



New Zealand Jersey Cattle
Breeders' Association (Inc)

Annual Report

FOR THE YEAR 1 APRIL 2015 TO 31 MARCH 2016



Notice of 2016 Annual General Meeting

The 114th Annual General Meeting for members of New Zealand Jersey Cattle Breeders' Association will be held on Monday 23 May 2016 commencing at 8pm at the Thames Bowling Club, Thames (for presentations) and Thursday 25 May 2016 commencing at 9.30am at the Thames Bowling Club, Thames.

2016 Annual General Meeting Agenda

Monday 23 May 2016

- 1 Notice of meeting
- 2 Apologies
- Presentation of Member and Junior Member Awards

Wednesday 25 May 2016

- AGM reconvenes at 9.30am
- Further apologies
- 3 Obituaries
- 4 Minutes of the previous Annual General Meeting
- 5 President's Report
- 6 To receive and adopt the Financial Report and Financial Statements
- 7 Election of auditor
- 8 Declaration of results of Director appointments for Council
- 9 Election of the Director appointments committee
- 10 Council Expenses Review Committee recommendation
- 11 Election of Council Expenses Review Committee
- 12 Other Reports
- 13 General Business

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By Order of the Council

Pam Goodin

13 May 2016

Jersey New Zealand is the official tradename of the New Zealand Jersey Cattle Breeders' Association Inc

NZ JERSEY CATTLE BREEDERS ASSOCIATION GROUP

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

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NZ JERSEY CATTLE BREEDERS ASSOCIATION GROUP

DIRECTORY
FOR THE YEAR ENDED 31ST MARCH 2016

<u>NATURE OF BUSINESS</u>	Support of Jersey Cattle Breeding in NZ
<u>BANKERS</u>	ANZ Bank Hamilton
<u>ACCOUNTANTS</u>	CooperAitken Limited Morrinsville
<u>AUDITORS</u>	Crowe Horwath NZ Audit Partnership Hamilton
<u>SOLICITORS</u>	Harkness Henry Lawyers Hamilton
<u>BUSINESS LOCATION</u>	Ruakara Road Hamilton
<u>TAX STATUS</u>	NZ Jersey Cattle Breeders - Exempt Jersey Marketing Service Ltd - Non Qualifying Company
<u>COUNCILLORS/DIRECTORS</u>	Ross Riddell - President Trent Paterson - Vice President Delwyn Goldsack - Director Warren Berry - Director Steve Ireland - Director Peter Gilbert - Director

NZ JERSEY CATTLE BREEDERS ASSOCIATION GROUP

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST MARCH 2016

	This Year	Last Year
<u>INCOME</u>		
Registrations	68,919.25	111,930.91
Classifications	96,098.40	109,304.70
Subscriptions	56,995.00	57,960.00
Souvenirs, Advertising & Publications	17,992.82	26,459.56
Commission	80,264.26	123,262.06
Interest Received	11,870.30	13,841.35
Bad Debts & Capital Recovered	3,089.08	11,703.47
Donations	2,090.00	4,508.65
Semen Sales & Royalties	88,356.82	57,875.57
AGM Income	40,659.02	56,481.43
Other Income	126,669.69	114,438.60
Unsupported Payments Recovered	58,929.06	-
TOTAL CASH INCOME	651,933.70	687,766.30
<u>LESS EXPENSES</u>		
Registration Expenses	697.28	828.18
Classification Expenses	33,648.55	33,904.82
Promotion & Publication Expenses	31,128.05	38,667.57
Council Cost	8,203.21	10,703.65
Field Expenses	2,268.18	19,984.62
AGM Expenses	40,334.05	39,856.64
Other Expenses	39,106.52	79,192.61
Field Consultants Expenses	13,607.34	-
Salaries, Wages & Commissions - Field Employees	35,821.21	35,000.00
Salaries & Wages - Administration	294,055.30	257,339.18
Other Human Resource Expenses	5,397.16	6,450.64
Commission Paid	46,904.21	75,856.64
Bad Debts	372.75	418.09
Administration & Office Expenses	107,886.62	140,841.28
Interest Expenses	4,580.15	2,257.47
Unsupported Payments not Recovered	-	8,613.56
GST Adjustment on Misappropriations Prior Years	-	14,986.00
TOTAL CASH EXPENSES	664,010.58	764,900.95
CASH SURPLUS (DEFICIT)	(12,076.88)	(77,134.65)



NZ JERSEY CATTLE BREEDERS ASSOCIATION GROUP

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST MARCH 2016

	This Year	Last Year
<u>NON CASH ADJUSTMENTS</u>		
Depreciation & Amortisation	24,015.00	23,907.00
Profit on Disposal	-	(785.00)
Income Tax for previous Years	(3,323.18)	-
	<hr/>	<hr/>
	20,691.82	23,122.00
	<hr/>	<hr/>
NET SURPLUS (DEFICIT) TO ACCUMULATED FUNDS	(32,768.70)	(100,256.65)
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These Special purpose financial statements should be read in conjunction with the accompanying notes and the independent auditors' report.

CooperAitken Limited - Chartered Accountants



NZ JERSEY CATTLE BREEDERS ASSOCIATION GROUP

STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2016

	This Year	Last Year
<u>CURRENT ASSETS</u>		
ANZ Bank - Main A/c	71,905.09	85,320.03
ANZ Bank - Industry Donations/Youth Council	5,719.46	5,433.13
ANZ Bank - On-Line Call A/cs	17,985.97	11,298.77
ANZ- Auctioneer Bond A/c	1,076.36	1,061.30
Accounts Receivable	45,051.79	111,027.10
Taxation Refund Due	15.54	-
Income Accrued	2,555.00	7,180.00
ANZ Bank Term Deposit	290,170.37	290,170.37
Dairy Queen Books on Hand	-	1,269.37
	<hr/>	<hr/>
	434,479.58	512,760.07
<u>CURRENT LIABILITIES</u>		
Taxation Due		12,219.15
GST Control	28,205.52	30,146.24
Accounts Payable	23,783.81	60,645.79
IRD Control Accounts	12,913.33	14,979.49
Expenses Accrued	28,402.74	33,570.94
Income in Advance	5,000.00	8,000.00
HP Liabilities	871.94	-
	<hr/>	<hr/>
	99,177.34	159,561.61
WORKING CAPITAL SURPLUS (DEFICIT)	<hr/>	<hr/>
	335,302.24	353,198.46
<u>PROPERTY, PLANT AND EQUIPMENT (SEE NOTE 10)</u>		
Motor Vehicles	21,920.00	37,847.00
Office Equipment Fixtures & Fittings	7,036.52	4,633.00
Computer Equipment	94.00	2,100.00
Buildings & Improvements	90,860.00	93,133.00
	<hr/>	<hr/>
	119,910.52	137,713.00
<u>OTHER ASSETS</u>		
Website Development	9,850.01	6,920.01
Trophies	5,970.00	5,970.00
	<hr/>	<hr/>
	15,820.01	12,890.01
NET ASSETS	<hr/>	<hr/>
	471,032.77	503,801.47



NZ JERSEY CATTLE BREEDERS ASSOCIATION GROUP

STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2016

	This Year	Last Year
<u>ACCUMULATED FUNDS</u>		
Balance Forward	503,801.47	604,058.12
Current Years Operating Surplus (Deficit)	(32,768.70)	(100,256.65)
	<hr/> 471,032.77	<hr/> 503,801.47
TOTAL FUNDS	<hr/> <hr/> 471,032.77	<hr/> <hr/> 503,801.47

For and on behalf of the board:



Ross Riddell
(President)

Dated: 9 May 2016



Trent Paterson
(Vice-President)

Dated: 9 May 2016

These Special purpose financial statements should be read in conjunction with the accompanying notes and the independent auditors' report.

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NZ JERSEY CATTLE BREEDERS ASSOCIATION GROUP

STATEMENT OF FINANCIAL PERFORMANCE (PARENT)
FOR THE YEAR ENDED 31ST MARCH 2016

	This Year	Last Year
<u>INCOME</u>		
Registrations	68,919.25	111,930.91
Classifications	96,098.40	109,304.70
Subscriptions	56,995.00	57,960.00
Souvenirs, Advertising & Publications	17,992.82	26,459.56
Commission	45.47	22,991.00
Interest Received	11,832.78	13,775.84
Bad Debts & Capital Recovered	3,089.08	11,703.47
Donations	2,090.00	4,508.65
JMS Management Fee	12,000.00	56,521.74
Semen Sales & Royalties	88,356.82	57,875.57
AGM Income	40,659.02	56,481.43
Other Income	124,019.66	98,610.10
Unsupported Payments Recovered	58,929.06	-
	<hr/>	<hr/>
TOTAL CASH INCOME	581,027.36	628,122.97
 <u>LESS EXPENSES</u>		
Registration Expenses	697.28	828.18
Classification Expenses	33,648.55	33,904.82
Promotion & Publication Expenses	29,057.26	35,037.09
Council Cost	8,203.21	10,703.65
Field Expenses	2,268.18	19,984.62
AGM Expenses	40,334.05	39,856.64
Other Expenses	35,813.78	62,311.27
Salaries, Wages & Commissions - Field Employees	-	35,000.00
Salaries & Wages - Administration	294,055.30	257,339.18
Other Human Resource Expenses	4,322.65	6,450.64
Bad Debts	85.25	418.09
Administration & Office Expenses	99,810.91	135,043.95
Interest Expenses	-	2,257.47
Unsupported Payments not recovered	-	7,183.25
GST Adjustment on Misappropriations Prior Years	-	14,986.00
	<hr/>	<hr/>
TOTAL CASH EXPENSES	548,296.42	661,304.85
	<hr/>	<hr/>
CASH SURPLUS (DEFICIT)	32,730.94	(33,181.88)

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CooperAitken Limited - Chartered Accountants



NZ JERSEY CATTLE BREEDERS ASSOCIATION GROUP

STATEMENT OF FINANCIAL PERFORMANCE (PARENT)
FOR THE YEAR ENDED 31ST MARCH 2016

	This Year	Last Year
<u>NON CASH ADJUSTMENTS</u>		
Depreciation & Amortisation	8,088.00	7,980.00
Profit on Disposal	-	(785.00)
	<hr/>	<hr/>
	8,088.00	7,195.00
	<hr/>	<hr/>
NET SURPLUS (DEFICIT) TO ACCUMULATED FUNDS	24,642.94	(40,376.88)
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These Special purpose financial statements should be read in conjunction with the accompanying notes and the independent auditors' report.

