



ANNUAL REPORT

FOR THE YEAR 1 APRIL 2017 TO 31 MARCH 2018



Official Publication
of the
NEW ZEALAND JERSEY
ASSOCIATION (INC)

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

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Board of Directors

President	Alison Gibb	Taupiri
Vice-President	Steve Ireland	Temuka
Directors	Tony Landers	Hawera
	Barry Montgomery	Dargaville
	Peter Gilbert	Ashburton
	Glenys Ellison	Hamilton

Notice of 2018 Annual General Meeting

The 116th Annual General Meeting for members of New Zealand Jersey Cattle Breeders' Association Inc will be held on Friday 8 June 2018 commencing at 9.30am at Distinction Hotel, Whangarei.

2018 Annual General Meeting Agenda

Friday 8 June 2018

1. AGM notice of meeting
2. 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. Confirmation of Director appointments for the Board
9. Election of the Director Appointments Committee
10. Director Expenses Review Committee recommendation
11. Election of Director Expenses Review Committee
12. Committee Reports
 - Industry Affairs Committee
 - TOP & Judges Committee
 - Promotions & Marketing Committee
 - Genetics
 - Jersey Marketing Services Ltd
 - Conference Committee
 - Youth Committee
 - Youth Council
13. General Business

By Order of the Board

Pam Goodin

25 May 2018

Presidents Report

The Jersey NZ Board made the bold step to make "Jersey No1 Breed" its vision statement. Yes, a big hairy audacious goal (BHAG) but added in incremental steps of 15% by 2020, 25% by 2025 and 40% by 2030. With the increase in payment for Fat coupled with the Fonterra's announcement to market A2A2 milk, the Jersey breed is in an excellent position to grow and to make our vision a reality.

Many have expressed an impatience or frustration that we don't appear to be out there actively marketing, I can assure you we are but first and foremost we need to get our facts and figures accurate and backed by research – some of which is not very recent and therefore doesn't add to its credibility. The Marketing and Promotions Committee has just signed off the reprinting of the Jersey Booklet which contains all the facts and figures concerning efficiency, fat to protein ratio, heat tolerance, KG MS per Kg of liveweight, liveweight per hectare etc. This booklet will be the resource when approaching banks, farm consultants and other industry players who have an influence over breed choice.

Our position within the dairy industry is vital as this provides the opportunities to promote and advocate for the breed. I commend the work that the Industry Affairs Committee lead by Roger Ellison is doing in this space. Guest speakers are invited to the meetings to develop relationships where we educate each other e.g. Jeremy Bryant from NZAEL where we learn that the accuracy of our data is vital for the work they do, Bruce Thorrold from DairyNZ discussing the issues around carbon emissions and what we as Jersey breeders can do in this space, LIC and CRV are other key players where the relationship building and working opportunities are valued and supported.

Developing and promoting genetics is done through the Genetics and JerseyGenome™ Committees. The Jersey Future catalogue provides an opportunity for Jersey NZ to market bulls at very reasonable semen price but does rely on membership backing if we are to reach the minimum target of semen across 35 herds with 70 herd-tested heifers per bull. It is particularly pleasing and encouraging to see that two of our younger members have had bulls accepted into the team and three of the bulls are A2A2.

JerseyGenome™ is gathering momentum, the DNA results collated and the Committee will shortly announce this year's intake. This collaboration with CRV Ambreed allows the young registered females in herds to be identified as potential bull mothers.

Judging and in particular classification makes big demands on a small group of people. This committee led by Barry Montgomery has reviewed the judging and classification manuals and have actively encouraged new people to step up. A number of training days have been provided to encourage younger members to "have a go" and as a result we have had a number of new entrants into the classification ring.

The bone talk given by Philip Hentscke, Australia, last November clearly demonstrated how classification of animals enables you to draw a mental picture of an animal and understand her abilities with regards to calving ease, walking and milk production.

Youth is our future and it is important that we invest in them. The Youth Council has now been in existence for three years and continues to grow in strength. The formation of a Youth Committee led by Peter Gilbert was established to help with the "doing" side of activities to enable the Youth Councillors to concentrate on the implementation of their governance training. We farewell Colin Hickey and Melissa Stephen from this Council but we welcome the fact that we have not lost their skill and enthusiasm for the breed. Colin steps up to Convenor of the Marketing and Promotions Committee and Melissa has continued involvement through her work at NZAEL and the articles she contributes to the Jersey Focus.

Last year we set up a Conference Organising Committee where members from any part of the country could join forces to organise the next conference. Marian Wallace is the Chair of this Committee and by now you will see the interesting programme they have put together for you to enjoy in Whangarei. The intention is that this committee is ongoing so that the lessons learnt are carried through. I have been very impressed with the work from this group.

Jersey Marketing is beginning to gather clientele and with the recent spate of sales, Ross Riddell and Grant Aitken have been kept busy. Thanks go to Nigel Riddell who helps out when required. We appreciate the partnership with Brian Robinson and his team who provide the valuable auctioneering services. Jersey Marketing is always on the look out for agents, noting that it is more suited as a secondary income.

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

Special thanks to Pam Goodin, General Manager, and her staff who not only have to answer to the needs of Jersey NZ but also look after the needs of Ayrshire New Zealand and Milking Shorthorns which can often bring with it pressure points around magazine deadlines, member services and conference organisation.

I would also like to thank the Board who give generously of their time to attend meetings, support committees, attend functions and remain visionary and focussed on the tasks ahead.

Alison Gibb
President



Alison Gibb
President

Remits

There are no remits

Notices of Motion

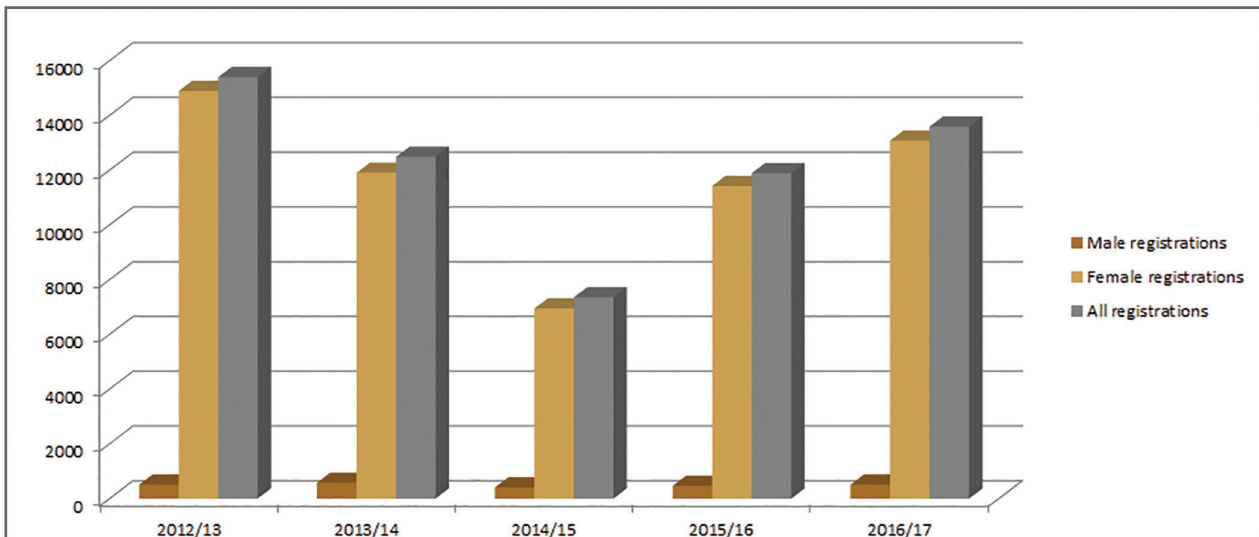
There are no notices of motion

Strategic Plan - 2018

VISION			
JERSEY – NO 1			
PURPOSE			
To promote and drive the growth of the Jersey breed throughout New Zealand			
BHAG (Big Hairy Audacious Goal)			
Jersey #1 Breed			
2020 – 15% 2025 - 25% 2030 – 40%			
VALUES			
Collaborative – Sustainable – Integrity - Quality			
STRATEGIC FOCUS AREAS			
MARKETING & PROMOTIONS	JERSEY GENETIC ADVANCEMENT	YOUTH	GOVERNANCE & MANAGEMENT CAPABILITIES
<ul style="list-style-type: none"> Develop Marketing & Communication plan for the next 12 – 24 months Develop value statement propositions Locate research that supports marketing plan 	<ul style="list-style-type: none"> Jersey Future promoted and active JerseyGenome promoted and active BW development with NZAEL Develop research opportunities with Dairy NZ TOP & Classification 	<ul style="list-style-type: none"> Review membership database / categories to reflect youth involvement Development / support of Youth Council Youth Ambassador programme implemented Youth scholarship programme re-launched Judging 	<ul style="list-style-type: none"> DIGAD – Breed Society solution decided Compliance – Policy Reviews, Standard Operating Procedures, Audit & Risk Committee formed Human Resources – Staff training and development, Board and staff appraisals implemented Sponsorship – opportunities identified Committee Development Financial Capabilities Jersey Marketing Services Ltd

