link Livestock Limited

**Principal Activity:** Livestock Marketing

**Ownership:** 100%

**Owner:** New Zealand Jersey Cattle Breeders Association Incorporated

**Balance Date:** 30th June

## 5. Jerseyland Investment

**Name of entity:** Jerseyland Farms Limited Partnership

**Principal Activity:** Farming

**Ownership:** 25%

**Valuation:** Cost

**Balance Date:** 31st May

## 6. Bank Overdraft

There is a bank overdraft facility with a limit of \$50,000. There is also a Cross Guarantee between NZ Jersey Cattle Breeders Association Group and Link Livestock Limited. No further security is needed to support the current overdraft facility under New Zealand Jersey Cattle Breeders Association.

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



## 7. Deed of Licence

The New Zealand Jersey Cattle Breeders Association Group held an equitable interest in premises owned by Livestock Improvement Corporation situated on the corner of Morrinsville Road and Ruakura Road, Hamilton. Jersey NZ exercised their rights on the 31st January 2021 for LIC to purchase the Deed of License back for \$294,576.

## 8. Property, Plant & Equipment

As at 30 June 2021

	Cost	Disposals	Accumulated Depreciation	Closing Value	Depreciation for the Year
Office Equipment	34,452	599	26,200	7,653	2,816
Buildings & Improvements	347,886	347,886	-	-	-
Computer Equipment	36,103		21,582	14,521	14,521
Motor Vehicles	80,522		48,496	32,026	12,148
Leasehold Improvements	7,875	7,875	-	-	-
	<b>506,838</b>	<b>356,360</b>	<b>96,278</b>	<b>54,200</b>	<b>29,484</b>

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
	<b>228,332</b>	<b>213,479</b>	<b>119,231</b>	<b>322,579</b>	<b>12,546</b>

2021 2020

## 9. Tax Reconciliation

### Operating surplus / (deficit) before tax

Link Livestock Operating Surplus	45,392	29,432
<b>Total Operating surplus / (deficit) before tax</b>	<b>45,392</b>	<b>29,432</b>

### Permanent differences

Prior Year Adjustment	(32)	-
<b>Total Permanent differences</b>	<b>(32)</b>	<b>-</b>

### Timing differences

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





	2021	2020
Losses Carried Forward	(66,645)	(96,076)
<b>Total Timing differences</b>	<b>(66,645)</b>	<b>(96,076)</b>
Taxable profit / (loss)	(21,285)	(66,645)
Tax payable at 28%	-	-
Losses to Carry Forward	21,285	66,645
<b>Deductions from tax payable</b>		
RWT Paid	-	-
<b>Total Deductions from tax payable</b>	<b>-</b>	<b>-</b>
Current tax expense	-	-
	2021	2020

## 10. Related Party Jerseyland Loans

<b>Current Loans</b>		
Rodney & Jocelyn Family Trust Partnership	357,500	-
<b>Total Current Loans</b>	<b>357,500</b>	<b>-</b>
<b>Non Current Loans</b>		
RS & GJ Ellison	50,000	-
T & L Landers	15,000	-
<b>Total Non Current Loans</b>	<b>65,000</b>	<b>-</b>
<b>Total Related Party Jerseyland Loans</b>	<b>422,500</b>	<b>-</b>

The loan from Rodney & Jocelyn Family Trust Partnership is borrowed at the rate of 3.25% per annum, payable monthly in arrears during the term. The outstanding debt payable is due on the 11th June 2022.

The RS & GJ Ellison loan agreement is dated 9th June 2021 which is an unsecured interest free loan for the only purpose being to fund purchase of a dairy farm and operation of Jerseyland Farms. The loan shall be repaid in five years being 9th June 2026.

The loan from T & L Landers is an unsecured interest free loan agreement dated from 10th June 2021 to be repaid in full five years from the date of agreement. The sole purpose of the loan is to fund the purchase of a dairy farm and operation of Jerseyland Farms.

## 11. Capital Commitments

The Company has no capital commitments as at 30 June 2021 (2020: Nil).

## 12. Going Concern

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 year ended 30 June 2021.

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



### 13. Subsequent Events

The Board are aware of the current Covid-19 emergency and the New Zealand Government's decision that all non-essential businesses are to close effective 17 August 2021. This matter is being addressed with business continuity planning and the Board have considered that this is a "non-adjusting" subsequent event and there is no impact on the 2021 financial year.

Financial forecasts have been prepared under scenarios which show that profitability and cash flows along with cash reserves are adequate to meet the investing and financing cash flow requirements of the Group. For this reason, the Board continue to adopt the going concern assumption in preparing the financial statements for the year ended 30 June 2021.

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



# Recommendation of Director - Expenses Review Committee

Once again this year the Board have had a higher-than-expected work load with the challenge of Covid 19 still hanging over, due diligence on a joint venture farm purchase, shifting office, and the list goes on.

The General Manager has reported that more meetings but shorter meetings have been held this year via digital platforms with the essential meetings being held in person. The Directors have been minimalistic with their expenses claim with only some flights and accommodation reimbursed.

The honorarium is being paid monthly with per annum the Chair being paid \$11,500, Vice Chair \$8,300 and the elected and appointed Directors paid \$6,500.

As I said last year the total honorarium is large for an organisation of its size. Are the members getting value for money? Yes. Do the Directors deserve to be paid more? Yes. Can Jersey NZ afford to lift the honorarium?