CooperAitken Limited - Chartered Accountants



NZ JERSEY CATTLE BREEDERS ASSOCIATION GROUP

STATEMENT OF FINANCIAL POSITION (PARENT) AS AT 31ST MARCH 2016

	This Year	Last Year
<u>CURRENT ASSETS</u>		
ANZ Bank - Main A/c	64,233.57	75,976.41
Jersey Marketing Service Ltd	26,463.18	-
Accounts Receivable	42,055.18	95,444.15
Income Accrued	2,555.00	7,180.00
ANZ Call Accounts	16,638.89	14,695.61
ANZ Bank Term Deposit	290,170.37	290,170.37
Dairy Queen Books on Hand	-	1,269.37
	<hr/>	<hr/>
	442,116.19	484,735.91
<u>CURRENT LIABILITIES</u>		
Jersey Marketing Service Ltd		13,553.55
GST Control	25,561.14	44,801.98
Accounts Payable	23,464.81	40,235.93
IRD Control Accounts	10,633.12	14,979.49
Expenses Accrued	28,402.74	33,570.94
Income in Advance		8,000.00
HP Liabilities	871.94	-
	<hr/>	<hr/>
	88,933.75	155,141.89
WORKING CAPITAL SURPLUS (DEFICIT)	<hr/>	<hr/>
	353,182.44	329,594.02
<u>INVESTMENTS</u>		
Shares - Jersey Marketing Services Ltd	35,000.00	35,000.00
<u>FIXED ASSETS</u>		
Office Equipment Fixtures & Fittings	7,036.52	4,633.00
Computer Equipment	94.00	2,100.00
Buildings & Improvements	90,860.00	93,133.00
	<hr/>	<hr/>
	97,990.52	99,866.00
<u>OTHER ASSETS</u>		
Website Development	9,850.01	6,920.01
Trophies	5,970.00	5,970.00
	<hr/>	<hr/>
	15,820.01	12,890.01
NET ASSETS	<hr/>	<hr/>
	501,992.97	477,350.03

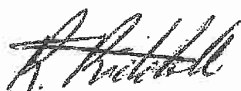


NZ JERSEY CATTLE BREEDERS ASSOCIATION GROUP

STATEMENT OF FINANCIAL POSITION (PARENT)
AS AT 31ST MARCH 2016

	This Year	Last Year
<u>ACCUMULATED FUNDS</u>		
Balance Forward	477,350.03	517,726.91
Current Years Operating Surplus (Deficit)	24,642.94	(40,376.88)
TOTAL FUNDS	<u>501,992.97</u>	<u>477,350.03</u>

For and on behalf of the board:



Ross Riddell
(President)

Dated: 9 May 2016



Trent Paterson
(Vice-President)

Dated: 9 May 2016

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These Special purpose financial statements should be read in conjunction with the accompanying notes and the independent auditors' report.

CooperAitken Limited - Chartered Accountants



NZ JERSEY CATTLE BREEDERS ASSOCIATION GROUP

NOTES TO THE ACCOUNTS **FOR THE YEAR ENDED 31ST MARCH 2016**

1 **STATEMENT OF ACCOUNTING POLICIES**

REPORTING ENTITY

New Zealand Jersey Cattle Breeders Association Inc. is a not for profit, Incorporated Society registered under the Incorporated Societies Act 1908. The consolidated (group) Financial Statements of New Zealand Jersey Cattle Breeders Association Group 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.

MEASUREMENT BASE

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

SPECIFIC ACCOUNTING POLICIES

Revenue

Revenue is recognised when the goods are supplied (as in the sale of goods), in the accounting period in which the service is provided (in the rendering of services) and in the period in which the interest is accrued (Interest Income). Accrued Sales and Royalties are only recognised as income where there are definitive contracts or agreements in place.

Receivables

Receivables are stated at their net realisable value.

Stock

Stock is stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stock and bringing them to their existing condition and location.

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 Jersey Marketing Service Ltd 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 and Equipment

Property, Plant and Equipment have been recorded at cost less depreciation calculated using the Straight Line method. Trophies have been valued at estimated replacement value and are not depreciated. Depreciation rates for each category are: Leasehold Improvements 1.3%; Motor Vehicles 21.6%; Computer Equipment 36%; Furniture and fittings 12 – 28.8%.

Investments

Investments are valued at lower of cost or market value.

GST

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



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.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies for the year. All policies have been applied on bases consistent with those used in the previous year.

2 COUNCIL EXPENSES

	GROUP		PARENT	
	2016	2015	2016	2015
Council Meeting Expenses	8,203	10,704	8,203	10,704

3 INVESTMENTS WRITTEN DOWN

At balance date the Association held Finance Company investments that had been placed into Receivership. As maturity dates have elapsed, these investments all have been written off in their entirety in previous years.

4 WEBSITE DEVELOPMENT

Development costs for the website are capitalised in when incurred. A write down of \$2000 is performed each year, and included in the Depreciation & Amortisation expense.

5 RELATED PARTY TRANSACTIONS

During the year there were transactions between the Councillors of Jersey New Zealand and the reporting entity. These included sales and purchases of goods and services on an arm's length basis at market rates.

New Zealand Jersey Cattle Breeders Association Incorporated holds 100% of the shares in Jersey Marketing Service Limited. The Directors of that company being Warren Berry and Trent Paterson were also Councillors of New Zealand Jersey Cattle Breeders Association Incorporated. During the year Jersey Marketing Service Limited was charged a total of \$12,000 by New Zealand Jersey Cattle Breeders Association Incorporated for services provided and Management Fees.

6 UNSUPPORTED PAYMENTS RECOVERED/RECOVERABLE

In the year to 31 March 2015 there were payments totaling \$15,685 made to or on account of Jennifer Taylor who was the General Manager of New Zealand Jersey Cattle Breeders. Jennifer Taylor pleaded guilty in the Hamilton District Court on 9 March 2015, to false accounting, theft, and dishonestly using documents over a seven year period. The total amount stolen was approximately \$312,000. The net amount not recovered for the years to 31 March 2014 and 2015 of \$8,613 is reported as an expense Unsupported Payments not Recovered in the last year comparatives. Included in income for the year to 31 March 2016 is an amount of \$58,929 recovered from Jenny Taylor. Any amounts still to be recovered will be recognised in income when received.

7 CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 March 2016 (31/3/15: NIL).



8 **AUDIT**

The reported figures for the 2015 and the current year have been subject of a full financial audit.

9 **INVESTMENT IN SUBSIDIARY**

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

Name of entity: Jersey Marketing Service Limited

Principal activity: Livestock Marketing

Ownership: 100%

Owner: New Zealand Jersey Cattle Breeders Association Incorporated

Balance Date: 31st March

10 **PROPERTY, PLANT AND EQUIPMENT (as at 31 March 2016)**

	Cost	Accumulated Depreciation	Closing Value	Depreciation for the year
Motor Vehicles	73,739	51,819	21,920	15,927
Office Equipment, Fixtures & Fittings	34,939	27,902	7,037	1,809
Computer Equipment	24,099	24,005	94	2,006
Share of Building & Improvements (subject to equitable interest per Note 13)	130,287	39,427	90,860	2,273
	----- 263,064 =====	----- 143,153 =====	----- 119,911 =====	----- 22,015 =====

PROPERTY, PLANT AND EQUIPMENT (as at 31 March 2015)

	Cost	Accumulated Depreciation	Closing Value	Depreciation for the year
Motor Vehicles	73,739	35,892	37,847	15,927
Office Equipment, Fixtures & Fittings	30,726	26,093	4,633	1,323
Computer Equipment	24,099	21,999	2,100	2,382
Share of Building & Improvements (subject to equitable interest per Note 13)	130,287	37,154	93,133	2,273
	----- 258,851 =====	----- 121,138 =====	----- 137,713 =====	----- 21,905 =====



11 **JERSEY MARKETING SERVICE LIMITED TAXATION**

	2016	2015
Net Profit(Loss) per Financial Account	(57,412)	(59,880)
Tax Adjustments	0	0
Tax (Loss) Brought Forward	(71,528)	(11,648)
Taxable Profit(Loss)	<u>(128,940)</u>	<u>(71,528)</u>
Tax Payable on Current Years Profits at 28%	0	0
Imputation Credit Account	22,454	13,542

12 **BANK OVERDRAFT**

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

13 **DEED OF LICENCE**

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

The interest is subject to a Deed of Licence signed 26 November 1993 and was operative 11 October 1993. The value of this interest is held at cost less allowable depreciation, based on the occupied floor area of 116m² as contained in Schedule C to the Licence.

The licence has an indefinite term and the monthly licence charge, is based on their portion of occupancy costs.



INDEPENDENT AUDITOR'S REPORT

To the Members of NZ Jersey Cattle Breeders Association Inc

Report on the Financial Statements

We have audited the accompanying special purpose financial statements of NZ Jersey Cattle Breeders Association Inc ("the Society") and its subsidiary ("the Group") on pages 1 to 12, which comprise the statements of financial position as at 31 March 2016, the consolidated and separate statements of financial performance and statements of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information. The special purpose financial statements have been prepared based on accounting policies as disclosed in Note 1 to the special purpose financial statements.

Directors' Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these special purpose financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the special purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the special purpose financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the special purpose financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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



**Crowe Horwath
New Zealand Audit Partnership**

Member Crowe Horwath International

Level 3, Bridgewater Building
130 Grantham Street

Hamilton 3204 New Zealand

PO Box 24009, Abels

Hamilton 3253 New Zealand

Tel +64 7 838 2180

Fax +64 7 838 2181

www.crowehorwath.co.nz

Opinion

In our opinion, the special purpose financial statements on pages 1 to 12 present fairly, in all material respects, the financial position of the Society and Group as at 31 March 2016, and the financial performance of the Society and Group for the year then ended in accordance with the accounting policies set out in Note 1 of the financial statements.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to the accounting policies in Note 1 of the special purpose financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Society and Group to meet the requirements of the Rules of the Association. As a result, the financial statements may not be suitable for another purpose.