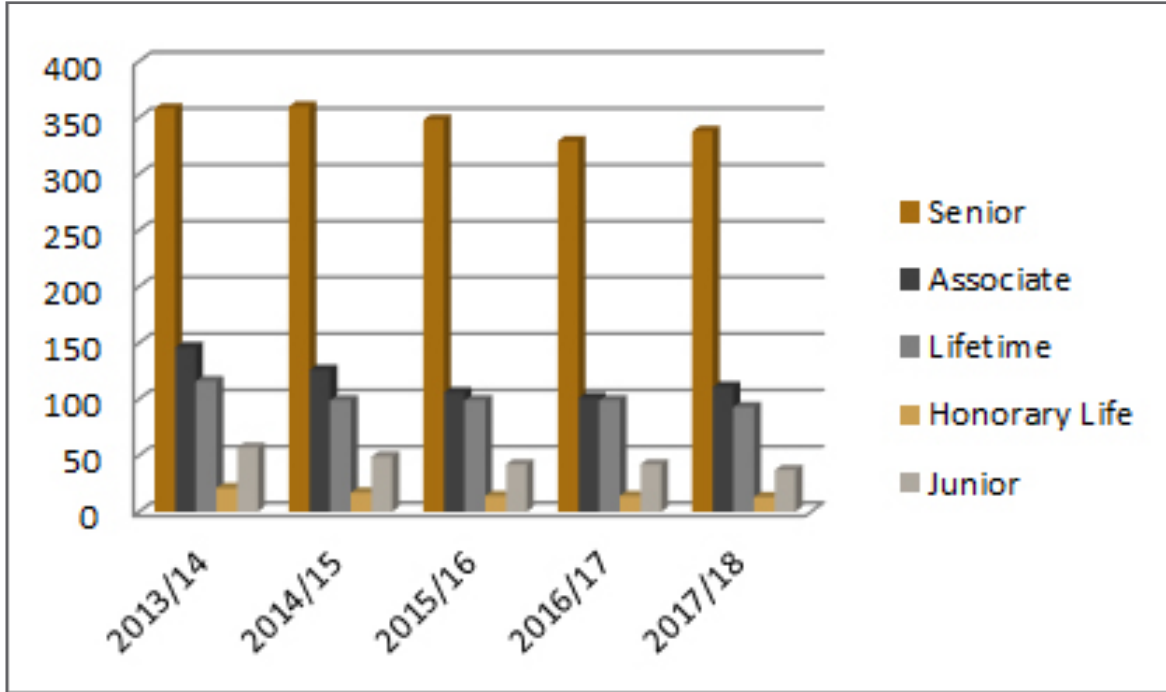
Registration Analysis

	2012/13	2013/14	2014/15	2015/16	2016/17
Male registrations	508	582	405	469	512
Female registrations	14890	11903	6949	11422	13076
All registrations	15398	12485	7354	11891	13588



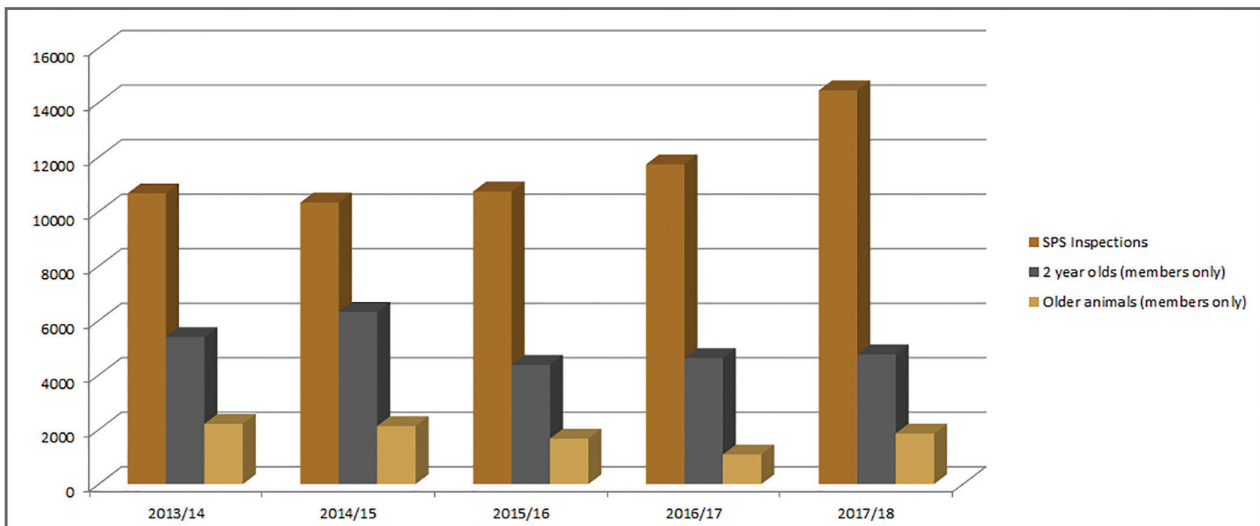
Membership Analysis

	2013/14	2014/15	2015/16	2016/17	2017/18
Senior	358	360	348	329	338
Associate	146	126	106	101	111
Lifetime	116	99	99	99	93
Honorary Life	21	17	14	14	13
Junior	57	49	42	42	37



Classification Numbers

	2013/14	2014/15	2015/16	2016/17	2017/18
SPS Inspections	10670	10334	10735	11732	14444
2 year olds (members only)	5392	6321	4377	4624	4757
Older animals (members only)	2212	2130	1670	1084	1857



**INDEPENDENT AUDITOR'S REPORT
To the Members of NZ Jersey Cattle Breeders Association
Incorporated**

Opinion

We have audited the special purpose financial statements of NZ Jersey Cattle Breeders Association Incorporated (the Association) and its subsidiary (the Group) on pages 7 to 18, which comprise the Group and Association balance sheets as at 31 March 2018, the Group and Association statements of profit and loss and statements of changes in equity for the year ended, and notes to the special purpose financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose financial statements of the Group and Association for the year ended 31 March 2018 are prepared, in all material respects, in accordance with the accounting policies as disclosed in Note 1 to the special purpose financial statements.

Basis for Opinion

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

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

Emphasis of Matter – Basis of Accounting and Restriction on Distribution

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

Responsibilities of the Board Members for the Financial Statements

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

In preparing the special purpose financial statements, the Board Members are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the special purpose financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Group and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the special purpose financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the special purpose financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for the audit opinion.

We communicate with the Board Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Crowe Horwath New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

Dated at Hamilton this 25th day of May 2018

Directory

New Zealand Jersey Cattle Breeders Association Incorporated For the year ended 31 March 2018

Nature of Business

Support of Jersey Cattle Breeding in NZ

Address

595 Ruakura Rd, Hamilton, Waikato, New Zealand, RD6

Incorporated Society Number

215333

IRD Number

011-209-963

Directors

Alison Gibb - President

Steve Ireland - Vice President

Tony Landers - Director

Peter Gilbert - Director

Glenys Ellison - Director

Barry Montgomery - Director

Chartered Accountant

PricewaterhouseCoopers (PWC)

Chartered Accountant

Bankers

ANZ Bank

Solicitors

Harkness Henry Lawyers

Auditors

Crowe Horwath New Zealand Audit Partnership

Hamilton



Approval of Financial Report

New Zealand Jersey Cattle Breeders Association Incorporated For the year ended 31 March 2018

The Board are pleased to present the approved financial report including the historical consolidated financial statements of New Zealand Jersey Cattle Breeders Association Incorporated for year ended 31 March 2018.

APPROVED

For and on behalf of the Board.

Alison Gibb

Date 24.5.2018

Trent Paterson

Date 24.5.2018

Profit & Loss Statement (Group)

New Zealand Jersey Cattle Breeders Association Incorporated For the year ended 31 March 2018

Account	2018	2017
Trading Income		
Annual Conference Income	35,866	23,630
TOP & Classifications	121,716	99,535
Contracting Income	72,600	75,045
Commission Received	87,449	46,067
Jersey Genome	5,000	16,720
Donations	10,018	-
Other Income	7,407	9,463
Registrations	108,185	110,375
Semen Sales & Royalties	111,775	76,228
Semex Competition	4,069	7,240
Souvenirs, Advertising & Publications	24,245	2,088
Subscriptions	54,287	54,430
Three Generation Pedigree Income	17,085	19,272
Total Trading Income	659,702	540,093
Total Trading Income	659,702	540,093
Other Income		
IRD Penalties & Fines Reversed	894	-
Bad Debts & Capital Recovered	1,726	1,226
Interest Received	9,726	9,106
Total Other Income	12,346	10,332
Total Income	672,048	550,425
Expenses		
Accounting and Audit Expenses	53,489	43,326
Accounting Depreciation & Amortisation	16,811	14,559
Annual Conference Expenses	53,006	20,196
Board & Custodian Costs	28,673	15,210
Commission Paid	56,462	22,508
Field Consultants Expenses	1,452	937
General Expenses	11,133	3,327
Genetic Programme Expenses	3,831	1,760
Honorariums	45,800	30,600
Insurance	4,764	6,629
Interest Expense	131	80
Legal Expenses	-	2,234
Office & Administration Expenses	49,173	39,105
Office R&M Expenses	10,469	2,348
Other Expenses	-	20,784
Personnel - Human Resource Expenses	4,634	8,854
Personnel - Salaries & Wages	244,586	190,251
Promotional Expenses	28,497	40,477
Semex Competition Expenses	4,601	1,834
Souvenir & Publication Expenses	18,558	4,154
Three Generation Pedigree	11,574	17,878
TOP & Classification Expenses	57,122	56,005
Total Expenses	704,766	543,056
Profit (Loss) Before Taxation	(32,718)	7,369

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



Statement of Changes in Equity (Group)

New Zealand Jersey Cattle Breeders Association Incorporated
For the year ended 31 March 2018

	2018	2017
Equity		
Opening Balance	478,402	471,033
Movement		
Profit/(Loss) for the Period	(32,718)	7,369
Total Movement	(32,718)	7,369
Total Equity	445,684	478,402

These special purpose financial statements are to be read in conjunction with the accompanying notes and auditors report
2018 Special Purpose Consolidated Financial Statements New Zealand Jersey Cattle Breeders Association Incorporated



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Balance Sheet (Group)

New Zealand Jersey Cattle Breeders Association Incorporated
For the year ended 31 March 2018

Notes 31 Mar 2018 31 Mar 2017

Assets

	31 Mar 2018	31 Mar 2017
Current Assets		
Cash and Bank	115,035	138,349
Accruals Income	-	478
Prepaid Expenses	-	6,262
Trade and Other Receivables	69,976	58,287
ANZ Term Deposit	290,170	290,170
Total Current Assets	475,181	493,546
Non-Current Assets		
Property, Plant and Equipment	8 107,616	102,347
Trophies	5,970	5,970
Website Development	-	7,850
Total Non-Current Assets	113,586	116,167
Total Assets	588,767	609,713

Liabilities

Current Liabilities		
Bank - Credit Card	4,803	-
Trade and Other Payables	15,941	77,278
GST Payable	33,638	27,650
Expenses Accrued	59,807	23,157
HP Liabilities	449	332
Deposits Received on Behalf	20,590	-
Income in Advance	7,855	2,894
Total Current Liabilities	143,083	131,311
Total Liabilities	143,083	131,311