Euan Reeve



Steve Ireland

## Euan Reeve & Steven Ireland | Director Expenses Review Committee

	RECOMMENDATION FOR 2021/22	ACTUALS FOR 2020/21
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
<b>TOTAL ELECTED DIRECTORS HONORARIUMS</b>	<b>\$32,800.00</b>	<b>\$32,800.00</b>
4. Appointed Director	Board discretion	Board discretion
<b>DIRECTOR MEETING EXPENSES</b>		
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
<b>BOARD MEETING EXPENSES (ACTUAL)</b>		<b>\$4,114 (\$7,515 19/20)</b>
<b>TOTAL BOARD EXPENSES (ACTUAL)</b>		<b>\$45,800 (\$45,800 19/20)</b>

# General Managers Report

It feels like groundhog day – for the second year in a row I am writing this report having just returned to the office after another Covid-19 lockdown. This time it was only three weeks away, but comes at the end of a hectic year. A new office, new Conference timing, new work capacity with Jerseyland Farms and new core services IT programme (BreedIT) have all kept us on our toes.

There has only been one change to the Jersey NZ team over the past year. Kandin Robinson moved on in March 2021, and Sean Bresnahan joined the team. Sean actually interned with us in his final year as a Graphic Design student at Waikato University, but as all his work was done during lockdown we didn't get an opportunity to get to know him. I was delighted that he applied to join the team, and he is settling in really well and getting some great feedback. Robyn Gordon continues in her role as Member Services Administrator, and has been pivotal in the Jersey NZ portion of all testing and implementation of BreedIT over the past few months. Michelle Calcott as Business Administrator has extended her hours and taken on extra responsibilities very ably, especially for Jerseyland Farms.

As a team, we continue to undertake all administration, financial and promotion/publication functions for both Ayrshire New Zealand and the NZ Milking Shorthorn Association, and more recently administration and financial functions for Jerseyland Farms. This is no mean feat, and often turns into a bit of a balancing act as we negotiate the deadlines and activities of each organisation.

In April, the Jersey NZ Annual Conference was hosted in New Plymouth. With the cancellation of the 2020 Conference due to the Covid-19 global pandemic, it was first Conference that did not incorporate the Annual General Meeting following our change of balance date a couple of years ago. The Conference was a great success, but the timing change put considerable pressure on the Jersey NZ team through our busiest time of year. As a result we have recently announced that the Jersey Focus timing will change to June and November annually.

At the beginning of May 2021, we left our home of over 30 years at the LIC Campus and made the move to the Hamilton CBD fringe. While the Board had originally intended to purchase a building, despite our efforts and a lot of due diligence on one building that culminated in two sets of offers, there just wasn't the right fit out there. As a result we are leasing a 120 sq m office on Tristram St with a meeting room, General Managers office, large open plan area, bathroom and kitchenette. It is a really nice space, light and airy with a park across the road and in a great location.

The decision to lease in the short term meant that when the opportunity arose to invest in Jerseyland Farms there were funds available. From a strategic perspective, investment in a farm is a better long-term plan for Jersey NZ. As General Manager I supported this venture by undertaking all

administration required to set up the Limited Partnership and associated activities, and Jersey NZ has taken on the administration & finance role for the joint venture as a commercial proposition.



**Pam Goodin**  
General Manager

BreedIT is now almost complete and the TOP season will be fully managed via BreedIT this season. More recently the registrations milestone has gone live, and while we are working through the usual niggles with any new IT programme we are pretty pleased with the result. The final milestone, reporting, is now underway and will be complete by the end of November. It is in reporting where we hope to achieve some real efficiencies for our activities, and will open up more potential to automate and streamline individual breed activities across a wide range of our programmes. The ongoing costs to members of BreedIT have yet to be fully ascertained, but will almost certainly result in increased costs to members for core services.

After the last year, we hope that the next 12 months will provide an opportunity to settle – into our new premises and new roles, and finally embrace the efficiencies that we anticipate from BreedIT.

## Financial Report

The audited accounts for 2020/21 relates to the period 1 July 2020 to 30 June 2021. Please note that all comparison figures are from 1 April 2019 to 30 June 2020, a 15 month period due to a change of balance date in that 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 for Jersey NZ accounts.

## 1. PROFIT & Loss Statement (Parent)

- Annual Conference income. Income back to a traditional level after the Dunedin conference which was not as well supported by members.
- Donations Income. Predominantly donations from members towards the Jersey NZ investment in Jerseyland Farms 2021 Limited Partnership.
- Gain on sale of asset income. Sale of Deed of License for office occupancy back to LIC, plus the sale of associated heat pumps installed by Jersey NZ.
- Interest received. Income reduced as funds from term deposit held in cheque account pending purchase of building and potential BreedIT costs. Funds are now back on term deposit.
- JerseyGenome income. In addition to standard administration fee income, we also received income under the agreement for male progeny selected for inclusion in the CRV sire proving team.
- Semen sales & royalties income. Decrease in income due to lower Jersey Genes sales (royalties) and the effect of non-collection of a number of the Jersey Future bulls.
- Souvenirs, advertising & Publications income. Increase in Jersey Focus advertising income & merchandise sales (calendar).
- Three Generation Pedigrees income. Increased supply of pedigrees for international export market (with flow on effect to expenses).
- TOP & Classification income. Both SPS contract numbers and member classification numbers increased.
- Accounting, depreciation & amortization. Additional depreciation on Nautiz handheld devices for TOP data collection.
- TOP & Classification expenses. Reflection of both increased inspection numbers and increase in costs relating to Covid-19 – flights, accommodation, and rental vehicles.

## 2. Balance Sheet (Parent)

- Cash at bank & ANZ Term Deposit – as outlined above.
- Property, plant & equipment. Sale of Deed of License for occupancy at LIC campus sold to LIC.
- Jerseyland Farm investment; Current loan; non current loans – Jerseyland Farms.
- Income in advance. 50% deposit now required for Jersey Future ordered by non-members, relates to 2021/22 financial year (for 2021 Jersey Future team).