A handwritten signature in cursive script that reads "Crowe Horwath".

Crowe Horwath New Zealand Audit Partnership

Chartered Accountants

10 May 2016

President's Report

While the 14/15 financial year was best described as one of disruption, the 15/16 year has been more about gradually getting things on a more even keel.

The effects of the long running Jenny Taylor fraud saga have been well communicated to the membership through the year and reached a conclusion on October 30th 2015 at the sentencing. All that needs to be said is that it is now behind us.

The strategic plan has been completed and implementation has begun slowly. We are hampered by the present state of the dairy industry and therefore our own finances. This is not to say it cannot be implemented, just the speed of implementation.

Your directors have long since identified priorities where resources need to be channelled with promotion and marketing being at the top of the list. A group of qualified and interested people has been assembled alongside HMC Communications to guide us through the process. It is felt that the Jersey cow is less of a problem than the marketing and promotion of her attributes and advantages.



Ross Riddell

There is also a belief that Jersey New Zealand and the breed has not been presented well enough within the industry. We need to be alongside key decision making bodies and people of influence to promote the benefits of Jerseys to the wider industry and to ensure that new policies and changes to existing policies are made on a logical, practical or scientific basis.

Our future market is the commercial farmer who already milks Jerseys or cross breeds rather than only the commercial pedigree Jersey member. There is now a generation of farmers who have not milked and enjoyed a herd of Jerseys, a situation we will set out to change. A first step to reach these farmers was the publishing of the 'Unlock the Jersey Secret' which needs to be more widely circulated.

Jersey New Zealand has worked on behalf of all farmers who milk Jerseys often without their knowledge of our input. This is particularly so in the fields of milk payments and Animal Evaluation and is on a continuing basis. Our Industry Affairs Committee is active once more, reinforced with added personnel and competence.

As can be seen in the AGM financial statement, registration numbers have taken a hit which we hope will be temporary. Registrations are the base of our business and leaving aside the present milk price, should be increasing along with bigger herds.

Whether or not you believe or practice the BW system, it's importance to the industry cannot be underated. While the variability and increased complexity is a weakness, Jerseys have continued to perform above their weight (no pun intended) of numbers and reflects their efficiency and relative importance.

Jersey Marketing Service Ltd has also taken a hit in income over the last year and with the retirement of Kevin Hart is now without an agent. Present and past Councils have always believed that Jersey Marketing Servie Ltd has the potential to add value to Jersey New Zealand and it's members but has lacked support and currently is not a viable business . Deliberations are ongoing.

Jersey New Zealand will be well represented at the forthcoming World Jersey Cattle Bureau meeting and tour with a large contingent attending.

The first full year of the Ayrshire, Milking Shorthorn and Jersey Breed Societies working together out of the same office has been completed to the advantage of all three. We look forward to realising the advantages of other synergies.

Council appreciates the devotion of management and our office staff during these uncertain and disruptive times. Sometimes tough decisions have to be made and unfortunately often have casualties.

All directors have completed the governance training course run by the Institute of Directors at Price Waterhouse. This was specifically targeted at not for profit organisations.

I have been part of many committees over many years in a number of different spheres from agriculture to sport and music. This council over the last 12 months is the best and the most enjoyable to work with. We are disappointed with our progress in some areas but everyone has contributed and the goal posts are getting closer.

Finally, we read and hear daily of the need for farmers to concentrate on lower cost systems, making best use of grass production and utilisation as the basis of a profitable farming business. Jerseys are unmatched for their ability to profitably convert grass to milk, the perfect vehicle for today's tight times.

Jerseys: Match the breed with the need!

Ross Riddell
President

Corporate Services Manager's Report

This time last year as I wrote my report, we were feeling pretty chipper. We had had to make some hard decisions, but really did feel that there was a huge amount that could be accomplished through the rest of the year.

While many of the major projects were put on the backburner due to staffing issues experienced in the second half of 2015, there were still significant areas of improvement in many areas. Members are now able to complete many activities online via the website with the implementation of 'online forms' for membership, registrations and TOP; both the editorial and graphic design content of the Jersey Review has improved; all historic storage has been moved offsite; all extraneous furniture has been removed from the office and we now enjoy a much more pleasant workspace; and we now have a meeting room large enough to accommodate Council. Numerous small improvements across all facets of the organisation are being made on a regular basis.



Pam Goodin

Despite my positive comments about DIGAD (Dairy Industry Good Animal Database) last year, we are still in exactly the same position. Where we expected more activity in the latter part of 2015, this was stalled and at this point we do not expect the 'Breed Society solution' to be revisited until later this year. While this means 'business as usual' for the operation of our core services to members, it also means that we cannot request improvements or changes to programmes until there is a clear future path.

The administration for Ayrshire New Zealand and the New Zealand Milking Shorthorn Association continues to be absorbed by Jersey New Zealand, with very little noticeable difference to members of those Societies. Synergies across the activities of all three Associations mean that there are clearly further economies of scale over time to be enjoyed from a staff and operational aspect. Already, we are implementing 'improvements' across breed – the best of all worlds.

Moving forward, there are a number of projects that will be completed and/or implemented over the coming months. These include:

- Continue to improve financial reporting to Council
- Complete the update of the Customer Relationship Management programme to incorporate all three breeds and implement member customisation
- Write Standard Operating Procedures for all activities
- Implement a policy document to guide staff / Council alongside the Rules and By-Laws
- Improve the joint venture database
- Improve the electronic office and move towards a more sustainable 'paperless' office

Those of you who attended last years Annual Conference though will remember that Ange had suffered a major accident a few days prior. From that week until late January, there was not a day where we had a full team on deck at their full hours. While Ange was undergoing operations and for a number of months was only able to work part-time, both Bronwyn and Carol also had extended periods of leave for major surgery and Warwick took time off to attend the World Cup. Despite these setbacks, all Jersey New Zealand deadlines were met and I hope members didn't notice too much difference in the level of service they enjoyed.

We have lost a further three staff over the last few months. General Manager Warwick Dowse left in December and will not be replaced. Both Warwick and Council came to the mutual agreement that this organisation could not sustain a non-operational role at this point in time. Warwick's role has been absorbed partly into the Corporate Services Manager role and partly by Council. Kevin Hart retired from Jersey Marketing Services Ltd in April, and Bronwyn Abbott also resigned in April. We are currently recruiting for a new Member Services Administrator, and expect to make an appointment shortly. We will introduce you to our new team member via newsletter, facebook and website shortly.

With Bronwyn's resignation, we took the opportunity to reconsider the roles that were restructured this time last year. The Membership Services Administrator role has been expanded to full time to incorporate the administration of the joint venture projects. Angela Makara's title is changed to Promotions & Marketing Co-Ordinator. The expectation is that removal from this role of the joint venture administration will significantly improve our ability to promote the breed, keep the website and social media up to date, meet publication deadlines, and most importantly will put the emphasis for this role into promotion. Finally, Carol Johns as Finance Administrator will take over responsibility for all youth activities, including providing administration support to the Jersey Youth Council.

continued on page 20

Corporate Services Manager's Report continued

In closing this report, I would like to thank the team - Ange and Carol – for a great years work. Despite the issues faced you have stepped up and taken on new challenges, embraced change and proactively looked for ways to improve our performance, all in great humour. Thank you for your support.

Thanks also to Council for your support. Improvement is taking place not only at an operational level for staff, but also at a governance level. The implementation of new forms of reporting (both Board and financial), increased reporting from Committees and reviews of Rules and By-Laws will all enhance governance of the Association.

Finally, thank you to the members who continue to support the Association. We understand that times are tough on farm, and that this is reflected in the use of our services by members. But it is also the use of those services that funds the vitally important promotional work undertaken by Council and staff, not always seen by individual members.

Pam Goodin
Corporate Services Manager

Recommendation of Council - Expenses Review Committee

After reviewing all relative information the expenses review committee recommends there be no change to Directors Honorariums and claimable expenses.

The Association finances at present do not allow for any increases.

We would like to acknowledge to the membership that your Directors undertake most of their work without claiming what they are entitled to.

Des Hickey and Rob Farley



Rob Farley



Des Hickey

Promotions Report

The past year has been a year of two halves for the marketing and promotions committee.

In 2015 our ex General Manager Warwick Douse headed our marketing / promotion area and worked closely with HMC to draft a long-term communications plan.

The marketing and promotions committee has been reactivated in early 2016 with three new members.

We are very pleased Phillipa Adam, Michael Newson and Steve Ireland have joined the team.

The committee is initially focusing on the HMC communications plan and bringing it into a functional step by step plan for Jersey New Zealand.

Resources for marketing and promotion have been limited in the past year both financially and physically.

The recent role changes now allow Marketing and Promotions to be the primary focus of Angela Makara's role.

We will be working closely with other committees particularly Industry Affairs to promote the fantastic cow we all believe in. Watch this space!

Delwyn Goldsack
Promotions



Delwyn Goldsack

Jersey Marketing Services Report

As you are all aware with the current economic situation it has been a very tough year for Jersey Marketing Services. A few months into the new financial year it became apparent that under the existing structure, Jersey Marketing Services could not become profitable due to an untenable commission contract split. This along with economic climate for dairy hampered our financial result for the year.

With the retirement of Kevin Hart in April, the decision has been made at this point not to employ a Field Officer / agent. The intention of Council is to appoint the right person moving forward under more favourable circumstances, and based on the right retainer/commission structure. Nigel Riddell and others have been filling the void until we appoint.

The level of sales achieved in recent years was not sufficient to support an agent (salary / vehicle & travel expenses, operating expenses / office time). We will be looking into alternative ways of offering a service for members to buy & sell stock, and lowering the operational costs of this business.

Five annual sales have been (or will be) transacted this autumn in conjunction with Brian Robinson Livestock Ltd.