Net Assets	445,684	478,402
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Equity

Accumulated Income	445,684	478,402
Total Equity	445,684	478,402

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



Profit and Loss Statement (Parent)

New Zealand Jersey Cattle Breeders Association Incorporated For the year ended 31 March 2018

	2018	2017
Trading Income		
Annual Conference Income	35,866	23,630
TOP & Classifications	121,716	99,535
Contracting Income	72,600	72,045
Jersey Genome	5,000	16,720
Donations	10,018	-
Other Income	7,407	3,750
Registrations	108,185	110,375
Semen Sales & Royalties	111,775	76,228
Semex Competition	4,069	7,240
Souvenirs, Advertising & Publications	25,320	2,088
Subscriptions	54,287	54,430
Three Generation Pedigree Income	18,391	24,524
Total Trading Income	574,634	490,565
Total Trading Income		
	574,634	490,565
Other Income		
IRD Penalties & Fines Reversed	894	2,734
Bad Debts & Capital Recovered	1,726	1,326
Interest Received	9,723	9,095
Total Other Income	12,343	13,155
Total Income		
	586,976	503,720
Expenses		
Accounting Depreciation & Amortisation	16,810	14,559
Insurance	4,764	6,629
Accounting and Audit Expenses	44,150	39,527
Honorariums	45,800	30,600
Personnel - Salaries & Wages	236,164	183,726
Personnel - Human Resource Expenses	4,634	8,854
Annual Conference Expenses	53,006	20,197
TOP & Classification Expenses	57,122	56,005
Promotional Expenses	24,794	38,079
Souvenir & Publication Expenses	18,558	4,154
Interest Expense	131	89
Legal Expenses	-	2,234
Board & Custodian Costs	28,673	15,210
Office & Administration Expenses	43,247	39,105
Office R&M Expenses	10,469	2,348
Three Generation Pedigree	11,574	17,878
General Expenses	10,074	3,327

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





	2018	2017
Genetic Programme Expenses	3,832	1,760
Semex Competition Expenses	4,601	1,834
Other Expenses	-	15,726
Total Expenses	618,402	501,841
Profit (Loss) Before Taxation	(31,426)	1,879

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





Statement of Changes in Equity (Parent)

New Zealand Jersey Cattle Breeders Association Incorporated
For the year ended 31 March 2018

	2018	2017
Equity		
Opening Balance	503,872	501,993
Movement		
Profit/(Loss) for the Period	(31,426)	1,879
Total Movement	(31,426)	1,879
Total Equity	472,446	503,872

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

2018 Special Purpose Consolidated Financial Statements New Zealand Jersey Cattle Breeders Association Incorporated

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Balance Sheet (Parent)

New Zealand Jersey Cattle Breeders Association Incorporated As at 31 March 2018

	NOTES	31 MAR 2018	31 MAR 2017
Assets			
Current Assets			
Cash and Bank		86,051	114,433
Accruals Income		-	478
Prepaid Expenses		-	6,262
Trade and Other Receivables		68,824	42,516
Jersey Marketing Services		-	17,611
ANZ Term Deposit		290,170	290,170
Total Current Assets		445,045	471,470
Non-Current Assets			
Property, Plant and Equipment	8	107,616	102,347
Shares - Jersey Marketing Services Ltd		35,000	35,000
Trophies		5,970	5,970
Website Development		-	7,850
Total Non-Current Assets		148,586	151,167
Total Assets		593,632	622,637
Liabilities			
Current Liabilities			
Bank - Credit Card		4,803	1,670
Trade and Other Payables		15,301	59,901
GST Payable		32,970	26,340
Taxation Due		-	4,471
Expenses Accrued		59,807	23,157
HP Liabilities		449	332
Income in Advance		7,855	2,894
Total Current Liabilities		121,185	118,765
Total Liabilities		121,185	118,765
Net Assets		472,446	503,872
Equity			
Accumulated Income		472,446	503,872
Total Equity		472,446	503,872

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





Notes to and forming part of the Financial Statements

New Zealand Jersey Cattle Breeders Association Incorporated For the year ended 31 March 2018

1. Statement of Accounting Policies

Reporting Entity

These special purpose financial statements comprise New Zealand Jersey Cattle Breeders Association Incorporated and its subsidiary Jersey Marketing Services Limited (together the 'Group'). New Zealand Jersey Cattle Breeders Association is a not for profit Incorporated Society registered under the Incorporated Societies Act 1908. The consolidated Group Financial Statements are a special purpose report that has been prepared as required by the Rules of the Association for its members and internal management purposes. The accounting policies are not in conformity with generally accepted accounting practice. Accordingly the financial statements should only be relied on for the expressly stated purpose.

Measurement Base

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

Specific Accounting Policies

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

(a) Revenue Recognition

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

(b) Receivables

Receivables are stated at their net realisable value.

(c) 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 Limited is liable for income tax. Provision is made for taxation after taking full advantage of all deductions and concessions permitted using the taxes payable method.





(d) Property, Plant and Equipment

Property, plant and equipment is recognised at cost less aggregate depreciation. Historical cost includes expenditure directly attributable to the acquisition of asset and are eligible for capitalization when these are incurred.

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

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

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

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

(e) Investments

Investments are valued at lower of cost or market value.

(f) Goods and Services Tax (GST)

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

(g) 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.

(h) 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.

(i) Expenditure

Expenses have been classified on their function.

(j) Accounts Payable

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





(k) Bank Accounts and Cash

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

2. Related Party Transactions

During the year there were transactions between the Board Members of New Zealand Jersey Cattle Breeders Association Incorporated and the reporting entity. These include the use of Association Services including: membership subscriptions, registrations, TOP & Classification, Three Generation Pedigrees, Purchase of Jersey Future Semen, Jersey Genome Programme, allowances and reimbursement of expenses for 2 directors who are TOP Inspectors, competition entries, advertising in publications, and the sale/purchase of stock through Jersey Marketing Services Ltd. These included sales and purchases of goods and services on an arm's length basis at market rates. The total remuneration paid to Board Members during the year was \$45,800 (2017: \$30,600)

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 \$1,250 by New Zealand Jersey Cattle Breeders Association Incorporated for services provided and management fees (2017: \$3,000).

3. 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 account, theft, and dishonesty using documents over a seven year period. The total amount stolen was approximately \$312,000.

Included in income for the year to 31 March 2018 is an amount of \$510 (2017: \$100) which was recovered from Jennifer Taylor.

4. Contingent Liabilities

There are no contingent liabilities as at 31 March 2018 (2017: NIL)

5. 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

6. Bank Overdraft

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





7. Deed of Licence

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

The interest is subject to a Deed of Licence signed 26 November 1993 and was operative 11 October 1993. The value of the interest is held at cost less allowable depreciation within Property, Plant and Equipment, Building and Improvements, based on the occupied floor areas 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.

8. Property Plant & Equipment

As at 31 March 2018

	Cost	Accumulated Depreciation	Closing Value	Depreciation for the Year
Office Equipment	18,050	8,103	9,947	1,035
Building & Improvements	134,407	44,334	90,073	2,562
Computer Equipment	24,099	24,099	-	-
Motor Vehicles	36,348	36,348	-	4,944
Leasehold Improvements	7,875	279	7,596	279
	244,023	101,073	107,616	8,820

As at 31 March 2017

	Cost	Accumulated Depreciation	Closing Value	Depreciation for the Year
Office Equipment	25,958	21,189	4,769	2,268
Building & Improvements	134,407	41,772	92,635	2,345
Computer Equipment	24,099	24,099	-	94
Motor Vehicles	36,348	31,405	4,943	7,852
	220,812	118,465	102,347	12,559

2018 2017

9. Jersey Marketing Limited Tax Reconciliation

Operating Surplus (Deficit) Before Tax	1,292	5,490
Timing Differences		
Losses Carried Forward	126,894	132,262
Total Timing Differences	126,894	132,262
Permanent Differences	-	(122)





	2018	2017
Taxable Profit/(Loss)	1,292	5,368
Losses Carried Forward	125,602	126,894
Deductions from Tax Payable		
RWT Paid	(1)	(3)
Total Deductions from Tax Payable	(1)	(3)

10. Subsequent Events

No Significant events have occurred between balance date and the audit report date that would have a material impact on the consolidated financial statements.

11. Capital Commitments

There are no capital commitments (2017: nil)



General Manager's Report

Over a year after our rebrand it is nice to reflect on the effects on the organisation brought about by the new focus on strategy and values, and the increased level of professionalism that the new branding brings to our communications and publications. One of the special aspects of our values is that they apply across all facets of the organisation – the cow, the Board and the Jersey NZ team – with a slightly different focus for each. For the Jersey NZ team the values of sustainable, quality, integrity and collaborate resonate on a day to day basis and remain the focus of our operations.

In the latter half of 2017 we were finally able to update the Jersey NZ offices. Long overdue, the new paint, carpet, desks and values based artwork have succeeded in the goal of providing the Jersey NZ team with a bright, modern, flexible workspace. There is more to come with artwork taking a modern approach to our history, and the installation of AV equipment in the meeting room to allow for remote meetings to take place.

There have been a couple of changes to the Jersey NZ team following a period where we were not at full strength in the latter part of 2017. Samantha Thornborough moved on looking for a clear career path, and the decision was made to employ a Business Administrator. This meant that we have brought responsibility for the day to day accounts operations back into the office. Finding the 'right fit' for the team with the right skills proved to be harder than anticipated, and Jackie Kennedy rejoined the team on a temporary part time basis for three months to give us some breathing room. Stacey Allen then joined the team as full time Business Administrator in January, and is taking control of her role with relish. We employed a student part-time through the summer period who was successful in transferring all membership and organisation records into electronic format, assisting towards our sustainability goal of becoming a paperless office.

More recently contractor Josh Herbes has joined us for one day a week specialising in graphic design, website and social media. We hope that you have noticed an increase in our social media presence and improvements to the website. We anticipate that Josh can give us some more hours in the near future. All of the team (except Josh) will be in attendance at the Annual Conference where we hope to continue building relationships with members.