## 3. Conclusion

Decrease in income 2019 to 2020 \$49,462, decrease in expenditure \$106,667 resulting in an operating surplus of \$46,081. In addition, gain on sale of the Deed of License resulting in an overall surplus of \$253,469 (2020: \$3,923). Accounting for the sale of the Deed of License and investment in Jerseyland Farms 2021 Limited Partnership, equity has increased by \$39,991.

## Conclusion

As always, a large part of our success is down to the Jersey NZ team and our ability to implement the strategic focus of the Board with the resources available to us. I acknowledge with pride and thank the small team that makes Jersey NZ tick – Robyn, Michelle and Sean. Your can-do attitudes, resourcefulness and great senses of humour make my role so much easier!

I thank the Board for their continued support. Through this past year there have been two significant activities of due diligence – the building purchase and the Jerseyland Farms investment. In both cases the due diligence undertaken by the Board has been extensive and thorough.

This organisation would not survive with the active support of you, our members. Membership is slowly on the increase again over the past three years, as is the participation in most of our programmes, activities and competitions. Registrations and member TOP inspections have increased over the previous year. We do strive hard to maintain something for everyone, you are a diverse group of breeders and farmers and we try hard to reflect that in our activities.

**Pam Goodin | General Manager**

# Audit & Risk Report

The Audit & Risk Committee is a subcommittee of the Jersey NZ Board to assist the Board in its responsibilities around financial reporting and regulatory performance. It also provides oversight of the Risk Register and the Board review of this at each meeting.

The chair of the committee must be a Director but not the Chair of the Board. Current committee is Glenys Ellison (Chair) and Alison Gibb (from June 2021). Peter Sharp (PWC) was a volunteer member from July 2019 to June 2021. Our sincere appreciation goes to Peter for his valuable contribution as we set up the processes required for this new Committee and developed its role in Jersey NZ. The committee enables the JNZ Board to efficiently deal with its responsibilities around financial reporting and regulatory performance. The Jersey NZ Board retains responsibility for Audit & Risk matters.

Assistance from our General Manager, Pam Goodin, is provided at Audit & Risk meetings also.

We have met regularly, by zoom or in person as Covid alert levels permit. Between meetings email contact enables current matters to be dealt with. Over the year the areas covered include the following:

- Update the Audit & Risk Register, maintaining its relevance. The Chair of Audit & Risk leads the Board discussion at each meeting concentrating on 1-2 items on the Register. New risks identified and status of current risk monitored.
- Ensure Health & Safety policies are in place, any incidents are reported and appropriate follow up happens. For example our TOP inspectors Health & Safety policies are appropriate and adhered to.

- Review of the latest Financial Statements. The General Manager issues these monthly to the Board. Any issues can be identified and a recommendation can be made to the Board if A & R considers this is needed. This does not replace the Board discussion of the monthly statements at its scheduled meetings.
- Assist the General Manager in the development of the annual budget. This goes to the board for consideration and approval.
- Assist the General Manager during the Auditing process.
- Review the Delegated Authority Policy and the Credit Card Policy on an annual basis and present to the Board for approval.
- Review of Jersey NZ policies as required. For example the Health & Safety policy changes with the relocation from the LIC campus.
- The chair of Audit & Risk will authorise any payments remunerating the Chair of the Jersey NZ Board.



**Glenys Ellison**  
Convenor

**Glenys Ellison | Convenor**

# Industry Affairs Committee

## Members

Julie Pirie, Glenys Ellison, Pam Goodin, Trish Rankin, Cameron Townshend, Roger Ellison (convenor).

Toby Sneddon and Clive Perrott resigned from the committee after the 2020 annual general meeting. We thank both Toby and Clive for their very significant contributions to the committee over the past several years.

We were pleased that Trish Rankin and Cameron Townshend agreed to join the committee, with both having extensive industry connections. They have strengthened the committee through their different set of skills.

Roger Ellison and Trish Rankin have also represented JerseyNZ on the Future Proofing committee of Jersey Advantage.

## Meetings and attendance

The Industry Affairs Group met three times during the year (December, February, March), all by zoom. Because of overlaps in interests, both Industry Affairs and Genetics committee members attended all meetings. There were also industry wide meetings with Dr Brian Wickham, NZAEL and Abacusbio via zoom and some members attended the Industry Forum held in Hamilton on future directions of NZAEL, especially genomics.

## Topics addressed

Topics addressed over the year included:

- NZAEL issues.
- Bobby calves
- The Environment
- Animal Welfare

Industry contacts over this period have included:

- Tony Egan, Managing Director Greelea Premier Meats – on the bobby calf industry
- Wayne Langford, Federated Farmers on Federated Farmers view on climate change commission report, national fresh water regulations, bobby calves, employment, animal welfare
- Dr Brian Wickham, NZAEL on National Breeding Objective review, the resilient dairy program and need for information herds, genomics.
- Dr Ina Pinkerhuis, DairyNZ on bobby calves and how it relates to the Dairy Tomorrow strategy.

## Outputs from the committee

Written reports to the JNZ Board for each Board meeting

Three Jersey Focus articles:

- Advocacy – It is easy to undervalue this essential work – Jersey Focus, March 2021
- The Bobby calf conundrum – an update and reflections – Jersey Focus, September 2021
- What is He Waka Eke Noa and why does Jersey need to be at the table? – Jersey Focus, September 2021 (written under the Jersey Advantage umbrella).

The Jersey Focus articles largely summarise the activities of the Industry Affairs Committee and Environmental part of the Future Proofing committee of Jersey Advantage. Please refer to these articles for more information.