Trent Paterson & Warren Berry

on behalf of Jersey Marketing Service Ltd



Trent Paterson



Warren Berry

Judges Report

This year has seen a restructuring of the Judges Committee. It now consists of four members, Ross Riddell, Richard Adam, Christina Jordan and myself. I would like to thank the past members of this committee for their dedicated service and commitment. Your time and expertise is much appreciated.

During the year, a Judging School was held at Richard and Pauline Adam's farm in Waikato. Thank you Richard and Pauline for making your farm and cows available for this day. Eight people attended and all passed. Congratulations to you all, especially new judges, Michele Capper and Jerome Ferguson. I would also like to thank our over judges, Richard Adam and Ross Riddell.

In the next year, it is intended to hold another Judging School in the North Island and also one in the South Island. If your Judges Certificate has expired, or is close to expiring please try to make it along to one of these days. We do need more quality judges. If you are keen to become a judge, but cannot attend one of these days, please contact either the office or one of the Judges Committee members so we can make alternative arrangements.

Thank you to all the people who have judged at shows or on farm competitions in the past year. Your efforts are needed just as much as exhibitors to make a successful event.

Finally, thank you to the members of the Judges Committee for their time and support throughout the year.

Peter Gilbert
Judging

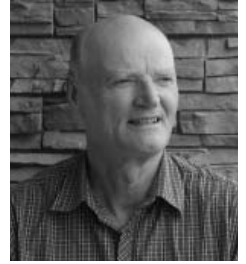


Peter Gilbert

Industry Affairs Group

Members:

Warren Berry
Julie Pirie
Andrew Shaw
Toby Sneddon
Roger Ellison



Roger Ellison

This group above was convened in December 2015, so has had just a few months of activity. We have been active in three areas so far:

1. We have supported a group, lead by Mark Townshend, who have had discussions for a period of time with the Animal Evaluation Unit of DairyNZ. Toby Sneddon and Roger Ellison attended a meeting in March, initiated by Mark, with DairyNZ Chairman, Michael Spaans, Chief Executive, Tim Mackle and Manager of the NZAEL group, Bruce Thorrold.

The discussions were wide ranging but essentially covered the following areas:

- a. The need for the NZAEL Governance group to have sufficient farm knowledge to test NZAEL management view of specific matters.
- b. The need for more opportunity for farmers and industry stakeholders to review and comment on changes to the calculation of BW, BV and EV before implementation
- c. That DairyNZ and NZAEL examine established research that shows substantial financial gains are to be had farming Jersey-type cattle. If they concur, then this needs to be addressed in the base cow model and NZAEL outputs. Some of the discrepancy relates to where costs are attributed – DairyNZ has some costs as per cow costs whereas our group contends that these are more logically per hectare costs.
- d. BV for Fertility and BCS need more work as the current estimates don't reflect what is happening on farm (See item 2 for current research on fertility BV).
- e. PW is currently out of step with BW as PW is managed by LIC and hasn't been updated when BW has been updated. This is to the detriment of the Jersey when Jerseys are part of a mixed-breed group for sale, especially if young stock.

A formal response to these issues is yet to be received.

2. One of us attended a user group meeting of the seven year research project entitled ' Pillars of a Sustainable Dairy System.' Currently this project is at the 2.5 year stage and is led by DairyNZ with contributions from other research groups and industry service providers. The programme focuses on two areas:
 - a. Cow fertility by aiming to improve the heritability estimate for fertility BV and by understanding why at least 40% of cows don't conceive to a single mating. To assist this programme, a herd of about 500 animals has been developed, split into low and high fertility BV groups. Holstein-Friesians were chosen because there were insufficient Jerseys of low fertility BV in the cattle population. We were assured that the findings of this research using HF will be applicable to Jerseys.

A study has already been completed using animals from commercial Jersey and Xbred herds that has defined most of the conception failures occur in the first week post mating. The causes of these losses at this time is now the focus of ongoing research.
 - b. Lifetime productivity: To date the research has focussed on the causes of wastage and what it is costing. Now they are at the early stages of projects looking at the longterm effects of colostrum intake in calves, how to improve transition management because this is where most mature cow losses occur, and ways to improve the predictability of survival estimates by the NZAEL system.

At the completion of these projects in another 5+ years, the Jersey breed should benefit from improved understanding of fertility and cow wastage and have more tools to improve 6 week in-calf rates and not-in-calf rates and less cow wastage/deaths leading to more productive herds.

Industry Affairs Group continued

3. The Industry Affairs group has initiated work to determine if Fonterra's milk price formula is fair for Jerseys. There has been an unprecedented movement in the relative value of milk protein and milk fat in the last 12 months, to the extent that, after correcting for the different production costs, milk fat is currently worth more than protein at the Global Dairy Trade auctions. As yet, Fonterra suppliers have not seen this reflected in their Fonterra payment. We want to make sure this will be the case in due course.

The Industry Affairs Group would like feedback from Jersey New Zealand members on additional areas to cover in the coming 12 months or so. Please pass your thoughts onto one of the members listed above.

Roger Ellison
Convenor

Youth Council Report

It is hard to believe that we are half way through the three-year term of our first Youth Council. In February, following our review of 2015, we reaffirmed the strategic goal for 2016 "Build the value of being a member" and set the key performance indicators under the four pillars of engagement, financial performance, marketing/communication and infrastructure.

The biggest challenge is building the database. Junior members are clearly identified in the database but members over the age of 18 years and under 35 years are disguised amongst the full and associate members. By identifying these members, we will be able to target them specifically when we run events pertinent to their age group. We began this process at Dairy Event by running a photo competition inviting "youth" to submit a photo of themselves with their Jersey Friends, bovine or human, to go into the draw for a rolled leather halter sponsored by World Wide Sires – the winner was Bella Booth of Manawatu. Youth were also encouraged to register their details with us at the Jersey NZ site at Dairy Event – which captured 35 registrations. If you know of anyone in your area – please encourage them to contact the office and join the database or email to enable us to engage with them and promote up and coming events.



Alison Gibb

Dairy Event provided the first real opportunity to engage directly with the youth and two of the youth councillors, Colin Hickey and James Wallace, attended. Rosettes were awarded to the highest placed youth in the open Jersey classes and stickers promoting our email address (youth@jersey.org.nz) were handed out. Our initiative meant that the opportunity to award youth with rosettes was offered to the other breed societies and as a result all youth across the breeds were encouraged and celebrated. Our goal was to have a double page spread of youth, feature in the Jersey Review - not only was this achieved but it was very encouraging to see the "Thames Valley Hotshots", winners of the Semex challenge feature on the front cover.

The first of our events planned for March 12-13 was a training camp for young handlers. Unfortunately, this had to be cancelled due to lack of participants and highlighted the need for greater communication – the database will help to address this but only goes part of the way. We are on the lookout for "Youth Ambassadors", young people who are out in the regions and will help promote events, encourage "youth" in their area to be on the database, will provide a connection through to the local Jersey Clubs and create social events to encourage our vision of "Jerseys connecting Youth". Currently we are just defining the job description and will be calling for interested parties in the near future. If you are interested, please email us.

This year we have been invited to send a Youth Councillor representative to the Jersey New Zealand Board meeting thus facilitating greater communication and understanding of the role of a Director. Those that have attended have enjoyed the experience and value the opportunity. To increase the communication through to the office, Carol Johns has joined us as minute secretary which make perfect sense as part her job description includes the youth. We welcome Carol to the team and appreciate her support.

In conclusion, I would like to thank the membership who have generously supported "Youth Auctions" held at Annual Meetings and specifically acknowledge Lower Waikato and Te Awamutu Jersey Clubs who have generously donated to the Youth fund. Your support is very much appreciated.

Alison Gibb
Youth Coordinator
youth@jersey.org.nz

TOP & Classification Report

Firstly, I would like to thank Tim Sneddon for all the time and effort he has put into classification and TOP over a huge number of years. It is a very hard act to follow, but Tim has been a big help to me this year, with great advice when I needed it.

There was a TOP certification day held in Waikato in early March. Congratulations to our five members who recertified and to Ross Riddell, who passed after many years not classifying.

I would like to thank all out TOP inspectors for their help this season. I have to make a special mention of Robert Hall. He inspected 3422 animals. That is a huge effort and means a lot of time away from home. Thanks for all you did Robert.



Peter Gilbert

I really appreciated all the help I received from Bronwyn in the office. Her efforts made my job so much easier; she was a pleasure to work with and will be missed.

Member inspections dropped by about 3000 head this season but SPS numbers rose by a similar number, so overall we were back by only 107 animals.

TOP inspectors are now encouraged to sit a Body Condition Score assessment to get a more accurate condition score given along with TOP.

We desperately need more TOP inspectors. I have heard from some members that they prefer having two inspectors, to do that we need more people offering to go and inspect. Another benefit of having more inspectors would be we could shorten the tours. One thing we are looking at is working in with Ayrshire NZ to make things easier.

In conclusion, I have enjoyed the challenge of heading the TOP committee. In the coming year our focus will need to be looking at ways to entice more people to be available as TOP inspectors.

Peter Gilbert
TOP & Classification

Classification Numbers Over time

	2012/13	2013/14	2014/15	2015/16	% change
SPS Inspections	8914	10670	10334	10735	3.7%
2 year olds (members only)	5334	5392	6321	4377	-44.4%
Older animals (members only)	2502	2212	2130	1670	-27.5%

Registration Analysis

	2012/13	2013/14	2014/15	2015/16	% change
Male registrations	391	508	582	405	-43.7%
Female registrations	12493	14890	11903	6949	-71.3%
All registrations	12884	15398	12485	7354	-69.8%

Membership Analysis

2015/2016:

Resignations	33
New members	26
Deceased	8

Year	Senior	Associate	Lifetime	Honorary Life	Junior	TOTAL
2011/12	359	120	117	22	53	671
2012/13	361	120	116	19	58	674
2013/14	358	146	116	21	57	698
2014/15	360	126	99	17	49	651
2015/16	348	106	99	14	42	609

Jersey New Zealand Strategic Plan 2015-2019

OUR PURPOSE IS TO PROMOTE THE JERSEY BREED SO THAT IT SIGNIFICANTLY CONTRIBUTES TO THE NEW ZEALAND DAIRY INDUSTRY

GROWTH (Our source of \$)

Increase membership and use of services

Increase involvement in semen sales and royalty platforms

Encourage the coverage & use of Jersey Marketing Service

PROMOTION (noise we make)

Kick the Jersey paradigms into touch and start again

Prepare a communications and media program that promotes the Jersey Breed, JNZ and JMS

ABILITY & RELEVANCE (actions)

Represent all Jersey farmers at industry levels where decisions are made

Build credibility at all levels in the value chain

Prove that JNZ provides a 'value' to members and farmers

Growth

25 new senior members join every year. Reduce the average age of membership from 65 years to 55 years by attracting younger farmers to be involved. Jersey Marketing Service is only used by a small number of Jersey members and this must be measured and improved on.