Our team continue to work alongside the appropriate Committees as aligned to their roles, and provide administrative and operational support to the activities of those Committees. Administrative support continues to be provided to Ayrshire New Zealand and the New Zealand Milking Shorthorn Assn under the respective Memorandums of Understanding, relating to the equivalent of one full time staff member.

From a management perspective, significant work has been completed on a review of all breed research data; an organisational gap analysis; a review of all trophies and awards; and the implementation of a comprehensive set of guidelines for Committees to support their structure. More recently, considerable focus has been on the updating of the breed booklet as we start to implement our 'members as advocates' call to action which has included the successful herd signs promotion. The booklet will also be available as an e-book on the website and spells out the Jersey advantage very clearly.

Changes to the timing of the Jersey FOCUS have been well received by members, and as the magazine continues to improve we are heartened by the response we are receiving to each issue.

DIGAD (Dairy Industry Good Animal Database) continues to drag on, with no final solution yet decided for Breed Societies. If unresolved, this has the potential to cause market failure for our organisation, but the Breed Societies continue to work alongside DairyNZ on a solution that will potentially be led by Holstein-Friesian NZ. Crunch time is fast approaching, we will keep members abreast of any developments.

Thank you to Alison as President, and all Directors and members for their continued support. We are a small team with limited resources and a big message to sell – getting 'bang for our buck' means that the Board and management continue to explore innovative ways to get our message across.

Finally, I would like to acknowledge the support and dedication of your Jersey NZ team – Angela Makara, Melissa Goodman, Stacey Allen and Josh Herbes. You all embrace the strategy and embody the values with dedication, professionalism and a great sense of humour. As General Manager I am proud to have you all on the Jersey NZ team.

Pam Goodin
General Manager



Pam Goodin
General Manager

Recommendation of Director - Expenses Review Committee

Following a meeting with management and reviewing all the relevant information, we the Director Expenses Review Committee recommend that there be no change to the current range of Director entitlements.

It is pleasing that all Directors have submitted claims for their full honorarium entitlements this year.

A significant increase in Board meeting expenses is noted for the 2017/18 year. This increase includes expenses from the previous year that were submitted late; a facilitated strategy session; and two meetings held offsite (Hawera and Invercargill) where Directors were able to meet with members.

In conclusion, the Director Expenses Review Committee feels that the changes made to remuneration for the 2017/18 were well received by Directors, are a significant move towards a more accurate reflection of the contribution of Directors, and are easier to administer from an operational perspective.

Rob Farley and Euan Reeve
Director Expenses Review Committee



Rob Farley



Euan Reeve

	RECOMMENDATION FOR 2018/19	ACTUALS FOR 2017/18
HONORARIUMS	THIS YEAR	LAST YEAR
1. Base Honorarium	\$6,500.00	\$6,500.00
2. President (extra)	\$5,000.00	\$5,000.00
3. Vice President (extra)	\$1,800.00	\$1,800.00
TOTAL ELECTED DIRECTORS HONORARIUMS	\$32,800.00	\$32,800.00
4. Appointed Director	Board discretion	Board discretion
DIRECTOR MEETING EXPENSES		
5. Travel (for own car)	Included in base honorarium	Included in base honorarium
6. Airfares	Reimbursed	Reimbursed
7. Board Meetings	Included in base honorarium	Included in base honorarium
8. Meeting accommodation	Bed & breakfast plus \$30 evening meal allowance	Bed & breakfast plus \$30 evening meal allowance
9. Sub-committee of Board	Included in base honorarium	Included in base honorarium
10. Member representation days, meetings. Training days, Dairy Industry Meetings (including DIGAD & AEL), TOP Advisory Days and membership specific meetings (including all relating to Governance Review and Specialised projects as needed)	\$100 per day, \$0.35 cents per kilometre car allowance, Airfares & Motel expenses (all subject to prior Board approval)	\$100 per day, \$0.35 cents per kilometre car allowance, Airfares & Motel expenses (all subject to prior Council approval)
11. Royal Show	Board discretion	Board discretion
12. R.A.S meetings	Board discretion	Board discretion
13. W.J.C.B Meetings	Board discretion	Board discretion
BOARD MEETING EXPENSES (ACTUAL)		\$23,553 (\$8,377 2016/17)
TOTAL BOARD EXPENSES (ACTUAL)		\$45,800 (\$30,600 2016/17)

Industry Affairs Committee

MEMBERS:

Alison Gibb, Julie Pirie, Glenys Ellison, Pam Goodin, Scott Townshend, Toby Sneddon, Clive Perrott, Warren Berry, Roger Ellison (convenor).

MEETINGS AND ATTENDANCE:

The Industry Affairs Group met four times during the year and also was in contact by phone and email between meetings.

Total attendance over the 4 meetings (June, November, Feb, April) = 86%. Committee member engagement has been excellent and lots of progress made.

TOPICS ADDRESSED:

Topics addressed over the year included:

- NZAEL issues
- Production Worth (PW)
- The Environment
- Bobby calf, Jersey cross beef, perception Jersey calves are difficult to rear
- Fonterra payment system
- Engagement with key industries
- Developing Terms of Reference for Industry Affairs
- Committee Guidelines and code of conduct was introduced.
- Communication to and from membership

1. NZAEL issues

Two meetings were held with Jeremy Bryant, Manager NZAEL. Melissa Stephens also attended the second meeting. These were very open, constructive meetings where we discussed the outstanding unresolved issues, what was happening to try and resolve these and how can we at Jersey NZ assist in the solving of some of these.

Specific issues discussed included:

Reproof bias where bull BW significantly drops from the initial sire proving proof. A major reason for this problem is the poor quality of data recorded in many herds. Refer to March 2018 Jersey Focus page 46-47 for more detail.

National genomic platform where genomic testing is standardised and NZAEL has access to this data. Currently most genomic testing is done by LIC and CRV Ambreed. It is believed that bringing this under one umbrella will result in faster development and ultimately greater accuracy and adoption.

NZAEL is pursuing this possibility with LIC and CRV. The Industry Affairs committee recommended to the JNZ Board that it endorse the development of such a database.

The Jersey NZ Board accepted this recommendation.

VCR change (payment of fat relative to protein). Until recently economic values for fat and protein that are used in BW have been based on a 5 year rolling average. This has been changed to a 3 year rolling average which lines more closely to what dairy companies do. This will mean that the current increase in value of milk fat relative to protein will flow through to bull proofs faster. The Jersey breed will benefit from this.



Roger Ellison
Industry Affairs Convenor

Herd tests – four per season, and fate recording. To maximise the quality of NZAEL data outputs, it requires a lot of herds to herd test at least 4 times and to accurately record why cows are leaving the herd. Both these are trending downwards which is of concern. It impacts on the accuracy of bull proofs (see reproof bias above).

NZAEL fertility model – further work is ongoing with this to improve accuracy and is envisaged that the update will be available for release in Feb 2019. Is looking positive for Jersey.

How can JNZ members assist NZAEL (and consequently themselves with more accurate NZAEL outputs). By doing a good job recording calf dams and mating data, recording reasons for cows leaving farm, and doing 4 herd tests a season. In addition, getting the whole contemporary group TOP inspected (rather than just a proportion) is critical for good bull proof TOP outputs. If you are thinking of getting offspring DNA verified, then an added benefit is that it will help improve the reliability of bull proofs.

2. PW

This has been an ongoing issue that was reported in the 2016 and 2017 annual reports. Over the year, there have been several discussions with LIC to encourage inclusion of the other efficiency traits in PW that were missing (which was hurting Jersey). These were SCC, BCS and Fertility.

SCC was included in PW in February 2018 which resulted in an overall small but significant lift in PW of Jerseys relative to Friesians and crossbreds. This reflected the lower incidence of clinical and subclinical mastitis in the Jersey breed.

This was good progress but it still leaves BCS and fertility to be added. The Industry Affairs group still has a goal to get BCS and Fertility included in PW so that the index truly reflects what it is meant to predict – the net profitability of a cow during its lifetime whilst consuming 5t DM/year. We will continue our discussions with LIC in the hope including these remains a priority.

continued over

Industry Affairs Committee *continued*

We have also discussed the value of PW in young stock, prior to first calving, as it has only a 12% reliability. We question its value and whether it should be included as we know it is being overemphasised by farmers buying stock and agents.

3. The environment and the role of the Jersey cow/farmer

This is a complex area, which makes it critical that we work according to our modus operandi – get the facts before taking any action. In this regard we invited Dr Bruce Thorrold, DairyNZ to outline the issues and what things dairy farmers may do to mitigate these effects. This discussion occurred at our last meeting in April. We will follow this up with environmental regulators (regional councils).

Our desired outcome is to define the Jersey benefits and risks regarding the environment so the benefits can be promoted and risks mitigated. The inherent efficiency of the Jersey cow means that it has advantages in terms of Kg CO₂/kg MS and /ha. This is great but reality is that we will need to implement additional things (like feeding methane inhibitors, using antimethane vaccines and feeding plants like plantain) if we are going to significantly contribute to decreasing our environmental footprint by 30% from 2005 levels by 2030. The message from Bruce was: don't panic, only small adjustments will be needed in the next 2-3 years but also, keep abreast of what is happening and ensure your business is in good heart/resilient.

There is a lot more work for us to do in this area and messages to be sent out from Promotions.

4. Bobby calves, Jersey cross beef and perception that Jersey calves are difficult to rear.

This is the Industry Affairs committee's next work-on after the environment. We see this area as a significant achilles heel for Jerseys. There are a lot of positive things happening for Jersey at the moment but this is a significant anchor. Again we will be getting the facts by talking to Beef and Lamb, people with interest in Wagyu cross cattle (processors and farmers) and breeders of Jx Angus calves. And, through Promotions, we will publicise the facts about rearing Jersey calves to try and counter some of the misconceptions in the industry.

5. Fonterra payment system

The Industry Affairs Committee has spent quite a lot of time this year making sure we understand how VCR is derived – so that we can decide if we have confidence in the system or, if not, what questions do we need to raise. We talked to the head of this section at Fonterra, Auckland and also with a recent senior Fonterra employee of this section.