**Roger Ellison**  
Industry Affairs Convenor

Email: [glen.rog@xtra.co.nz](mailto:glen.rog@xtra.co.nz)

## Jersey Advantage work by JNZ Members

As mentioned above, two members of the Industry Affairs Committee are also on the Future Proofing Committee of Jersey Advantage. This committee concentrated on the environmental aspects that affect Jersey and the wider dairy industry. It spent a lot of time understanding the methodology for calculating farm methane emissions. This led to discussions with senior managers of Fonterra, DairyNZ, and the He Waka Eke Noa group. Our position is that:

1. There needs to be just one, science-based, method of calculation – currently there are 6 different methods giving different results
2. Liveweights used in the calculation need to be as close as possible to true liveweights for that farm as Kg Liveweight/ha is a significant driver of the amount of methane produced/ha. The current methodology used by Fonterra is based on the liveweight of the average breed mix for the province which means Jerseys are disadvantaged.
3. Actual farm replacement rates need to be used rather than an industry average replacement rate. Otherwise, Jersey farmers, who generally have lower replacement rates, will be penalised.

He Waka Eke Noa agrees that these are important to achieve. We will keep in contact with this decision-making group over the next 12 months. They are working under a tight time schedule as a pricing mechanism for methane for all farms needs to be up and running by the end of 2024. Otherwise, the Government will force farms to join the ETS scheme.

Also on the environmental theme, Michelle Good, GM Jersey Advantage, and Roger Ellison ran a Climate Change forum at the New Plymouth Annual Conference. Guest contributors included local dairy farmers, DairyNZ, Fonterra and CRV representatives who all spoke about issues around climate change and what the future may hold. Feedback was positive as it helped members understand better a complex problem and their role in providing the solutions. Michelle Good did an excellent job setting this up and leading the discussion.

**Roger Ellison | Convenor**

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## Scholarship Fund – Roll of Honor

1992 Te Awamutu Jersey Club	2002 D E & F S Black
1994 Matamata Jersey Club	2002 Manawatu Jersey Club
1995 A W & E E Miers	2004 T W & G Y Sneddon
1997 R A & E M Black	2004 Whangarei Jersey Club
1998 Ward 5 AGM & Conference Committee	2005 Dannevirke Jersey Club
1999 Wairarapa Jersey Club	2007 AW Harnett Ltd
2000 North Taranaki Jersey Club	2010 North Taranaki Jersey Club
2001 Nelson / Golden Bay Jersey Club	2010 RE & JC Gibson
2001 Matamata Jersey Club	2021 Franklin Jersey Club
2001 Lower Waikato Jersey Club	
2002 Link Livestock Ltd	

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## Jerseyland Farms Investment

The following members have made donations towards the Jersey NZ investment in Jerseyland Farms 2021 Limited Partnership

2021 Pirie Farms Ltd  
2021 Fyvie Meadows Ltd  
2021 Lower Waikato Jersey Club  
2021 R & G Ellison  
2021 Lynbrook Farm Ltd  
2021 Goreland Partnership  
2021 Te Awamutu Jersey Club  
2021 R & E Riddell  
2021 E & S Smeath  
2021 R H & J Potts

The following members have made interest free loans to Jersey NZ towards the investment in Jerseyland Farms 2021 Limited Partnership

2021 R & G Ellison  
2021 Goreland Partnership  
2021 P & S Ingram

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# TOP & Judging

## Judging

With the retreating threat of M Bovis a reality, show organisers have begun to reinstate dairy cattle classes at many A&P shows around the country. The North Island Jersey Championship was judged and awarded at the Waikato show this past year, Mr Nick Gilbert officiated. This coming year, February 2022, the North Island Championship will be awarded at special celebratory Te Awamutu show.

The South Island Jersey Championship was awarded to the highest pointed cow in the South Island portion of the Semex On- Farm Challenge. South Island Champion this year will be judged at the 150th Ellesmere A&P Show.

The organisers of the NZ Dairy Event at Feilding decided to proceed with the show this past January, but because of Covid 19 travel restrictions could not invite overseas judges. For the first time, New Zealand judges officiated at this event. Mr Barry Montgomery was invited as the Jersey Judge and Miss Crystal Scown accompanied him in the ring as an Associate Judge. The NZ Dairy Event Committee were highly complimentary of all the breed judges who officiated at this show.

The RAS (Royal Agricultural Society) awarded Royal status to the Stratford A&P Show, held in late November 2020, where Mr Richard Adams officiated.

Our Jersey NZ judges have been very active this past year, judging many on-farm shows around the country. A big thank-you to all judges who contribute in this way.

We held combined Judging Schools with Ayrshire New Zealand around the country during the first week of March. These were held in Southland, Canterbury, Marlborough, Waikato and Taranaki. An extra school was held in the South Island this year to catch up with the Covid 19 cancellation that took place last year. We had approximately 25 members certifying, both new and existing judges. Overall there was a good standard. We would like to congratulate all those who received certification this year and a huge thank-you to all farmers/members who allowed us to use their animals and facilities when we held these school events.

Going forward, we plan to have Judging Schools in Manawatu and Northland in early 2022. We are also looking at the possibility of combining with Holstein Friesian NZ for some of these, particularly in areas where all breeds have smaller numbers attending. Thank-you Vince Steiner, for your contribution in helping to organize and run these events.

## TOP & Classification

This past year has been a watershed year for TOP & Classification for our Jersey New Zealand members. A new platform to deliver TOP information, new hand held units for classifiers to train up on and assess animals on and a new classification award system for members to digest.