Promotion

Prepare a media program that targets 'non-members' and industry decision makers that have an influence on what breed of cow is milked.

Promotion

Receive regular invites to attend 'industry good' meetings at a senior level in order to 'push and market' the case for the Jersey breed. A united front is always better than individual lobbying. Jersey farmers should be the group that decides what happens to the Jersey breed.

**MINUTES OF THE 113TH JERSEY NEW ZEALAND CATTLE BREEDERS
ASSOCIATION ANNUAL GENERAL MEETING HELD ON THURSDAY 18 JUNE
2015 AT THE EAST PIER HOTEL, NAPIER, COMMENCING AT 9.00 AM.**



R Riddell (President) welcomed 61 members and Directors to the 2015 Annual General Meeting.

2. APOLOGIES

P Goodin, P & M Johnson, B & N Cutforth, L & L Beehre, R & J Dobson, R & J Monk, W & M Ferguson, A & R Gibb, D Hickey, M Townshend, A & N Walford, C & B O'Neil, D & W & C Ferguson, L & A Wilson, D & F Black, C & J Turner, A Hazlitt, L & C Pedley, I & C Jordan, W & K Shaw, M & S Booth, D & F Lynch, B & J Riddell, G Collins.

That the apologies as listed are accepted.

T Ford / B Oyler

Carried.

3. OBITUARIES

The meeting noted the obituaries of the following past and present members: B McHardie, Mrs R Harrison, R Carter, E Woodruffe, R Belfield, H Grant, Mrs J Chitty, R MacDonald, L Harvey, J Price, A Garnett, B Dron, D Ives and E Ellison.

4. DECLARATION OF RESULTS OF ELECTION OF DIRECTOR FOR THE COUNCIL

Following the election, P Gilbert and S Ireland were declared elected to Council. W Dowse presented the two new directors with their badges. S Ireland thanked everyone for voting for him and commented that he is looking forward to the future. P Gilbert thanked everyone and commented that he is also looking forward to a positive future. Both S Ireland & P Gilbert thanked D Shaw for standing. D Shaw congratulated the two new Directors and thanked his supporters. R Riddell commented on D Shaw's big contribution to Jersey NZ.

5. MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING

R Riddell commented on B Carter's report being withdrawn.

R Gibson commented on name not documented correctly in last year's Obituaries - should have been L Copestake not L Hopestake, R McHardie not B McHardie. R Riddell also commented H (Herbie) Collins not A Collins.

That the Minutes of the Annual General Meeting of 19 June 2014 be taken as a true and correct record with the above corrections.

R Farley / P Gilbert

Carried.

6. PRESIDENT'S REPORT

The President's Report was tabled as printed in the Annual Report, there was no discussion.

9. OTHER REPORTS

9.1 General Managers Report. Tabled as printed in the Annual Report, there was no discussion.

9.2 Breeds' Services Manager Report. Tabled as printed in the Annual Report, R Riddell explained that Pam Goodin is currently attending the Ayrshire NZ Annual General Meeting. Pam plays a major role, and brings a lot of experience in the industry. There was no further discussion.

9.3 Industry and Genetics Report. Tabled as printed in the Annual Report, there was no discussion.

9.4 Youth Council Report. Tabled as printed in the Annual Report, it was noted that Mrs A Gibb (Convenor) is currently overseas attending the World Jersey Cattle Bureau meeting.

- 9.5 TOP & Classification Report. Tabled as printed in the Annual Report. R Riddell commented Tim Sneddon had voiced that he would not be continuing but will have some future involvement. M Pedley commented on TOP and that it played a huge part, queried where were we heading? He raised concern of the age of our current inspectors and asked how this service will be provided to our members, perhaps there was a need for change and perhaps getting together with other breeds. He also commented there are a lot of animals to be inspected in a short time and suggested having a get together to discuss this at a later time. R Riddell responded that it has been a very difficult time to concentrate on this with what has happened this year. We have excellent personnel on this and need members to step forward to help out. Council is determined to use the skills to move forward on this. Tim Sneddon, Maurice Pedley, Graeme Collins are on the sub-committee and having a sub-committee will work. P Harris asked how many inspectors we have. S Ireland mentioned there were young ones coming up. R Riddell responded he does not know how many inspectors we have. M le Fleming commented on changing the time when we do it, spread out the time doing it as it doesn't suit the farmers. M Pedley responded that the SPS has to be done Sept/Oct. With regards to the Breed Society ones there were issues in size of herds as it brought a whole lot of pressure to be done in five day week. Farmers do not want them turning up on a Saturday. Jersey NZ keeps evolving and changing. M Ellis (LIC) noted that LIC has increased their Jersey programme by 30 bulls which means an increase in revenue intake for Jersey NZ. He suggested that some changes need to be done. In order for Jersey NZ to retain the contract it needs to be better. Not to race through the certification, its \$40,000 revenue, the info is critical and not negotiable and to be able to meet the data deadlines. D Shaw agreed with M Ellis & M Pedley, we need to get the young ones involved and support them. He suggested having a support person after their certification. W Berry commented on the state of the business and asked if we should not perform, who is going to do it? M Ellis (LIC) said that the information is coming in too late and that they do not have a 'Plan B', the responsibility lies with the Breed Societies and that we would have to have a meeting. R Farley commented on the Inspector Day where he was the only Breed Society farmer represented there. He questioned the agenda of CRV & LIC representatives who attended. He asked where the direction is going, and noted it was disappointing to Tim Sneddon that there were not many attendees. He also said that there was only one person younger than himself there. M Ellis (LIC) reiterates that there is no Plan B, it is important that LIC remains independent. He recommends starting afresh on a blank piece of paper. Work out the cost and the price may need to change. D Swart (CRV) commented that the service needs to be professional. R Turner said that we have strong links to Ayrshire, their inspectors may not be being utilised, and he asked if it would be good to have a discussion with them. R Gibson commented with regards to the Association over the last few years, we need more people involved. Council has got a great opportunity in the future and need to develop more expertise below council. T Luckin commented that he is a retired classifier and that there were issues with facilities and time. We need to be more accurate. He would be back on the job if he could have more time spent doing it. R Farley commented that the current inspectors need to upskill, and the influence on BW. In March we had four representatives and that we needed more on the training process. The body condition score has a considerable effect on the score. M Ellis (LIC) commented that Dairy NZ are doing a lot more at industry level but lots more needs to be done. D Shaw commented when scoring the heifers we need to be assessing the cow condition. It's a quick assessment and need to use a wider range. T Paterson noted the average body score 25 kilo. Scoring in halves, getting under 12.5kg not viable. M Ellis (LIC) agreed. T Luckin commented there is a timing issue, liaison Officers need time to talk to the farmers. SPS herds may identify new members for the Association, but inspectors have to rush off. Farmers enjoy time to talk. P Gilbert agreed with Tony Luckin and reiterated spending time with possible members and members. R Riddell responded that he would follow up on this and speak with P Gilbert & M Pedley.
- 9.6 Jersey Marketing Report. Tabled as printed in the Annual Report, R Riddell commented we are going to have more resources.
- 9.7 Industry Affairs. Tabled as printed in the Annual Report. W Berry commented that with two new people on the board, we have sorted out the Industry Matters Committee and it is looking good going forward. R Riddell added a lot of things are going forward and there is a lot of people actively working.

9.8 Judges Report. Tabled as printed in the Annual Report, there was no further discussion.

That all reports as tabled are adopted.

R Riddell / B Montgomery

Carried.

10. COUNCIL EXPENSES REVIEW COMMITTEE RECOMMENDATION

R Farley commented on honorariums, and expressed concern that no claims have been made. He wouldn't like to think that this will become a precedent. He suggested that Jersey NZ make some contribution to R Riddell for all his efforts, and that perhaps some Council meetings could take place in the south. B Potts supported R Farley's comments.

That the Council Expenses Review Committee recommendation as tabled is adopted.

R Farley / B Potts

Carried.

11. ELECTION OF COUNCIL EXPENSES REVIEW COMMITTEE

That R Farley and D Hickey continue on the Council Expenses Review Committee.

M Pedley / T Luckin

Carried.

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

G Haddon, Cooper Aitken, presented the audited accounts to 31 March 2015, prepared in conjunction with Jersey NZ Staff, Cooper Aitken administration and Colin Tasker, Crowe Horwath (Auditor). G Haddon went through the income and expenses for the Group and commented on payments of \$8,013 reflecting the net amount 2013/14 not recovered in 2015 year with further fraud for April, May, and June 2014. W Dowse commented that registrations decreased by 25% phasing issue 2014-15 year. The financial reporting eg Profit & Loss were started from scratch. L Shaw asked why the semen sales for the group are lower than the parents. The group should be higher than the parent. W Dowse responded that he would look into that. L Shaw asked about the money that came in from ANZ, where was it sitting? G Haddon responded that it is reflected in unsupported payments. L Shaw commented on the Council Expenses, noted 2013/14 honorariums were not separated from expenses. B Montgomery commented on the \$100,000 loss last year. Where does it give a true record?