We concluded that the mechanism of calculation is fair and robust but there are some nuances relating to when products are paid for relative to GDT results that can

make the calculation look different to what is expected. See March 2018 Jersey Focus page 46 for detail. These 'abnormalities' should 'correct' as we move forward over the next year or so. It is clear that, for the foreseeable future, Jersey milk is going to be of higher value than HF and crossbred milk due to the high fat value and positive volume adjustment. It is predicted this will be about 18cents next season (J versus HF milk).

6. Engagement with key industries

Over the year we have engaged at meaningful levels with NZAEL, DairyNZ and LIC. Individual members have also had contact with CRV-Ambreed, Massey University, and AgResearch. Industry engagement is on-going and will be expanded next year. Without exception, these contacts have been very beneficial to us. I believe we are gradually developing a reputation of working with integrity and honesty and that we actively look for ways both parties can benefit.

7. Developing committee processes

The Board, with initial input from Industry Affairs, has provided the committee with a Terms of Reference (Guiding principles) to guide us in our work. This has assisted us to develop our modus operandi and set our goals. Our overall focus is to assist in achieving the JNZ vision 'Jersey – No. 1 Breed'

There is also a set of committee guidelines to assist us in the day to day management of the group.

8. Communication to and from JNZ members

During the year, the Industry Affairs committee contributed an article in each of the Jersey Focus magazine. These articles outlined the activities and achievements of the committee. There has also been an occasional short communication in the Jersey Update email.

This annual report is another way this committee communicates to members.

The role of the committee is also to seek ideas from JNZ members. We had a feedback meeting in Te Awamutu in June 2017 for this purpose which provided us with some suggestions to work on – mainly Fonterra payments and NZAEL issues. The AGM is another communication forum for the exchange of information and ideas.

Roger Ellison
Convenor Industry Affairs Group

TOP & Judges Committee Report

JUDGES

The first challenge this year was to revamp the Jersey NZ Judges Manual. A few discrepancies had been pointed out to us in this publication and we were able to correct these and improve it.

We also restructured the points awarded on judging certification days. It was felt that we needed to increase the points awarded for reasons and explanations, given to justify placings. We felt that it was still most important to place the animals correctly, so maintained placement at forty points, but by removing ten points collectively from Ring-craft, Time taken, Confidence, General appearance, Image and Conduct we were able to give Explanations and Reasons a lift to thirty points (up from twenty). This change gives us in a very similar judges criteria to the other dairy breeds.

We also clarified the rules for the Holly Geck and Marcus Trotter Showing competitions for younger members. My observation has been that over zealous parents, particularly mothers, can create some challenging moments in these showing competitions.

Thank you to my judges committee members, Peter Gilbert, Ross Riddell, Richard Adam, Christina Jordan and James Wallace for their input and collaboration on these matters.

Three judging schools were held throughout the country in early March this year. Two of these, one at Nick and Steph Browning's in Northland, and one at Lance Williams/Karen Fitzgerald's in the Manawatu were held in conjunction with Ayrshire NZ. Extremely successful and well attended days. My thanks to all who contributed to the success of these days by providing stock for judging or by leading on the day. A special thanks to the owners for making their properties and facilities available.

A third judging school was held in Southland when the directors convened their Board meeting to Invercargill. Many thanks to Graeme Smith and Debbie Mercer for making their stock and facilities available for this event, which was conducted solely by Jersey NZ. A good turnout of younger participants, both members and non-members added to the success of this evening run, judging school.

A fabulous barbecue, potluck dinner followed. Thank-you Southland members.

My congratulations to all new judges who passed to a level of certification and to all senior judges who re-certified. My thanks also to Vince Steiner [Ayrshire NZ] and Peter Gilbert who contributed as over-judges on their respective days. It is pleasing to see some Jersey clubs organising informative, learning days for members and non-members on judging criteria.

The interest shown by many young and not so young attendees as to what constitutes good dairy conformation indicates a desire to educate themselves in this area of knowledge. If you are keen to learn and ultimately become a judge, take the opportunity to attend our judging schools. Contact the office or our judges committee to indicate your interest.

We had the opportunity to appoint Nick Browning of Totara Dale Jerseys, Northland as an Associate Judge in the Jersey ring at the NZ Dairy Event in Fielding. His conduct and performance received warm praise from Mr Robert Anderson, the Jersey judge from Victoria, Australia. This concept of placing an associate judge in the ring at a major show, gives this person the opportunity to observe and learn, without being placed under the pressure that comes with being responsible for final placings. It is a practice we shall continue.

My thanks to Duncan Pipe for judging the Jersey Semex on Farm Competition. Duncan accepted the invitation to fill this role when we were unable to procure a Jersey judge from our own ranks, with all our senior judges unavailable.

Finally a thank you to all judges who have given time and expertise, by judging at shows and On Farm Competitions throughout the year. Your efforts are much appreciated by many organisations and Jersey clubs around the country.



Barry Montgomery
TOP & Judges Convenor

TOP & Judging continued over

TOP & Judging continued ...

Weather and on farm pressures presented some challenging conditions for the early to mid -September SPS herd inspections. Considering the extreme wet that had pervaded through the winter and early spring, most inspected heifers had come through in reasonable condition. My special thanks to all TOP inspectors for their commitment to the workload at this stressful time. The SPS contracts have considerable value to our organisation, making your efforts much appreciated.

Robert Hall stepped into the role of TOP Co-ordinator and with close collaboration with Melissa at the office organised the TOP and Classification tours.

Melissa's enthusiasm and growing appreciation of the classification portfolio is becoming an asset to the organisation. Early classification workshops were held in the Waikato and Northland. Combined with Ayrshire NZ they were well attended and served as a very useful tool in getting classifiers up to speed. Thanks to Robert and Peter Gilbert for their involvement.

Our new classifiers Katherine Tucker, James Wallace and Ross Morton stepped into the role and acquitted themselves well.

TOP training and certification days were held in the Waikato this autumn with more new faces prepared to make an attempt at gaining certification. Congratulations to James Wallace on gaining a four year pass and to Karen Fitzgerald on gaining certification. Good to see Brian Nesbit re-certified. Welcome back Brian.

Our TOP inspectors/classifiers carried a heavier workload this year. SPS numbers were up from 11,732 inspections to 14,444 inspections. Classification of members herds resulted in 4,757 two-year-old heifers classified compared to 4,624 last year. Four year old or older inspections totalled 1,857, up from 1,084 in the previous year.

Classification and TOP inspection contribute very positively to our organisation's financial position.

In early April, I conducted a ten-point survey of our classifier's opinions on issues pertaining to their position. I wanted to gauge their feeling for a possible change in the delivery of their role.

I have raised at board level the possibility of creating a group of senior, experienced classifiers who are prepared to be available at all times through the TOP/Classification window.

With more of our senior classifiers becoming less constrained by personal commitments [resale of herds, farms etc.] they have indicated their willingness to be available. If this concept were to evolve, I envisage it having or being a vehicle to deliver a degree of PR work. It is a great opportunity to make contact with our membership if they desire it.

At the time of writing of this report, early May, the feasibility and financial implication of any change is still under consideration. Your board will have the matter up for discussion at its May meeting.

Members will be aware that the current platform for TOP (handheld units) will not extend past the 2018 season. Breed Societies are exploring a new platform alongside a Breed Society solution for the Dairy Industry Good Animal Database for the 2019 season. As part of this, discussions are also taking place on the potential to standardise awards, but this will be dependent on programming costs.

Finally, a few thank yous. To my committee of Peter Gilbert, Graeme Collins, Robert Hall and Maurice Pedley for their support throughout the year; to Melissa Goodman in the office and to all our classifiers for carrying out their roles with a great deal of expertise.

Barry Montgomery
TOP & Judging Convenor

Promotions & Marketing Committee Report

Following the launch of the rebrand last year all forms of communications from the office needed to be updated to reinforce the new brand. As it was 30 years since the last office upgrade this was an opportunity to rebrand the Jersey NZ office reflecting the new graphics and displaying the values both in the office and Board room.

The Jersey Review became the Jersey Focus under the new logo and the magazine goes from strength to strength as the editorial team strive to provide the membership with a wide range of articles such as bull information, scientific interest, adult and youth member profiles, events and show results. We have received a number of comments regarding the magazine including this from Peter Larsen, Jersey Breeding Manager of Danish Jerseys, who wrote:

"Just received "Jersey Focus" last week. What a great magazine – wish we could do the same. An excellent mix of very good articles, breeding specific items, interesting news and what's going on in relation to Jerseys. By far the best Jersey journal worldwide!"

With the increased payment for Fat and the Fonterra announcement to market A2A2, the Jersey breed is sitting in a very strong position thus providing us with an excellent opportunity to market the breed. Both this committee and the Board have explored numerous ways to achieve this: some high flying and requiring a large injection of cash and others very achievable on a limited budget.

Social Media:

Facebook, like it or loathe it, is still the cheapest form of advertising. The benefits are its ability to reach a wide range of audience particularly when our members "like" or "share" articles posted by Jersey NZ. Recently Josh Herbes was employed one to two days a week as a contractor to provide the social media, website and graphic design expertise and assist us to deliver a planned promotional campaign. You will have already noticed the increased presence on social media and the development of on line voting for the photographic competition.

Advertising:

A number of advertisements have appeared in the farming magazines.

Newspaper articles:

Articles have been printed in various publications including a wrap up of the Jersey Pride sale in 2017, and more recently an article on Matthew & Emma Darke and their OAD herd. Roger Ellison recently wrote an article entitled "Fat is Back" which was printed in the NZ farmer. Other articles were submitted by the office but at the discretion of the publishers these were not printed.

Farm Signs:

New farm signs have been designed in line with the new logo and a number of members are now displaying these. A Farm sign promotion has been launched encouraging more members to purchase these and display their pride that they own a Jersey herd. We are currently exploring the use of these graphics to produce vehicle signs for your farm vehicles.

Jersey Booklet:

The promotional Jersey booklet has been rewritten updating the information and citing all research references. This will be used to promote to rural professionals the benefits of the Jersey breed and is a useful tool for members to use to give to their neighbours to help spread the word.

Promotional signs:

Roadside signs have been developed for use to promote Jerseys to the general public and will be placed roadside for events and later used on roads leading to the Field days.