**Peter Gilbert**  
TOP & Judging Convenor



**Barry Montgomery**  
TOP & Judging Convenor

A few early teething troubles with the new units and system, particularly around uploading of information, required a commitment from the TOP inspectors to safeguard that information. Once these few issues were resolved, the TOP Inspectors/Classifiers were very complimentary regarding the new hand held units and how they functioned.

The new platform that was purchased by the breed societies to deliver TOP information for the industry came with change to our classification awards. We are now very much aligned internationally and whilst there was some slight initial kick-back by members, the overwhelming majority are now comfortable and very accepting of the changes.

It became very clear at the classification discussion we held at the Taranaki JNZ Conference in late April, that membership want us to move on to pointing our Excellent cows. As you are all aware of now, the EX2 award has been discontinued, as it is not acceptable to the newly purchased platform. We were the only breed society world-wide, of any breed, who were awarding the Excellent award to two-year-old animals.

When an animal reaches four years of age (there are some contributing criteria she must meet. ie. she must have calved three times by this age, or cannot be presented until she has calved three times) she can become eligible for the Excellent award. At present, a four-year-old cow, or older cow who receives the Excellent award does not get pointed. To receive Excellent she must be ninety points (8-8 TOP assessment minimum) but the system does not allow for her to be pointed. All animals of any age receiving VG, G+ or G awards are pointed according to their age.

We believe it is desirable going forward, as the membership indicated at the conference, to evolve to a fully pointed system. However, this

will come at a cost. At present all the other dairy breeds, with the exception of Ayrshire (who paid for their own award system) are using the current system. Therefore, going forward it would be desirable for all breeds to make this change together. Some discussion has taken place around this issue, and it is your convenors intention along with the TOP committee to pursue this matter through the coming year.

The status quo will exist for the coming classification year.

Two Certification days were held for TOP inspectors in March of 2021. One in the Waikato and one in Canterbury. All current inspectors who had to re-certify received four year passes, while Julie Pirie graduated to a full four year pass from her initial one year pass last year. Well done Julie. The job starts in earnest now!

All inspectors attended a combined breed classifiers workshop in mid-September at Harker's farm in the Waikato prior to starting the SPS tours. This has become a required part of our role to get all inspectors on the same wavelength in their interpretation of traits.

Jersey New Zealand with Ayrshire NZ involvement ran a classifiers workshop at the Gibb farm at Orini before the commencement of the Classification tours. Tony O'Connor and Graeme Stewart from Holstein Friesian NZ joined us to give us more guidance on the new pointing of animals. Thanks to Tony and Graeme for their assistance. Thanks also to Natalie, Russell and Alison for the use of their cows and facilities.

It is the intention this year for our classifiers to take interested persons, who have indicated their potential as classifiers, as 'ride a-longs' to get a feel for the TOP inspectors role. If any members have a wish to become involved as classifiers please get in touch with a TOP inspector in your area to see if they can assist you.

This past year JNZ Classifiers assessed 13,164 two year old SPS heifers, 5850 two year old members heifers and 1396 older members cows. From these figures you can see that over 18,000 two year old heifers information is captured for the industry by your classifier team. As the vast majority of this work was done by predominately seven inspectors, it is an effort they should be proud of.

Finally, Peter and I would like to thank all of the classification team for their commitment to the job, Robyn Gordon for what was a superhuman effort in handling the trials and tribulations of new technology and keeping the 'old fella's' in the field up to the mark. A thank you also to all the judges who give of their time and expertise to keep Jersey NZ's flag flying.

**Barry Montgomery & Peter Gilbert |  
Convenors**

# Link Livestock Ltd Report



Link Livestock has made some large changes over the last 12 months. This started with employing a General Manager/Agent in Nigel Riddell in August last year who was also appointed as a Director. The Board has changed with Warren Berry standing down and Jeff Greenaway taking his place.

The Board has set about implementing new business revenues, starting with the creation of our own website and hub [www.linklivestock.co.nz](http://www.linklivestock.co.nz), plus a Facebook page.

- "Link-A-Bull" a bull leasing plan was setup online so clients can order their own lease bulls.
- "Finance-A-Bull" is a finance package that enables clients to defer payment of service bulls.
- Researched and are currently implementing a new specialised accounting package in "Livestock office".
- Developed new Livestock trading partners and re-wrote our Sale contract forms.
- Consolidated some of our Governance policies and requirements.

We have expanded the number of Agents to five. Stewart Cruickshank has recently joined us as a lead Agent and brings his Auctioneering skills to provide us with two Auctioneers. Ross Riddell and Grant Aiken have worked hard and increased their turnover. Liam Simmons joined us at the start of the year as new independent Livestock Agent. Nigel stepped down as General Manager in July 2021 and is now a full time independent Livestock Agent. Last season we conducted 13 Auctions.

Kate Silich has managed our accounts and I would like to thank her for the time and effort she put into it. She has smoothed out any issues before they arose and always been helpful to the agents. With Nigel stepping down as General Manager we took the opportunity to combine the Accounts and Management role into a Business Manager Role. Therefore Kate will be finishing with us soon. We wish her the best for the future.



**Trent Paterson**  
Director

Lisa Treleaven has joined us in the Business Manager's Role and brings with her a past history of working in the livestock sector. This knowledge and experience will be vital in consolidating what we have put together over the past 12 months and leading us into other new areas of business. This appointment will expand our team to 6, the largest it's been in the company's history.

We have increased our profit and equity every year enabling us to pay a dividend back to Jersey NZ. This is a goal that we have had for few years. With limited finance we have grown Link Livestock into a competitive option for farmers in the livestock industry.

I would like to thank the Board past and present for their work to get us to this position. The future of Link Livestock is looking good.