W Dowse advised that a budget has been completed; expenses will be \$50-60,000 less due to accountancy costs. Things will not be done how they have been done the last five years and Jersey NZ is going to be very open. Unfortunately we have had to do a restructure. The money coming in cannot support the money going out. He asked that members be patient, staff will be stretched. It has been a very tough process but he is optimistic moving forward with Pam Goodin & Council. G Haddon to make an amendment to Council Expenses, W Dowse confirmed no honorariums were paid last year. A Shaw asked about the budget for Jersey Marketing Service Ltd. W Dowse responded that we need more auctions and paddock sales and that the number of members that use Jersey Marketing Service is very small. A Shaw commented highlighting the small profit, W Dowse replied "Yes small profit instead of small loss", commenting that he knows where we need to be and is optimistic. R Riddell advised we have received lots of advice from Cooper Aitken, the Auditor has gone through and made some suggestions. We are making sure we have it right moving forward. G Haddon commented that this has been a huge job and complimented the team. R Gibson asked for the 2014/15 audited accounts; did the previous President and Vice President offers any information about the unaudited accounts? R Riddell replied that the accounts had not been audited since 2010. Councillors made a decision that they will pursue an investigation with BDO over what actually happened. Over that period of time we did receive accounts from BDO right up to 2013, not necessarily for audit. We need to be very careful of how we do this as we may pursue BDO, but first we need to weigh up the costs and need more investigation into this. R Gibson agreed that this should be pursued. W Dowse highlighted that no one here makes any noise to BDO. The entity generates a Profit & Loss report from the in-house accounting software and there is a process – reports generated Auditor, General Manager, and Chairman. The system did not work in previous years and the Board were convinced they were correct in previous years. R Riddell commented that BDO correspondence was not presented to the Board. A Shaw asked if the Board had contacted BDO? G Haddon responded that BDO declined to carry on with the accounts which highlighted issues.

The meeting adjourned for morning tea at 10.40 am and resumed at 11.10 am.

That B Oyler is appointed as timekeeper.

T Luckin / B Montgomery

Carried.

P Ingram commented that Other Income \$168,000 needs to be broken down further, G Haddon replied we have done this as per the Auditors request and will bring this up with them. A Shaw commented further to the Budget, has council approved it and are the members going to see it? W Dowse responded that members will not see the budget as it is an internal document. The budget will be loaded into our accounting software where we will be able to match current to last years. He and Carol will have monthly reports once these have been set up.

That the Financial Report and the audited Financial Statements for the financial year ending 31 March 2015 are adopted.

M Pedley / B Potts

Carried.

8. ELECTION OF AUDITOR

R Riddell commented that Crowe Horwath also undertake the Ayrshire NZ audit and are experienced in our industry.

That Crowe Horwath are appointed as auditors for the financial year ending 31 March 2106.

R Farley / B Harris

Carried.

12. GENERAL BUSINESS

12.1 Council Appointments Committee. M Pedley commented following up what was done this year; the Committee is to be appointed yearly. Appointed Committee last elected for two years are due to expire this year. They need to decide who are the best people to be appointed and continue to have this option.

M Pedley would like to re nominate and continue with Bruce Cutforth, Mark Townshend and Alison Gibb subject to their approval

M Pedley / R Gibson

Carried.

12.2 Strategic Plan. W Dowse commented on the Strategy Workshop under the guidance of Price Waterhouse Cooper with Brent Goldsack. Key outcomes: Growth; Sustainable business; Value proposition to be examined (our relevance); Research & Development required; Education required; Need to understand what members want; Credibility issues; Culture change needed. W Dowse presented a PowerPoint presentation: Three things organisation must do: Growth – Our Source; Marketing & Promotion – Our Noise; Organisational Ability – Our Actions (*Goals, Outcomes & Measurements.*) W Dowse knows of an external Marketing/Promotions Company to help us. We need more support for Jersey Marketing Service; unfortunately it needs time and money. The Budget is head above water stuff; first year is getting systems in place. W Dowse asked how many Jersey club members are there in Jersey NZ Memberships, no answer was given it was more food for thought. D Shaw congratulated Warwick Dowse on his presentation. J Ellis commented on how successful the Jersey Pride Sale was and we need members to support the sale, it is also cheap advertising. W Dowse commented with regards to the Budget we need to get more support from members. K Hart said he worked on 15 – 20 Lots and asked how did we feel about that? This was a good sale. J Ellis said that we need to aim for a high standard. W Dowse commented we need key partnerships; we already have one with CRV. He will be spending time with Malcolm Ellis (LIC) to have one too and work with him to grow our business. A Shaw commented on the workshops, it was a good thing and asked if it was going to be an annual event. W Dowse said it would be as everyone was keen to have this at the next Annual General Meeting. J Ellis asked if all 3 concepts on the PowerPoint were going to be pursued. R Ellison congratulated Warwick Dowse on his PowerPoint presentation. W Dowse commented we needed training for our governance group, and thanked everyone who participated for their time.

- 12.3 Massey Trials. J Ellis commented on the Massey trials, the Association has given \$56,000, where is it at? W Dowse responded that he had been to visit them and found it disappointing the trials had been done at a minimal level. It costs a lot of money to have a peer review trial; currently they are trialling more at a review level. J Ellis asked if Massey wants more money, will Jersey NZ continue, W Dowse replied no. R Riddell commented unless something significantly changes, council will not be contributing any more. M Pedley said with no formal agreement, he agreed with W Dowse. It seems to be all in the air and agrees with council.
- 12.4 TOP & Classification. D Ireland agreed with T Luckin this morning with regards to TOP Classifying. The new classifier needs to be relaxed and have more time and there are a few people here today in the room that could be classifiers. R Riddell said Council will be appointing a new Convenor for TOP & Classification and they will put their views.
- 12.5 Governance structure. A Shaw commented on the governance review and changes to the Board. It needs to be operating correctly and it would be interesting to get feedback on how the structure is working and going forward to have this right. R Riddell asked what the feeling of the meeting was, Council was very open. Are you satisfied with the current structure? We have already made a decision and the set of rules will be updated and asked to hear your views. B Montgomery is happy with continuing. R Riddell advised that Rule 20 still needs to be there as it doesn't always suit to hold an election. B Montgomery is open to it but needs feels a time frame needs to be put in place having the appointment made and then the election done. R Riddell replied that it would be up to the membership. M Pedley commented we need to set up a new process and is really keen how it pans out and comes together officially. Membership is still keen to keep together to bring recommendations to the next meeting which brings up the question is six enough on the Board. Is representation as good as it can get? We need to get feedback from membership. Does the membership want a report, M Pedley is happy to be part of that. R Riddell commented that there was a discussion yesterday regarding this. W Berry commented six Directors are needed not four, the six Council members are all equally important. Suggested run for six months, perhaps we need more? T Paterson commented with the strategy going forward, having four elected and two appointed are all equally footed. Asked how we bring a Director through to fill this role, there was an issue when we had four and is still an issue with six. B Montgomery queried W Berry's comment of not having wide enough representation. W Berry clarified a wider representation of members. R Riddell commented we need the best people and we have a good team now. B Montgomery confirmed we need this representation now. T Luckin would like to back M Pedley, agrees we need that Governance Committee there and supports him.

That the Governance Committee be reconvened and include M Pedley, B Montgomery, M Townshend and D Shaw.

R Shaw / T Luckin

Carried.

R Shaw commented the Review committee stands as is and is respected amongst the members.

- 12.6 Extraordinary General Meeting. R Gibson asked if the EGM Minutes held in Hamilton are going to be handled today. R Riddell replied yes, these were passed at the Council meeting. R Gibson accepted this, and then queried the responsibility of the financial statements by the previous Directors and asked if insurance was in place to cover this. W Dowse confirmed this was in place. R Gibson advised that this was not put to us at the EGM and opens up some questions. R Riddell replied as you can imagine this has come up for discussion, past council vs present council. He confirmed that the current council will not pursue this, as they felt it was all it was going to do is increase antagonism, nothing to gain. This is not the same as BDO. R Gibson agreed, it was good to know and was not in favour of not perusing. L Shaw commented without knowing the rules of the EGM Minutes, should they have been passed by members not council? R Riddell replied the rules do not stipulate advice was given the EGM minutes should be passed at the next EGM and there probably will not be another. R Riddell stated that the EGM minutes were not passed at the EGM. R Gibson asked if the audited accounts are to be passed, W Dowse clarified *reviewed* Accounts.

That the reviewed accounts for the 2013/14 year are adopted.

R Riddell / L Shaw

Carried.

- 12.7 Annual General Meeting 2016. T Luckin asked for dates for the next Annual General Meeting? R Riddell replied they had not yet been confirmed due to the World Jersey Conference, numbers could be down for us due to this. In discussion with J Pirie, it was agreed end of May, but getting the financial accounts audited could be an issue. J Pirie commented her members were more than happy for end of May. R Riddell asked G Haddon if the dates would be an issue and he was more than happy, just give him the dates. R Riddell asked the members their view on this. P Harris commented it would clash with people moving, may need to be middle of May. R Riddell asked for a show of hands who would be more than happy to have it end of May. Majority of hands were shown. Ross asked for a show of hands who will be interested in the World Jersey Conference, about one third showed interest.
- 12.8 World Jersey Bureau report. R Shaw commented in regards to the World Jersey Bureau he was unhappy with a report they had done representing Oceania. It was not positive about Jerseys, GM – Jenny Taylor. No one knows who wrote the report and it was absolutely terrible. R Riddell replied that he had had a conversation with the Oceania representative who reported on it. Ross apologised and was very disappointed this had happened. R Shaw commented that they had written Ross Riddell says “Don’t feel sorry for us”.
- 12.9 Office Restructure. L Shaw commented on a different note with regards to the office restructure, who is doing what? W Dowse replied two roles were made redundant, have one role doing Jersey Genes, Jersey Genome & Semen, promotions - Angela Makara; Financial Administrator - Carol Johns; Registrations, TOP, all member services - Bronwyn Abbott. He added that five roles have been consolidated into three roles and asked that members be patient through the transition period.
- 12.5.1 Governance structure. M Pedley returned to the restructure of Council, the reason behind reducing the number of Directors was becoming more business focussed and the other Committees would focus on other things. He recommended having someone from the Board representing the club members and was happy to discuss this after the meeting. B Potts supported M Pedley’s comments, believing it helped our demise having no-one focus on business matters.