Jersey Future:

An excellent opportunity to sell Jersey semen to interested parties at a very reasonable price and to bring them on board as new members for the association.

Everything Jersey:

We are continually developing strategies to maximise the Jersey exposure, one recently is to get Fonterra to have a breed specific part to the fencepost jobs and link it with the JNZ website to get the best farm staff for Jersey farmers.



Colin Hickey
Promotions & Marketing
Convenor

Colin Hickey Promotions & Marketing

Genetics Report

It is fair to say the Jersey revolution is well under way in New Zealand.

Fat is no longer a dirty word. For over 20 years protein has been put up on a pedestal and fat dismissed as simply a worthless commodity.

The Jersey breed has struggled through all sorts of bias within the economic model, some of you would say it could have been politically motivated, plus incorrect calculations (for example) of estimated Jersey mature live weights alongside underestimated mature live weights for Holstein.

The increased value for milkfat has been a shot in the arm for Jersey. Jersey now occupy 50% of the all breeds RAS list.

The Jersey story doesn't stop there. We will see some continued momentum as the current VCR (value component ratio) in BW sits at .89. The upward shift in VCR was partly a result of a shortening from five years rolling average to three years. There's still a lag there and combined with Fonterra's rolling average for product value, we are positioned to see more lifts in VCR over the next few years.

There are signals we could also see more efficiencies contributing to Jersey gains within the evaluation model.

Great news for Jersey, not so for the other dairy breeds!

There has already been mention of pushback from Holstein breeders. If we see overwhelming dominance of Jersey genetics within the model, AEU could come under pressure to preserve farmer acceptance of BW especially where Jersey only occupy 10% of the national cow population.

We have to acknowledge Jersey breeders have continued on with significant investment within their herds through somewhat testing times. Passion, perseverance and belief has ensured high levels of genetic gain for Jersey.

We also need to acknowledge the continued support from both main breeding companies LIC & CRV Ambreed. Working closely with breeders and investing in Jersey programs will ensure Jersey prosperity.

Continued investment will be required for our breed to adapt to future challenges. Jersey NZ's joint venture programmes with LIC's Jersey Future and CRV's Jersey Genomes will continue to contribute significantly. Breeder investment in embryology, plus LIC's Jersey Journey project has pushed the level of genetic gains forward. The genomic platform for Jersey needs to grow to increase accuracy and reliabilities, particularly for more genetically diverse animals.

Of concern, has been the drop in Jersey bull intakes into PT schemes. We need an upward shift in Jersey semen usage to increase investment within Jersey genetic programs. It is imperative that we lift our game to endeavour more farmers tick Jersey as their breed of choice. It is imperative as breeders and Jersey NZ members, that we all share the responsibility of proving young bulls to ensure we can enjoy the benefits of leading genetics in the future.



Steve Ireland
Genetics Convenor

Proving young Jersey sires is still the one of the most important avenues of genetic gain for Jersey.

Our partnership with LIC offers the opportunity to increase the number of young Jersey young sires in progeny test.

The 2018 Jersey Future bull team consists of six outstanding young bulls. All come from solid cow families. The dams average 209BW and 307PW they average 7.3 UO and 7.8 DC scores.

The bull team averages 0.41 Overall opinion BV, 0.50 UO BV and 1.45 % Fertility BV

Three of the bulls rank very high on BW and the other three bring valued genetic diversity and average 1% inbreeding while the national Jersey population has an increasing inbreeding level of 4.9%

Who will be the next Judds Admiral or Okura Manhattan? Both were sired from great New Zealand cows and sired by an overseas outcross sire.

The Jersey Future Program has been identified as a logical avenue to prove genetically diverse sires. Consider this option when making mating decisions and offering elite young sires to breeding companies.

Please your investment in this program is important!!!

Congratulations goes out to breeders of the top 2017/2018 graduated RAS list Jersey sires.

Amazingly sixteen 14 code bulls graduated onto the top 30 Jersey RAS list

As I write this report 314052 Crescent Excell Misty, and 314022 Linan Integrity Winston, fight it out for the JT Thwaites Sire of the season award.

Misty Excells in large size -17 kgs BV live weight and 0.91 BV capacity combined with good fertility, SCC and udders and BW of 270 suggests he will prove extremely popular for most Jersey and Kiwi cross dairy farmers in NZ.

continued over

CRV/JNZ Jersey Genes® New graduates 314515 Puketawa King Carrick JG and 314531 Pukeroa Gunn Walker are notable first proof bulls, particularly Walker for his diverse paternal lines. He is yet to break over the 75% REL threshold.

Another piece of good news for Jersey is Fonterra's interest in A2A2.

Jerseys have the highest prevalence of A2A2 is for the major dairy breeds. The national Jersey population reported to be 66% A2A2 compared to 44% for Holstein.

Fonterra are yet to communicate details of A2 milk supply. Talk has been that opportunities are potentially limited. We need to be mindful that a consequence of selection of only A2A2 variance, higher inbreeding levels could eventuate along with a reduced rate of genetic gain through excluding high ranking A1 genetics. We keenly await Fonterra's directives/communication.

JERSEY FARMERS, GO FORTH

"EDUCATE, ADVOCATE AND RE- POPULATE"

Steve Ireland
Genetics Convenor

Genetics team: Steve Ireland, Tony Landers, Barry Montgomery, Trent Paterson, Ross Riddell, Toby Sneddon.

Jersey Marketing Services Ltd Report

Jersey Marketing Service has traded profitably in the 17/18 financial year.

While milk payments to dairy farmers are presently at satisfactory levels, they are not reflected in cow prices. It would appear that political and environmental issues are weighing heavily on farmers' confidence. The paddock market where most transactions are traded would best be described as flat while the annual auction prices are quite buoyant.

The decision was made to take the JMS administrative function out of the Jersey NZ office and passed to Letitia Buckle. This has alleviated the pressure on staff at critical times of the year and given more independence to JMS and its two agents.

The cattle trading scene has changed quite dramatically where modern technology such as Facebook is now playing an increasing role. JMS has yet to fully utilise these mediums.

JMS is seen as specialising in Jersey cattle sales but the name is restrictive in the wider market. A possible name change is necessary if we should choose to expand.

The major advantages that the Jersey breed has at the present time such as the increased fat value, decreased environmental foot print, high percentage of bulls on the RAS list are not being reflected in increased Jersey trading, something we look forward to.

JMS appreciates your support and should be seen as the first port of call for cattle trading amongst our membership and preferably beyond.

My thanks to Grant Aiken our Whangarei agent, and hope that we will both be back fully functioning in the next year.

Ross Riddell
Business Manager - Jersey Marketing Services Ltd



Ross Riddell
Business Manager

Conference Committee Report

This committee was formed after the last conference with volunteers and staff from the office. The plan is to have an experienced committee to run the conference from year to year to ensure a professional conference is provided to the membership.

The plan is that at least 50% of the committee will stay on from year to year to maintain the wealth of experience that has been gained.

It is also planned to use members local to the conference to provide local knowledge, this hasn't happened as much as we hoped this year but will happen more as the committee gets more experienced.

Communication has been by teleconference approx. once a month with follow up emails between the teleconferences, this has worked very well.

The committee consists of;

- Marian Wallace – Chair
- Pam Goodin – Secretary
- Alison Gibb – Keynote speakers and sponsorship
- Marion Johnson – Workshops and merchandise
- Ross Turner – Workshops and speakers
- Angela Makara – Venue, budget entertainment, corporate sponsorship and merchandise
- Karen Fitzgerald – Sponsorship and venue
- Gail Gray



Marian Wallace
Conference Convenor

The committee have worked very well together and have hopefully put together a great conference for 2018.

Marian Wallace
Conference Committee Convenor

Youth Committee Report

After the 2017 AGM the Board decided to form a Youth Committee., Members of this Committee are Euan Reeve, Julie Pirie, Matthew Satherley, Nick Browning, Corey Ferguson, Graham Wallace and myself.

Our main focus this year has been the Youth Heifer Raffle. The idea of the raffle is to raise funds to help send a Young Jersey NZ Member to the Youth Symposium to be held in conjunction with the World Jersey Conference in USA in June 2018.

Congratulations to Joanna Fowlie who successfully applied for this trip. I hope you have a fantastic time and get true value from your experience. I would like to sincerely thank all members who put forward calves for this raffle and feel we have a good range of genetics in the final draw. Also, thanks to all members who have supported this raffle with buying tickets.

If anyone has some innovative ideas for a fund raising venture to support our Youth, please let us know. In supporting the Youth of our organisation we are helping to ensure our future.

Peter Gilbert
Youth Committee Convenor



Peter Gilbert
Youth Committee Convenor

Youth Council Report

The Youth Council has just completed its third year of the three-year cycle. Originally, the thought was that all six councillors would resign and a new group put in place. As it was felt that continuity would be lost, it was decided that two councillors would resign and thus begin a rolling three-year term for councillors. To that end, we see the resignation of Colin Hickey and Melissa Stephen and welcome on-board Cameron Townshend and Sophie Clarke.

The first intake received their governance training over a series of three two-day workshops at the beginning of their cycle and while it was agreed it was of a high quality and intensely interesting, it was a case of too much too soon. This year the training will be modular with each module being taught prior to each meeting. Matt Fitzsimmons, Strategist, Coach and Author facilitates this training.

Over the last three years, we have seen a definite growth in youth participation, particularly evident in the number of entries at NZ Dairy Event. We recognise that not all of the youth are interested in showing but acknowledge that often this is where young people kindle their interest in the Jersey breed.

As youth covers a vast age range, essentially 5-35 years, our strategy needs to be across all areas of interest but to begin with, there was a natural transition to begin in the "exhibiting" space. The Youth Council recognises that it is time to move into the "farming" space and provide support, activities and promotion for those who are farming Jerseys.