**Trent Paterson | Director**

# Genetics Report

We live with two new C words today and the consequential impacts incurred throughout society here and around the world are significant. Carbon and Covid impact the way we do things day to day both within our businesses and day to day life. There's clear evidence to support driving efficiency and sustainability through technology and innovation coupled with adaptation of management practices, suggesting the dairy industry here can continue to lead the world in food production.

Genetic improvement within our dairy herds will continue to be a significant driver for sustainability. Dairy NZ are now investing significantly more resources into genetic gain initiatives. Dairy markets around the world remain strong throughout the current pandemic. People need to eat.

**Jersey genetics continue to dominate RAS lists** with 25 jerseys populating the top 30 all breeds rankings.

**JT Thwaites Sire of the season.** We saw a close contest with 317517 Glen Leith Quigley ET S2J bred by Bruce and Margaret Sim from Okato, taking the honours. Quigley transmits very good production, positive fertility and good udders. Quigley is marketed by CRV.

**Jersey Future success.** We are thrilled this program is starting to deliver very good proven sires to Jersey farmers. From our first intake of seven bulls Paspalum Oi Limelight, bred by Ross and Theresa Goudie from Waihi and Little River Trident bred by the Brewster family, Paeroa, have graduated to LIC's PSS proven Jersey team with Limelight also marketed by LIC Alpha Nominated. We anticipate both bulls will be extremely popular.

Thornlea Misty Topshot bred by Nigel and Julz Riddell, Te Awamutu, graduates to LIC Forward Pack.

Congratulations to these breeders.

Last season we had significant semen production issues with the team. This created a raft of challenges for breeders and all involved. Only two of the team actually managed to supply adequate stocks, we managed to either fill orders with reserve stocks or cancel orders were requested.

This year's bulls have so far got off to a better start with four bulls already meeting targets and two starting production. The nomination process is well underway with plenty of interesting bulls put forward. Genomic results are now done in-house at LIC with their new lab. We expect results to be available mid November.

We have negotiated a reciprocal agreement with LIC and Samen NZ where a limited number of sons can enter Jersey Future and Samen NZ programs. We see this as an important step forward for our program and our breed especially when considering genetic diversity.

Semen sales from our program continue to increase, last season we increased sales by 20%.

We thank all breeders and LIC for your continued support for Jersey Future.

## JerseyGenome™.

Last year 7 bulls resulting from the JerseyGenome™ joint venture were selected by CRV to go through their sire-proving scheme.

Congratulations to the breeders of these bulls, their progeny will be born next spring.



**Steve Ireland**  
Genetics Covenor

2020 JerseyGenome™ Team – (2019 Born). The 106 heifers in the 2020 JerseyGenome™ team have begun their testing season and we will be sending regular updates to each owner. These results will also be available on the Jersey NZ Website. In the testing year for each JerseyGenome™ heifer the programme requires that they complete aspects of their criteria. We look forward to tracking this team and their progeny.

2021 JerseyGenome™ Team - (2020 Born). Congratulations to the 32 breeders of the 114 heifers that have been selected for the 2021 JerseyGenome™ team. A total of 565 heifers were available for selection. Jersey NZ look forward to working with these breeders and thanks members for their continued support of the JerseyGenome™ Joint Venture programme

## NZAEL

Dairy NZ with NZAEL are developing an independent genomic platform. This platform will endeavour to create a genomic platform outside commercial breeding programs. This could in turn create opportunities for breeders and competitive prices in the genomic test field.

NZAEL 3. NZAEL are developing the AEU model. Fertility and survival predictions are set to deliver greater reliability with some re-ranking of bulls.

Dairy NZ are also conducting a review of the National Breeding Objective. With significant changes to the way we farm and the requirements from an environmental and animal welfare stand, this review is looking at the future cow.

Dairy NZ is currently conducting farmer and industry surveys. There is potential to add more traits to BW. Udder traits directly into BW appears popular with breeders.

# Genetics Report Continued...

## Polled Jerseys

Consumers want to know their food is being produced in a sustainable way both environmentally and from an animal welfare perspective.

At Companies continue to invest in their polled programs. Fonterra have now listed polled as one of their criteria in their Fonterra Co-operative difference incentives. We encourage Jersey farmers to consider polled options within their mating programs. There are a few polled bulls available in NZ and

overseas. The polled genetic base is very small therefore inclusion of several different genetic strains will be necessary to deliver the genetic gains required.

We are genomic testing a small number of polled bulls for our Jersey Future program.

**Steve Ireland | Convenor**

# Conference Committee Report

The Conference originally planned for New Plymouth in June 2020 was cancelled due to the Covid-19 global pandemic lockdown. This finally went ahead in April 2021.

Many of the original arrangement such as the hotel, entertainment and activities went ahead as originally planned. The change to the AGM timing also gave us some extra time on the final day. We asked Jersey Advantage to host a member forum, and also added an extra herd visit.

Delegate numbers were up on the previous Conference in Dunedin, with 120 members, staff, sponsors and speakers attending over the course of the Conference.

Highlights included:

- Fantastic keynote speakers
- Awards presentation
- Quiz night
- Bowling
- Visiting herds in milk and in nice weather!
- Industry forum
- Jersey Pride Sale
- Boogie Nights themed entertainment on final night

Conference was also a success financially, with good support from sponsors. The event realised a surplus of \$7,500.

The Annual Conference Organising Committee consists of Marian Wallace – 2020 Chair, Pam Goodin, Alison Gibb, Ross Turner, Michele Capper and Ross Riddell. Special thanks to all of those Committee members for helping to plan and execute such a successful Conference, along with the Jersey NZ team.