R Riddell thanked G Haddon going over our financial accounts; G Haddon said it was a pleasure working with Jersey NZ and seeing the changes thinks it’s a great organisation.

The meeting adjourned for lunch at 12.30 pm and reconvened at 1.30 pm.

- 12.10 Field representation. J Ellis suggested that Jersey NZ utilise D Shaw’s experience out in the field, Don is keen to help. R Riddell put this suggestion to the floor. R Hamilton commented D Shaw was very good when he was with CRV and would be good for Jersey NZ, he has a good way of talking to the young ones.
- 12.5.2 Governance structure. M Pedley commented before lunch we were speaking about council representation. R Riddell replied Governance Group to Governance Representation Committee, what do people think? B Potts commented that he didn’t think that Council would have to consider, this should evolve over the next year. Have Council considered another Field Officer? R Riddell replied that this will be part of a strategy.

Review of Governance with representation.

R Shaw / T Luckin

Carried.

P Brewster commented on behalf of Youth Council to have a seat on the Board, it would be a great opportunity to learn and participate. R Riddell asked what the members thought and there was no response. Council would definitely like a representative from youth council on the board. Would people like this? J Pirie replied there are rules & legal things that would affect this, but fully supports the idea.

- 12.11 Conference timing. B Morris commented with the conference next year, it should be shortened to three days as it would especially help the young ones. R Riddell was very open to the idea and that it had been discussed. The consensus is that it should be three days not four days and restructure the days to suit with more working sessions.

- 12.12 Jersey Marketing Service. R Gibson commented about the observation about our future, growth of Jersey Marketing Service. We have a unique situation with two agents across the board – Brian Robinson Ltd & K Hart and Jersey Marketing Service at the moment is a wholly owned subsidiary with two Directors he asked who were these? R Riddell replied B Carter & T Sneddon have been replaced by T Paterson & W Berry. R Gibson commented that we need a succession plan to come behind our two specialist agents, perhaps look at a wider field? R Riddell replied we are working on it moving forward.
- 12.13 Herd Recognition Awards. B Morris asked what W Dowse thought of 3rd place Recognition Awards. There are 22 awards and asked if people buy something to get these awards? Are the costs viable? R Riddell commented that this is not bringing in any additional funds to Jersey NZ. T Paterson commented that it has brought more people into this organisation, and have brought more business as they buy more semen, register more animals and staff in the office are not stretched by the time. S Ireland suggested a financial reward as it might encourage more people; T Paterson responded we can look into that. A Shaw asked if people want to receive these awards. R Riddell replied I know some people think it is quite an honour to receive this. R Turner commented his son was quite chuffed on receiving his award and perhaps an incentive could be more benefit to the association.
- 12.14 Jersey Review advertising. R Gibson commented on the restructure with W Dowse at the helm, he understands we have gone through a flat period, but the advertising in the Jersey Review was not enough. We need to expand it in the future. R Riddell commented that farming over the next 12 months is going to be hard, but hope where they can members will support Jersey NZ, but not to put their own financial situation at risk.
- 12.15 Jersey cow promotion. R Hamilton said at the Hamilton AGM breakout groups, we had a very learned lady speaking about the footprint of the Jersey Cow. Nothing has been reported on this and something if we can prove that the Jersey Cow has something to offer. R Riddell agreed she was a good speaker on the light footprint on the Jersey cow. R Hamilton said he would like it published, R Shaw would like to see published articles on what the Jersey cow can do. R Riddell replied this is part of our strategy and suggested doing a booklet or including it in our Jersey Review. Have examples of what works for some and not others. W Dowse said we have thought about it, highlighted Noise on Marketing & Promotion. Looking at entities and looking at out sourcing.
- 12.16 2016 Annual Conference Thames Valley. R Riddell call upon J Pirie on behalf of Thames Valley Jersey Club to address the meeting, J Pirie showed PowerPoint promoting the conference. R Riddell asked who would like to host the AGM after 2016, there was no response.

R Riddell expressed how well the meeting went today, and thanked everyone for their attendance. M Pedley thanked the team at the table and R Riddell for stepping up, members really appreciate what he has done. He asked everyone to show their appreciation. R Riddell replied that we have a good team and everything will be OK.

That being all the business the meeting was closed at 2.15 pm.

Notice of Motion - Proposed Rule Changes

Proposed Rule Changes

May 2016



Please note that proposed changes to Rules 1, 13, 15, 16, 17, 19, 20.3-20.15, 24, 25.3, 27.2, 27.8, 28, 29, 37, 38, 42, 45, 6 48 are changes to terminology only (e.g. Council is now referred to as Board, independent Directors are now referred to as appointed Directors) and do not alter the rule in any other way.

That the existing Rule 1 be revoked and replaced with the following:

Name:

1. The name of the Association is 'New Zealand Jersey Cattle Breeders Association (Incorporated)' trading as 'Jersey New Zealand'.

That the existing Rule 3.6 be revoked and replaced with the following:

- 3.6 Subject to the provisions of the Incorporated Societies Act, 1908, to purchase, hire, take on lease, or otherwise acquire, for the purpose of the Association, lands, tenements, houses, parts of houses, chattels, company shares, and all other assets and/or property of whatever nature and to sell, let and dispose of the same;

That the existing Rule 7.2 (d) and (e) be revoked and replaced with the following:

(d) Lifetime: Any Senior member who has been admitted to Lifetime membership by payment of a lump sum subscription prior to 10 June 1993. Lifetime membership is not transferable and for partnerships, companies and other corporate bodies, can only be enjoyed by and is thereby personalised to the nominee holding voting rights of any such body.

(e) Retired. Any member who has retired from farming Jersey cattle, not requiring to register animals but who wish to retain an active interest in the breed. 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. Retired members shall be entitled to receive the official publication of the New Zealand Jersey Cattle Breeders Association

That the existing Rule 12.1 be revoked and replaced with the following:

Expulsion of member

- 12.1 Any member of the Association or of the Board who shall fail in the observance of any lawful rule, regulation or by-law made by the Board, or whose conduct in any respect shall be, in the opinion of the Board, derogatory to the character or prejudicial to the objects and interests of the Association, may be expelled from the membership of the Association (and if a member of the Board from the Board) by resolution of the Board to that effect passed by a majority of at least two-thirds of such members of the Board as shall be present, and vote at a Special Board Meeting, of which not less than 21 days previous notice specifying the intentions to propose a motion to such effect shall have been sent to all the members of the Board, and at which not less than four members of the Board, exclusive of the member whose expulsion is in question, if he happens to be a member of the Board, shall be present.

That the existing Rule 13 be revoked and replaced with the following:

Management

- 13.1 Save as provided for in rule 18 of the Rules, the Association will be managed by a Board of six. This will comprise of four elected directors and two appointed directors (hereinafter referred to in these Rules as the Board).
- 13.2 At the Annual Meeting in the year 2014, and every year following, a sub-committee of three people shall be elected (known as Appointments Panel). This panel will appoint two appointed directors in the year 2014, and subsequent to this appoint appointed directors as vacancies arise. This will be done by the panel after consulting with the Board around additional skills or board balance and within 60 days of the vacancy arising.
- 13.3 Two appointed directors shall be appointed for a maximum term of two years, which may be renewed for further terms of up to two years each by the Appointments Panel. Any renewal of an appointed director's appointment shall be subject to confirmation at the Annual Meeting following the Appointment Panel's resolution to renew the appointment.
- 13.4 Appointed directors appointed shall become a member of the Association prior to commencing his or her term as a director of the Council.
- 13.5 Appointed directors appointed by the Appointment Panel shall have the same powers and obligations to the Association as an elected director.

That the existing Rule 15 be revoked and replaced with the following:

Officers of Association

15. The existing Board, President of the Association, Vice-President and other officers, shall remain in office until the next Annual Meeting of the Association, or until their successors are elected in manner provided by these Rules.

That the existing Rule 16 be revoked and replaced with the following:

Election of President and Vice-President

- 16.1 Immediately after each Annual Meeting a President and Vice-President shall be elected by Directors of the Board for the ensuing year. Such President and Vice-President shall be elected from Directors of the Board.
- 16.2 In the event of an equality of votes at Board meetings the President, and in his absence the Vice-President, shall have a casting vote in addition to the vote to which he may be entitled as a director of the Board.

That the existing Rule 17 be revoked and replaced with the following:

Constitution of Board

- 17.1 The elected members of the Board shall be elected from the members of the Association entitled to vote, as set out in rule 7 of the Rules, and shall hold office for a term of four years, following which they shall retire. Any such retiring member shall be immediately eligible for re-election.
- 17.2 Elected members of the Board shall be known as Directors of the Board.

That the existing Rule 18 be revoked and all subsequent rules renumbers accordingly

That the existing Rule 19 be revoked and replaced with the following Rule 20:

Vacation of Office

20. The office of a member of the Board shall be vacated if he absents himself from two (2) consecutive meetings of the Board without special leave of absence being granted at a duly constituted meeting of the Board.

That the existing Rule 20 be revoked and replaced with the following Rule 21:

Election of Directors to the Board.