The following are youth initiatives that have been developed during the last three years:

- Rosettes awarded to the highest place youth in the open classes at Dairy Event. NB: The Jersey Youth Council instigated this and Holstein Friesian and Ayrshire Breeds have followed suit.
- A number of competitions implemented to encourage youth participation e.g. Ian Harris Memorial Trophy

- Youth attendance/participation at the Australian Dairy Week with financial support from the Youth Council.
- Development of Youth Ambassadors
- Development of a Youth Committee to provide the "doing" support to the youth council
- Financial support of the "Next Generation" sale encouraging youth to purchase calves and show them over the next two years with the grand finale at Dairy Event
- Youth section offered in the Semex on-farm challenge
- A \$3000 Scholarship to have a youth attendee at the WJCB Conference 2018 – Joanna Fowlie was the successful recipient
- Judging and Classification training days – encouraging youth to "have a go" and understand what is involved.



Alison Gibb
Youth Council

At our last meeting, Euan Reeve stepped down as Chair of the Youth Council and we would like to acknowledge his leadership and thank him for his valuable contribution. James Wallace is now the new Chair and we look forward to supporting him in his leadership journey.

We would like to acknowledge the support of the office in particular the provision of a minute secretary and the support of the Board, in particular Peter Gilbert who is the convenor of the Youth Committee.

Alison Gibb
Jersey Youth Council

Mrs A Gibb (President) welcomed 60 members and Directors to the 2017 Annual General Meeting.

1. AGM NOTICE OF MEETING

Mrs P Goodin read aloud the Notice of Meeting.

2. APOLOGIES

R & K Farley, T & C Ford, R & G Ellison, T Paterson, P & B Harris, J & A Ellis, A & L Wilson, N & A Walford, N & J Riddell, M & S Booth, D & F Black, W & L Berry, W, M & C Ferguson, S Donald, K Fitzgerald, K & S Tosland.

That the apologies as listed are accepted.

R Gibso / D Ireland

Carried.

3. OBITUARIES

The meeting noted the obituaries of the following past and present members: S Atkinson, S Clausen, A Tosland, D Ferguson.

4. MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING

That the Minutes of the Annual General Meeting of 25 May 2016 with the above corrections are taken as a true and correct record.

D Hickey / T Luckin

Carried.

There were no matters arising.

5. PRESIDENT'S REPORT

The President's Report was tabled as printed in the Annual Report, Mrs A Gibb added that it has been a busy year with the rebranding, we are poised to move forward within the next 12 months with a lot of work on the culture of the organisation, development and improvement. She welcomed feedback. The report was opened for discussion, there was no discussion.

That the Presidents Report is adopted.

A Gibb / B Montgomery

Carried.

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

The General Manager answered questions on the financial statements. M Townshend noted that it was great to see a small profit, but there is an inadequate balance sheet and an income stream that is decreasing. The actions taken are good, but need to be taken to the next level. He noted that the breed is stagnant (but not losing ground), we cannot rely of LIC & CRV to work on our behalf, there has never been better news about Jerseys and we need to get it out there. The challenge is to get the balance sheet to \$2M, and revenue two-three times of today. He expressed concern at the loss of good, young Directors, small honorarium, expected to front CEOs earning \$1,000 per day. Many of the issues discussed at the AGM don't address the most important issues for the breed. He will write a cheque for \$100,000 for the Association if we can get another nine members to bequest the same and if the right strategy is in place. We need money and quality people to deliver. Mrs A Gibb responded that these discussions are already taking place at Board level, and thanked M Townshend for his comments.

R Thomson asked about reparations following the fraud, Mrs P Goodin responded that reparations of \$10 per week are now being received, and the Association has no input into this as it all managed by the Ministry of Justice.

B Cutforth noted that it is not about screwing costs but creating opportunity & wealth which will give authority & energy to address industry issues. The current income streams will not deliver that. With clarity of vision & purpose the Board needs to step up and be innovative.

R Gibson commented that in the past it has been muted to set up a funding stream e.g. via commercial buildings. He asked M Townshend how income from Balance Sheet (investments) can be used. M Townshend responded that the Board and Management are doing a splendid job within their financial restraints. To help the Association get ahead the Board needs to deliver strategy and the members need to fund it. Mrs A Gibb thanked M Townshend for his offer, and accepted the challenge.

That the Financial Report and the audited Financial Statements for the financial year ending 31 March 2017 are adopted.

M Johnson / B Morris

Carried.

7. ELECTION OF AUDITOR

That Crowe Horwath are appointed as auditors for the financial year ending 31 March 2018.

B Cutforth / B Oyler

Carried.

8. DECLARATION OF RESULTS OF DIRECTOR ELECTIONS FOR THE BOARD

Mrs A Gibb noted that T Paterson and D Goldsack still intend to be very active at Committee level, and Committees will be revved up more as a representative level bringing recommendations to the Board. The election results were declared with the successful candidates being Glenys Ellison and Barry Montgomery, the meeting responded by acclamation.

Glenys Ellison	94
Barry Montgomery	127
Julie Pirie	85
Invalid	9

G Ellison is currently overseas. Mrs A Gibb presented B Montgomery with his Directors badge, the meeting responded by acclamation. B Montgomery thanked his fellow candidates, he is delighted to have been elected and thanked members for their support. His aims are the integrity of the breed; sustainability of the breed; and becoming a strong, future focussed, capable organisation.

9. ELECTION OF THE DIRECTOR APPOINTMENTS COMMITTEE

Mrs A Gibb spoke to changes in the Committee over the last year, and called for nominations.

That M Townshend, R Riddell, B Cutforth are elected to the Director Appointments Committee.

R Gibson / R Colbrook

Carried.

R Riddell asked the meeting if there are any issues with him being on the Committee and a current employee of Jersey Marketing Services Ltd. Mrs A Gibb responded that there is no conflict as the employment relationship is not with Jersey NZ. M Townshend added that he may need to declare this interest at times, but it should be no issue.

10. BOARD EXPENSES REVIEW COMMITTEE

D Hickey spoke to the report as printed in the Annual Report. He commented that he is pleased that honorariums have been taken this year, the recommendation made for the coming year should make the system simpler.

The report was opened for discussion, M Townshend noted that as an aspiration for the future we need to look at parity with District Councillors / Fonterra councillors etc.

That the recommendation as printed in the Annual Report 2017 is adopted.

B Cutforth / B Potts

Carried.

10.1 **Committee Election.** The Current Committee is D Hickey & R Farley, D Hickey feels that it is time for him to step down

E Reeve

D Hickey / R Gibson

Carried.

D Hickey advised that R Farley is happy to carry on in this role.

R Farley

D Hickey / C Perrott

Carried.

11. COMMITTEE REPORTS

11.1 Industry Affairs Report. A Gibb spoke to the report as printed in the Annual Report on behalf of R Ellison. The report was opened for discussion, C Perrott noted that he has recently joined the Committee and expressed concern that the breed is not growing despite profitability. He believes that the AE system is also a threat to the breed, with little input into the process of change. We need to ensure that we have good, well-resourced people and develop support to meaningfully contribute in these areas. Mrs A Gibb agreed that the challenge is to up the ante, with constructive collaboration the way forward. The group has done a lot of good work and we are now sharing that with the members. It is helpful to have S Ireland and M Townshend on the Farm Advisory Group to Animal Evaluation. She also outlined plans to use the Committee structure more effectively.

R Gibson commented that when the structure was changed the idea was to have more people involved with areas of expertise, but this has never happened. Youth Council is seeing good young people coming through, new a new transparent structure to support Directors.

D Shaw commented that TOP inspectors can improve the liveweight issue between the breeds by using the scale more, P Gilbert agreed.

R Monk asked where the Committee sees the most effect – DairyNZ or factory level? Mrs A Gibb responded that both are important, depending on what issue is being worked on. We need to continue to build those relationships, to be respected as a valuable player at the table with good, articulate people to champion the breed with sound evidence. C Perrott noted that the biggest bang for buck for credibility is to be involved at a formative stage, once decisions are made it is hard to get change.

B Cutforth returned to the comments on stature and noted that stature has little value impact on economics, the estimated liveweight is more valuable economically. SPS heifers are weighed, so the data is robust.

R Turner commented on the power of the internet, members can all play a part. Mrs A Gibb commented that she would also like to see more communication from members to the Board. They can't act on concerns if they are not aware of them, the communication channel is open. M Townshend commented on a good report that touches on the right matters, but hasn't defined the key target areas for the next 12 months such as Fonterra rolling average & effect on fat; AE on pregnancy rates; LIC on PW/LW crossbreed issues. M Ellis agreed that one of the biggest issues facing the breed is PW and the level of commitment to the investigation has been too slow, he spoke about the models being used in the investigation. M Townshend added that AE does not pick up on pregnancy energy requirements that are not in PW & LW, M Ellis responded that there is work being done on realigning those indexes. C Perrott asked who will take on responsibility for education in the industry, a wider approach is needed.

That the Industry Affairs Committee Report is adopted.

A Gibb / S Hamilton

Carried.

The meeting broke for morning tea at 10.40 am and resumed at 11.05 am.

11.2 Judges Committee Report. P Gilbert noted there will be three Judging Schools per annum. Mrs A Gibb noted that there has also been a judges/TOP training day held in the Waikato which we would also like to roll out through the country, she outlined the activities of the training day.

That the Judges Committee Report is adopted.

S Hamilton / D Ireland

Carried.

11.3 Promotions & Marketing Committee Report. Mrs A Gibb spoke to the report, with the rebrand finished we can now move forward and share success stories. The Board will be reviewing the strategy in June and the Committee looks forward to a mandate from them. They are always looking for innovative ideas, so please contact them.

The report was opened for discussion. D Shaw asked about plans for gaining new members, will there be registration discounts, he was advised this is already in place for new members. Mrs A Gibb reiterated her call for good stories to share.

That the Promotions & Marketing Committee Report is adopted.

J Pirie / M Shaw

Carried.