Plans are now underway for the 2022 Annual Conference in Palmerston North in May, where we will celebrate 120 years of Jersey NZ. The base Committee has been bolstered with some local members and the ideas are flying.

**Pam Goodin | Convenor**



**Pam Goodin**  
Conference Convenor

# Jersey Advantage

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

Since the signing of the MOU in August 2019, Jersey NZ and Jersey Advantage have continued to develop a constructive relationship. The Jersey NZ representatives on the Jersey Advantage Trust Board are Glenys Ellison and Evan Smeath. The Jersey Advantage members on the Trust Board are Mark Townshend, Rodney Dobson, John Bailey, and Richard Gibson. Michelle Good (JA General Manager) and Louise Berry (Accounting) provide support to the Trust Board.

In the past year the purchase of Jerseyland Farms has been a major focus and achievement. The Jersey NZ Board and Jersey Advantage Trust Board along with the private investors (Ray Colebrook, Rodney Dobson, Eric Bockock, John Bailey and Richard Gibson) met regularly by zoom. Due Diligence and Finance Committees, with representatives from each group, were activated. There was excellent co-operation from all parties and a lot of work behind the scenes to make this joint venture happen.

The Jerseyland Farms Governance Group is Julie Pirie, representing Jersey NZ as Chair, Mark Townshend, representing Jersey Advantage, and Rodney Dobson & Ray Colebrook, representing the Private Investors.

The joint venture farm will be of long term financial benefit to both Jersey NZ and Jersey Advantage. Potentially it may be a Blueprint for breed society funding around the world.

Jersey NZ has made financial contribution to Jersey advantage in support of its activities promoting the Jersey Breed and in Jersey advocacy matters. Jersey NZ has also contributed in terms of JNZ member input into Jersey Advantage Action Groups, particularly by the Jersey NZ Industry Affairs members Roger Ellison and Trish Rankin. Sincere thanks to those members of Jersey NZ who continue to give voluntary time and expertise as they contribute to Jersey Advantage activities.

### Glenys Ellison & Evan Smeath | Representatives



**Glenys Ellison**  
Representative



**Evane Smeath**  
Representative

With the cancellation of the 2020 Annual Conference due to the Covid-19 global pandemic lockdown, the AGM was held in October to fulfil statutory and constitutional requirements.

Mrs A Gibb (President) welcomed 34 members, Directors, staff and guests to the 2020 Annual General Meeting. It is a little different having an AGM in isolation from conference.

**1. AGM NOTICE OF MEETING**

The Notice of Meeting was taken as read.

**2. APOLOGIES**

T & C Ford, M Ellis, T Landers, D Ireland, M, L & M Pedley, J Campbell, R Gibb, B & N Dyson, S & G Anderson, K Tosland, S Donald, K Fitzgerald, M Montgomery.

**That the apologies as listed are accepted.**

R Turner / E Bocock

Carried.

**3. OBITUARIES**

The meeting stood for a moments silence for those members, past and present, who have passed since the last Annual Meeting – Mrs Audrey Golder, Mrs Margaret Watts, Frank Coop.

**4. MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING**

**That the Minutes of the Annual General Meeting of 29 May 2019 are taken as a true and correct record.**

D Hickey / R Ellison

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

- Acknowledging the work of R Riddell in reinventing Jersey Marketing / Link Livestock ready for N Riddell as the new General Manager to take it to the next level
- She acknowledged the staff working from home under the lockdown, much longer than the general public and worked well under pressure. Thanks to the stewardship of General Manager P Goodin we also did not require the government wage subsidy.
- She also acknowledged the ability of Directors to adapt to using new technology with virtual meetings held through lockdown

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

**That the Presidents Report is adopted.**

A Gibb / P Gilbert

Carried.

**6. REMITS**

There are no remits.

**6. NOTICES OF MOTION**

A Gibb spoke to the Notice of Motion as printed in the Annual Report, this amendment is requested to allow easier operational management of Associate memberships. P Goodin spoke briefly to the motion from an operational perspective.

**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.**

C Hickey / G Ellison

Carried.

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

A Gibb referred to the Statements as printed in the Annual Report, she invited P Goodin and G Ellison (as Chair of the Audit & Risk Committee) to answer any questions.

M Townshend asked about the 12 month result, P Goodin was not able to answer this off the top of her head but answered around comparisons to the 12 month period. He also asked around operating costs and asked if we are subsidising the other breeds, P Goodin spoke to the work recently done over the past three months on collating staff hours which indicate that the hours are matching the allocations within the MOUs. G Ellison added that the Board also monitors this. T Paterson expressed concern at the amount spent on accounting and auditing expenses. A Gibb responded from a governance level this has been important following the fraud, but we can look at ways to trim this without affecting the integrity of our financials. T Paterson also asked about the decrease in reserves, P Goodin responded that as detailed in her report the Board decided to use this for the new IT infrastructure required for DIGAD and the purchase of the new TOP handheld units.

M Townshend found the accountants comment recorded regarding the honorariums to be ironic given the amount paid in accounts costs.

R Riddell asked about a valuation on the LIC office space, P Goodin spoke to the LIC valuation and Deed of License and the Boards decision not to complete a market valuation.

D Shaw asked if price of Three Generation Pedigrees will change under DIGAD. P Goodin responded that this is unknown as yet as the costs of access to data are still being worked through.

C Hickey expressed that it has been comforting to have the audit process in place over the past few years, P Goodin spoke to the issues with securing an auditor after the resignation of the previous auditor and the fraud.

**That the Financial Report and the audited Financial Statements for the financial year ending 30 June 2020 are adopted.**

G Ellison / P Gilbert

Carried.

## **9. ELECTION OF AUDITOR**

Discussion followed on the audit fee and the potential for a financial review as an alternative, which would require a change of rules.