21. The mode of election of directors to the Board shall be as set out in this rule 20.

- 21.1 The Board shall before the annual election is held appoint a Returning Officer who shall not be a member of the Association.
- 21.2 The Secretary shall at least three calendar months before each Annual Meeting for which an election is to take place send by posted notice to each voting member of the Association notice of the intended election of two directors to the Board.
- 21.3 Any member of the Association entitled to vote may nominate a member for election to the Board.
- 21.4 Nominations shall be in writing, signed by the proposing member and the member nominated and posted or handed to the Secretary so as to be received by the Secretary by a date to be fixed by the Board such date being not later than two calendar months before the date of the next ensuing Annual Meeting.
- 21.5 The Secretary shall forthwith, after closing of such nominations, cause to be prepared printed voting papers, in such form approved by the Board, and shall post one of such voting papers to each member entitled to vote.
- 21.6 The form of the voting papers shall provide for two Directors to be elected at each bi-annual election.
- 21.7 The voting paper shall be returned to the Returning Officer by a date to be fixed by the Board, such date not being less than one month before the ensuing Annual Meeting.
- 21.8 Each member of the Association entitled to vote shall have one vote.
- 21.9 Following the closing of the voting, the Secretary shall forthwith hand to the Returning Officer a list of all non-financial members of the Association. The Returning Officer shall detach and hand to the Secretary the slips attached to the voting papers bearing the members' signatures and the Secretary shall upon completion of checking of the eligibility of the members' voting report in writing to the Returning Officer.
- 21.10 Subject to the right of any candidate to a re-count, as provided for in clause 20.12 of the Rules, the Returning Officer shall not less than fourteen days before the Annual Meeting, by writing delivered to the Secretary, report the result of the election and the number of votes validly cast for candidates, and declare the two candidates with the highest number of votes, in accordance with sub-clause 20.6 above, as a director of the Board.
- 21.11 The Secretary shall forthwith report in writing the result of the election to each candidate and publish the same in the official publication for the time being of the Association.

- 21.12 Any unsuccessful candidate may require a re-count of the votes cast at any election by delivering to the Secretary within seven days after the date of the declaration of the result of the election a notice in writing that he or she desires a re-count. The notice shall be accompanied by payment of \$50 to the Association towards the cost of the re-count. Such re-count shall be conducted as soon as possible by the Returning Officer who shall give notice to each of the candidates in the election of the time and place of the re-count. Each candidate and the Board shall be entitled to appoint their own scrutiner who shall be entitled to be present during any such re-count. In the event of a different result arising, following the re-count, the candidate with the highest number of votes validly cast for the directorship shall on the Declaration of the Returning Officer be deemed to be elected as a member of the Board, in lieu of the candidate previously declared elected, and in such event the \$50 paid to the Secretary shall be refunded to the candidate who made payment.
- 21.13 In the event of an equality of votes, the two candidates to be declared elected as directors of the Board, shall be determined by lot by the Returning Officer.
- 21.14 Voting papers shall be retained by the Returning Officer for three months from the date of the election or re-count, as the case may be, and shall then be destroyed.
- 21.15 In the event of a vacancy arising on the Board and subject to rule 21 of the Rules, this rule 20 shall apply to any election of a new director (with appropriate amendments), except the Secretary shall at least two months before the date of the election is to be held, send notice to all members of the intended election of a director to the Board. Nominations for the election must be received by the Secretary no later than one month before the date of the election.

That the existing Rule 21 be revoked and replaced with the following Rule 22:

Vacancies in Offices

- 22.1 Any vacancies which may occur in the office of President or Vice-President, or in the Board, shall be filled up by the Board, or at the discretion of the Board by an election, in accordance with these Rules. Any member so elected by the Board or by such election, as the case may be, shall retain his office so long only as the member in whose place he/she is appointed would have retained it if no vacancy had occurred, when he/her shall retire.
- 22.2 The Board shall be deemed to be duly constituted, and shall continue to possess all the powers hereinafter mentioned, notwithstanding any vacancies in its body, but such vacancies shall be filled up as soon as, in the judgement of the Board, is possible and expedient, in the manner provided in the preceding paragraph.

That the existing Rule 22 be revoked

That the existing Rule 23 be revoked and replaced with the following:

Quorum of the Board

23. The quorum of the Board shall be four.

That the existing Rule 24 be revoked and replaced with the following:

Powers and Duties of the Board

24. The Board shall exercise all the powers and perform all the duties for which the Association has been established unless required to be exercised and performed otherwise by Statute, and shall have full power to do all such things as may be incidental or conducive to the attainment of the objects of the Association mentioned in these Rules.

That the existing Rule 25.2 and 25.3 be revoked and replaced with the following:

25.2 *Alteration of Regulations and By-Laws.*

It may from time to time, alter and rescind regulations and by-laws for registering the names and addresses of members, for conducting the business and carrying out the objects of the Association and for conducting the business of the Board. Provided nevertheless that no such resolution of the Board shall be varied or rescinded unless the resolution varying or rescinding the same be passed at one meeting of the Board and confirmed at a subsequent meeting.

25.3 *Fines.*

The Board may impose fines of not more than one hundred dollars for breach of any of these Rules or any Regulation or By-Laws or it may require a member to pay the whole or any part of the expenses incurred prior to and at any such breach.

That the existing Rule 27.2, 27.8 and 27.10 be revoked and replaced with the following:

27.2 *Current expenses*

In payment of current expenses and other disbursements of the Board, including travelling expenses of members of the Board and Officers of the Association, in conduct of the business of the Association or in relation thereto.

27.8 *Payment of loans*

In payment of the interest and repayment of the principal of any monies borrowed by the Association, or in constituting a reserve fund to meet future contingencies, or in reducing the price charged for any publication of the Association, or generally upon or for any object or purpose expressed or implied by these rules, but the Board shall have power (subject always to the provisions of Rule 26 hereof, and to subsisting engagements) from time to time to vary the application of the funds of the Association in such manner as it may think fit.

27.10 *Expenses of inquiry*

In defraying all expenses of, or connected with, the conduct of any inquiry under these Rules.

That the existing Rule 28 be revoked and replaced with the following:

Annual Meeting

28. The Board shall convene and hold an Annual meeting of the Association in such month, and on such day, and at such place, as it shall from time to time appoint.

That the existing Rule 29 be revoked and replaced with the following:

General meetings

29. The Board may from time to time call General Meetings of the Association, such General Meetings shall be called Ordinary Meetings, and all other General Meetings shall be called Extraordinary Meetings.

That the existing Rule 30 be revoked and replaced with the following:

Extraordinary Meetings

30. The Board may, whenever it thinks fit, and it shall, upon a requisition made in writing by not less than one-tenth in number of the members of the Association eligible to vote, convene an Extraordinary General Meeting.

That the existing Rule 37 be revoked and replaced with the following:

37. All questions and matters brought before the General Meetings (except the election of Members of the Board, which shall be decided as hereinbefore provided) shall be decided by a majority of votes of the members present, each member having one vote, and in the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote, in addition to his vote as a member.

That the existing Rule 38 be revoked and replaced with the following:

38. At General Meetings of the Association twenty voting members shall form a quorum.
- 38.1 Voting shall be by show of hands or, on demand of the Chairman or any member present, by a poll of members.
- 38.2 In the case of an equality of votes the Chairman shall, both on a showing of hands and a poll, have a casting vote in addition to the vote he may be entitled to have as a member.
- 38.3 If a poll is demanded it shall be taken in such manner and at such time and place as the Chairman of the meeting directs, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.
- 38.4 The Board may resolve to accept voting by proxy and in accordance with any such resolution members eligible to vote may vote by proxy. The form of the proxy shall be determined by the Board and proxy forms will be sent by the Secretary to members eligible to vote with the notice of the meeting as set out in rule 33 of the Rules. No other proxy voting will be permitted.
- 38.5 To determine an issue already lawfully before a General Meeting (including any amendment to these Rules) the Board may resolve to hold a postal ballot in accordance with the procedures set out in clause 38.7 of this Rule.
- 38.6 In respect of postal ballots held under this Rule:
- (a) Only financial members may vote in any postal ballot.
 - (b) The resolution to hold a postal ballot shall state a closing date and time for ballots to be received by the Secretary, but the closing date shall be no earlier than a fortnight after the date ballot papers are sent out to members (excluding the date of posting).
 - (c) In respect of any motion to amend these rules by postal ballot, the motion shall be accompanied by the reasons and recommendations and the total number of postal ballots cast by members shall total not be less than 25% of the membership eligible to vote and the motion must be passed by a two thirds majority of those voting.
 - (d) Voting in a postal ballot may be by ballots returned to the Secretary by postal mail, courier delivery or facsimile.
 - (e) The Secretary shall declare the result of the postal ballot.
 - (f) The result of the postal ballot shall be as effective and binding on members as a resolution passed at a General Meeting.

That the existing Rule 40 be revoked and replaced with the following:

Notices

40. A notice may be served by, or on behalf of the Association, upon a member personally or by sending through the post in a prepaid letter, addressed to the member at his registered place of abode as well as electronically where applicable.

That the existing Rule 41 be revoked and replaced with the following:

Secretary

41. The Secretary shall keep the books of the Association and shall conduct the correspondence, attend all meetings and receive members subscriptions and enter up the minutes of all meetings and shall forthwith bank all monies received for or on account of the Association to the credit of the Association and shall sign all accounts of the Association.
The Secretary will be deemed to be the most senior employed staff member, reporting directly to the Board. The Board may alter the position title from time to time as it sees fit.

That the existing Rule 42 be revoked and replaced with the following:

Seal.

42. The Association shall have a Common Seal bearing the words 'New Zealand Jersey Cattle Breeders Association (Incorporated)', which seal shall be fixed to all deeds and documents required to be sealed, and to all notices required to be authenticated. Such seal, when required to be affixed to any deed or document, shall be fixed thereto by two members of the Board, in the presence of the Secretary, and such seal shall be kept at the registered office of the Association in custody of the Secretary.

That the existing Rule 45.3 be revoked and replaced with the following:

- 45.3 The Board may initiate alterations to these Rules and shall prepare a notice of motion to amend or replace these Rules. Approval of the notice of motion shall be sought from members of the Association at either an Annual Meeting, a General Meeting or by way of postal ballot.

That the existing Rule 46 be revoked and replaced with the following:

Indemnity

46. The Board and each and every one of them respectively shall be fully indemnified by and out of the funds of the Association against any loss, damage, expense or liability incurred by reason of or in connection with any legal proceedings instituted against them for any act done, omitted or suffered in relation to the performance or professed performance of their official duties.

That the existing Rule 48 be revoked and replaced with the following:

Cases not provided for

48. Should any case arise which is not provided for by these Rules, the same shall be dealt with in such manner as the Board shall think fit.

Jersey New Zealand

595 Ruakura Road

R D 6 Hamilton 3286

PH 07 856 0731

Email info@jersey.org.nz

Website www.jersey.org.nz