- 12.4 TOP & Classification Committee Report. P Gilbert spoke to the report as printed in the Annual Report. The main issue is the lack of inspectors. Robert Hall has taken on a role as TOP Co-ordinator which will help ease some of the issues. We are always looking at ways to support prospective inspectors, there is more interest now and we can start working with those interested. The report was opened for discussion. D Shaw reiterated that interested members can contact their local inspector and tag along for member inspections. R Hall can also attend local workshops if organised. P Gilbert noted that it is compulsory to attend a formal TOP workshops if inspecting in that season, and BCS certification also needs to be maintained. M Pedley on behalf of the Committee, noted that it is very difficult for young people to leave their farms at that time of year. Inspectors are getting older, we need to talk with other breeds as they are having the same issues. Does it matter who classifies your herd? Does it have to be Jersey NZ member? We may need to consider professional classifiers and consider how best to supply the information. P Gilbert also spoke to the joint tours undertaken with Ayrshire New Zealand in the Manawatu/Wairarapa area. B Cutforth spoke to TOP classification inspecting as a rewarding experience. Mrs P Goodin also spoke to the new IT platform required for TOP by 2019, the price paid by AE for SPS inspections and that 25% of all TOP data provided is from Breed Society members. C Perrott asked about Body Condition Score, is it accurate enough with a 0.5 step between ratings? P Gilbert responded that this is being considered by the TOP Advisory Committee with the new platform. M Ellis responded that the BVs still identify the lowest and highest, so the average will come through into BW. D Hickey asked if there will be inspections of other breeds in the future as is already happening to some extent. Mrs A Gibb noted that we have our first woman inspector, this is a great opportunity for women on the farm to become involved.

That the TOP & Classification Committee Report is adopted.

R Dobson / B Montgomery

Carried.

- 12.5 Youth Council Report. E Reeve spoke to notes from the presentation the previous evening, and opened the report for discussion. D Shaw commented that governance training is very good. We are part of a commercial industry, need to be attracting people to a one day seminar – where they belong in the industry, how to achieve. With the scholarship fund, we need to support a member completing a science/genetic degree in return for working on a project for three years. E Reeve responded that the Council is now moving into the business of farming management now that governance training is complete and agreed it is an area that can be addressed. The organisation has tried member seminars in the past, but without member support these fell over. Mrs A Gibb spoke to the Youth Ambassador programme as a conduit to Youth Council and back to youth members. The scholarship has been discussed, and the Council is already considering targeting individuals at a post graduate level. Mrs J Pirie endorsed the Youth Ambassador programme, we also need to work with individuals in our own areas. M Townshend suggested that all Jersey publications need to be relevant to young Jersey farmers not closely associated to the organisation. B Potts commented that after last night's presentation, the membership supported the Council well at the Youth Auction, he hopes members will continue to encourage Council.

That the Youth Council Report is adopted.

R Dobson / B Montgomery

Carried.

Mrs A Gibb acknowledged Mrs J Pirie's comments, noting that she is a great example of working with youth at that level, also providing opportunities to urban kids.

13. GENERAL BUSINESS

- 13.1 Conference Proposal. Mrs A Gibb commented that the office has done a fantastic job of organising this conference, the meeting responded by acclamation. This is a big commitment and takes staff away from other duties. She spoke to the traditional way of organising conference, but noted that Clubs are no longer volunteering to host. She put forward a proposal for a national Committee to

organise each Conference, with delegated roles within the Committee and still utilising the local members in the selected areas. The alternative is to ask clubs in the selected region to work together to organise Conference. She opened the proposal for discussion.

R Gibson spoke to the clubs option, he agreed that it is not feasible to have it organised from the office on a continual basis, and this is a very similar structure to what worked for Napier two years ago. B Montgomery noted that it is also a good opportunity to get Youth Council members involved. Mrs A Gibb noted that Youth Council is about governance succession planning, it is not a Committee, but they would welcome input to the Committee. E Reeve commented that Youth Council would support option 2, and confirmed that they gave input to this Conference. B Cutforth felt that a blend of options 2 & 3. Option 2 gives a consistent message to members and promotes culture, and will help to deliver. A blend will work for sponsorship, especially local sponsorship. Driven from membership, consistent with values and culture. Mrs M Johnson noted that Te Awamutu Club has hosted Conference in the past, it needs to move around regions, and supported option 2. Mrs C Turner also supported option 2, they have had a wonderful time at this Conference, and the planned activities brought them to Wellington. E Reeve noted that nobody has put their hand up yet – we need to develop the culture to stand up and support these initiatives. Mrs A Gibb commented that moving forward we will need to call for volunteers. M Pedley commented that it is great to move around regions, and this structure will support that. Mrs M Wallace volunteered under option 2. B Cutforth offered Northland for the next Conference and spoke about activities available.

That we move to adopt option 2 for a national Conference Organising Committee.

R Gibson / M Wallace

Carried.

Mrs A Gibb noted that the Committee will have to make a decision on location, with Northland and the West Coast the suggested options for 2018. R Dobson noted that the timing of this Conference has been good for him. Mrs A Gibb noted that traditionally it was the week after National Fieldays, but in recent years it has changed so as not to clash with the World Jersey Cattle Bureau tours that many members attend. May also has issues for the office and young farmers. The Committee will make the decision around timing in conjunction with the Board.

- 13.2 Pedigree Recording Working Party. Mrs A Gibb spoke to her powerpoint presentation and gave national and international background. We are at the very start of the process looking for clarification – wanting to easily identify Jersey content in bulls. There will be no decision today – it is discussion, for members to go back to their own clubs for feedback and consultation. Mrs P Goodin discussed the implications and opportunities of DIGAD. Mrs A Gibb went through the questions considered by the working group, adding that it is about providing clarity. M Townshend commented that we don't have the luxury to be considering this as it may well compromise the genetic pool and progress. M Ellis noted that there is currently 5.8% J16 cows in the national herd, we don't have this luxury. It is a difficult job to rebuild the breed, while the rot has been stopped there is still work to be done. People who want to know what sits deep in a pedigree will ask, and they have the right to know. A Parker agreed with M Townshend, an X in the pedigree indicating crossbred will driver farmers further away from Jersey. B Potts argued that he wants a clear indication of generations to make his decisions to apply to his breeding criteria. R Colbrook saw no reason to change the status quo, R Gibson agreed. D Goldsack asked what has driven today's discussion? Concerns have been expressed at a couple of bulls in the Jersey Future catalogue and the clarity of the pedigree, along with changes made in USA and ongoing work in Australia. M Johnson asked for clarification on the US changes which were explained by Mrs A Gibb. C Hickey commented that it is about understanding the depth of pedigree leading to PJ, numbering generations 1-9 is a simple solution to a complex problem, still maintaining the SJ system. C Perrott is looking for direction, leadership, inclusiveness and a way forward and felt that there were more important issues for this meeting to be discussing. M Montgomery commented that the answer is in the name Jersey NZ, not crossbred NZ. Non member farmers don't understand when they are using bulls with other breeds in the background. R Turner felt we should keep the status quo, those who want to know will find out. B Cutforth commented that it is great to see the issue being discussed and challenged the Board on the vision of Jersey No 1. Does this deliver that vision? He doesn't believe so, and that no 'purebred' herds have impacted the

productivity of the breed in NZ. Exporters will look after overseas markets, we need to look after NZ. Jersey NZ is a value add business, and more markers on those cattle will negatively impact members. R Riddell felt that the debate was being misconstrued, at last night's sale animals with F in the pedigree sold for \$10,000 and \$7,000 but people do want to know if there are other breeds in a pedigree. People don't want to see an X on a pedigree, why not look to the US system? Mrs A Gibb expressed that the conversation is taking place following concerns expressed by many members, she agreed that there are many other issues to be discussed and if the concept did not have support from the meeting that's fine. Mrs M Johnson likened the issue to labelling – not negative or positive just providing clarity. R Gibson commented that it had been a good discussion.

That the status quo remain for registrations.

R Gibson /

T Luckin agreed that it would provide clarity, it is a concern all around the world. We need to ensure that we don't isolate ourselves, and see what comes out of WJCB. JX may be frightening people, but we need clarity as to breeding. These are discussions today, not decisions, it is not the right place to make a motion on the issue. Mrs A Gibb responded that it was never the intention to make a decision today, it is discussion only. She wants members to have the opportunity to think about it and discuss it at club level. She asked R Gibson to withdraw his motion, he agreed. D Shaw suggested that the next newsletter includes the US system, perhaps with a straw poll. T Luckin suggested that this also include what other breeds do with bull registrations. C Hickey suggested that a discussion document be included in the next Jersey Focus to include the US information and the questions from today's presentation. M Townshend respected some members wanting to research purity, but we should not be relying on what others are doing, we should be doing our own thing and need to change past behaviour. T Luckin added that is an opportunity for us to ensure the Jersey breed by clarifying breed. Farmers can then use bulls with certainty, if we don't we will be isolated from the rest of the world. R Gibson commented that the high BW Jersey cow will improve the breed, not low BW cows with 20 generations of Jersey.

Moving forward we can include the US system and a full article on the website inviting feedback. It is expected that the working party will meet again in a couple of months.

13.3 Semex On Farm Competition. R Gibson commented on a very good awards night. The feature was that the winning team is in the top 1% for BW and PW in the country, but there was no photo and 2nd and 3rd places were not noted nor had photos, he asked why. Mrs A Makara (Promotions & Marketing Co-ordinator) responded that the presentation was put together by the Judge and Semex representative this year, she has not seen the photos and did ask that the team winner be announced. T Luckin disagreed, the main class is the winning cow. P Gilbert noted that we will continue to feature the team class, this may have been a Semex decision.

13.4 Membership. C Hickey asked if there could be a membership for non pedigree Jersey farmers, not necessarily registering but supporting the aims of the Association. Mrs A Gibb agreed that that this has potential and can be referred to the Promotions & Marketing Committee.

13.5 Fat. D Hickey commented that now is the opportune time for the promotion of the Jersey breed and fat content. Mrs P Goodin responded to the marketing plan and budget.

13.6 Congratulations. B Cutforth congratulated the President and Board on the Conference and the management of the meeting. A great framework has been laid down, he encouraged the Board to address issues with courage. The organisation is in a much better place than 12 months and 2 years ago, the meeting responded by acclamation. M Townshend replied that Bruce's praise is fair, the position is consolidated. Co-operatives around the world are almost always formed through diversity, we need the ability to control our destiny. He suggested that we need to promote the breed in a growth region such as the South Island. R Dobson agreed that the South Island is a golden opportunity, and thanked the Board for one of the best Conferences in a while. Mrs A Gibb deflected the praise for Conference to Mrs P Goodin and her team. The organisation of Conference was over and above normal day to day responsibilities. The meeting responded by acclamation.

That being all the business the meeting was closed at 1.10 pm.

jersey^{NZ}