**That Crowe NZ are appointed as auditors for the financial period ending 30 June 2021.**

M Townshend / T Paterson

Carried.

## **10. CONFIRMATION OF DIRECTOR APPOINTMENTS FOR THE BOARD**

A Gibb invited R Riddell to speak, the recommendation of the Directors Appointment Committee is that T Landers be appointed for a further two years to tie in with other director vacancies.

**That T Landers is re-appointed as a Director for a further two-year term.**

R Riddell / E Bocock

Carried.

## **11. ELECTION OF THE DIRECTORS APPOINTMENT COMMITTEE**

Discussion followed on availability for the Committee.

**That R Hall, R Riddell and T Paterson are re-appointed to the Directors Appointment Committee.**

D Shaw / B Montgomery

Carried.

## **12. DIRECTOR EXPENSES REVIEW COMMITTEE RECOMMENDATION**

The report as printed in the Annual Report was opened for discussion – there was no discussion. M Townshend believes that this should at least be inflation adjusted, discussion followed.

**That the recommendation as printed in the Annual Report 2020 is adopted.**

B Potts / R Ellison

Carried.

## **13. ELECTION OF THE DIRECTOR EXPENSES REVIEW COMMITTEE**

**That E Reeve and S Ireland are re-appointed to the Director Expenses Review Committee.**

R Turner / D Hickey

Carried.

## **14. GENERAL MANAGER'S REPORT**

The General Manager's Report as printed in the Annual Report was opened for discussion, there was no discussion. The report was taken as read.



**15. COMMITTEE REPORTS**

**That the Industry Affairs, TOP & Judging, Link Livestock Ltd, Genetics, Annual Conference, Youth and Jersey Advantage reports as printed in the Annual Report are adopted.**

G Ellison /C Hickey

Carried.

The reports were opened for discussion.

R Ellison spoke to the Industry Affairs Report, it was a year of adjusting due to Covid-19 and new technology. The other area was the emergence of Jersey Advantage, and whether both groups could work in the industry. Twelve months on the two groups are working well together, with Jersey Advantage taking the lead with support from Industry Affairs. Overall, membership has benefitted from this. R Turner asked about the bobby calf issue, R Ellison commented that there is no straight answer and is an area where Jersey Advantage is talking the lead. He spoke to his report, trial results are awaited with interest. A Gibb added that there are plans for a forum/workshop in this area at the 2021 Conference. M Townshend commented that the Jersey Advantage team really want to show us what they have done in this space, but it is a dream to think we can do away with bobby calves without reducing the size of the dairy industry. It is a very complex issue.

M Townshend asked about the intentions around the building, A Gibb responded that we currently have a contract on a building and are working through due diligence, there have been some issues come up through the process.

M Townshend commented on the reserves and the interest rates available. He suggested we could lend this to young farmers for higher rate that could be guaranteed by older breeders. A Gibb responded that this is currently ringfenced until DIGAD financial requirements are completely known.

**16. GENERAL BUSINESS**

16.1 Special Award presentations. Presentations were made as follows:

- George Henry Dawick Memorial Cup (inaugural presentation made by the Dawick family) - Warren Ferguson
- Cyril Dermer Cup - Megan Browning
- Distinguished Member Award - Kelvin Tosland
- Honorary Life Membership - Bob Potts

16.2 Jersey Advantage. M Townshend spoke to Jersey Advantage, 4-5 brief video clips will be shared via Jersey NZ shortly that will excite breeders and give good information to discuss with fellow farmers. Members will also be asked to help fund Jersey Advantage via donations of boner cows. His comments were endorsed by R Ellison, speaking to advocacy & new regulations, they need people and funds. N Riddell asked if Jersey NZ is contributing financially to Jersey Advantage, A Gibb spoke to the current MOU which is being reviewed. There has been no financial contribution to date but are the Board are looking at ways that we can assist. G Ellison added that Jersey NZ have contributed in kind via activities of Jersey NZ members on the Trust Board and action groups and use of Jersey NZ resources to contact members.

16.3 Fonterra capacity adjustment changes. B Montgomery asked how recent Fonterra capacity adjustment changes will affect Jersey farmers? M Townshend spoke to these changes, Jersey herd on average will have a slightly flatter curve, across the ledger he believes the calculation is balanced. D Shaw commented on averages in Fonterra environmental report, should this be referring to stocking rate per hectare rather than kg liveweight per hectare. R Ellison responded that work is progressing in this area. M Townshend commented on the 12% advantage on carbon footprint than HF, calving efficiency and other advantages.

That being all the business the meeting was closed at 11.55 am.

President: ..... Date: .....

**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 2021 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.**

1. BreedIT. D Shaw asked if the data access will be the same for both CRV and LIC, P Goodin confirmed this.
2. Annual Conference. N Riddell asked about plans moving forward for Annual Conference. That is still being worked through by the Board in consultation with members. She was happy to hear feedback from members, there are many points of view. B Montgomery advised that we need to present financial statements within three months of the end of financial year. Virtual meeting was considered but due to costs did not proceed this year. M Townshend commented that we could livestream to regional hubs as an alternative. A Gibb added that a June Conference was not working for Jersey Pride.
3. Link Livestock. N Riddell confirmed that a live Jersey Pride sale will be held as part of the New Plymouth Conference in April 2021, he asked members to start thinking about consignments.
4. Environmental Reports. R Turner expressed concern and reports being done by many organisations on such things as heat tolerance, water use and liveweight where the work has already been done but not being used in the environmental space. Those are just the issues that affect Jerseys, there are many other examples across farming. Discussion followed.



**jersey**<sup>NZ</sup>