



New Zealand Jersey Cattle Breeders' Association (Inc)

# ANNUAL REPORT

FOR THE YEAR 1 APRIL 2018 TO 31 MARCH 2019



Official Publication  
of the  
NEW ZEALAND JERSEY  
ASSOCIATION (INC)

#### OFFICE LOCATION

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Newstead, Hamilton

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#### GENERAL MANAGER

Pam Goodin

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#### BUSINESS ADMINISTRATOR

Stacey Allen  
accounts@jersey.org.nz

#### PROMOTIONS AND MARKETING CO-ORDINATOR

Kandin Robinson  
krobinson@jersey.org.nz

#### MEMBER SERVICES ADMINISTRATOR

Robyn Gordon  
rgordon@jersey.org.nz

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

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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 2019 Annual General Meeting

The 117<sup>th</sup> Annual General Meeting for members of New Zealand Jersey Cattle Breeders' Association Inc will be held on Wednesday 29 May 2019 commencing at 9.00am at Scenic Southern Cross Hotel, Dunedin.

## 2019 Annual General Meeting Agenda

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

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

1. Confirmation of Notices of Motion

By Order of the Board  
Pam Goodin  
13 May 2019

## President's Report

What an excellent year we have had! At last the Jersey breed is getting the recognition she deserves; higher milk payout, 25 out of 30 top bulls are Jersey on the RAS list with the other five positions dominated by cross-bred and the renewed interest in A2A2 milk.

At the last AGM the Marketing and Promotions Committee outlined the different activities for promotion of the breed, all of which were executed. The hoodies were an extra bonus and this generated a great deal of interest. Currently promotion is predominantly through our Facebook page which has a good following and keeps both our members and non-members in the loop with events and activities of Jersey NZ. There is much interest in our breed and continually we hear of farmers who are using more Jersey semen or that the percentage of Jersey genetics is on the increase.

Our position within the dairy industry is vital as this provides the opportunities to promote and advocate for the breed. The work that the Industry Affairs Committee led by Roger Ellison is doing continues to grow and as we develop excellent relationships with the movers and shakers in the industry so too does our credibility and integrity in this space. The meetings offer excellent opportunities for us to understand the viewpoint of the industry players at the same time enabling us to further enlighten the qualities of the Jersey breed.

Developing and promoting genetics is done through the Genetics and Jersey Genome Committees. This year's Jersey Future catalogue has been very well received and has proved to be a vital avenue for attracting new members through marketing bulls at very reasonable semen price. This is particularly helpful to farmers looking to access good genetics at a competitive price at the same time teaching them the value of quality data through TOP.

From the female perspective, Jersey Genome in collaboration with CRV Ambreed, identifies potential bull mothers and ultimately bulls for marketing. This too is an excellent opportunity for members to be involved in the genetic scene. The bottom line: both the Jersey Future and Jersey Genome programmes offer quality genetics backed by quality data and reinforce the need for all farmers to be particularly vigilant when recording matings, weights, birthing issues, herd tests etc as the industry is so reliant upon the quality of data received.

Classification continues to make big demands on a small group of people. As already stated, quality data is vital to the industry and the TOP data gathered is used by breeding companies to provide as much information as possible to the client regarding the bulls marketed. We are always on the lookout for more TOP inspectors and the Judging Committee have offered training days to facilitate opportunities for those interested to have a go.



**Alison Gibb**  
President

As a result, we have gained a few more TOP inspectors but continue looking to grow this number. Judging opportunities have been somewhat quiet in the last twelve months as MPI continue to attempt to eradicate Mycoplasma Bovis from our shores but the restriction on cattle movements seem to be easing and at this stage the return of the shows looks to be bright.

The Youth Council farewells Dr Paul Edwards and Euan Reeve and welcomes Michelle Good to the team.

Each meeting the Youth Council receive training in governance and under the guidance of Mr Matt Fitzsimmons, Business Strategist, have learnt the importance of such areas as strategy, drivers for decision making, understanding the "Why" and importance of diversity of thought around the board table. Robyn Gordon and Stacey Allen from the office offer valuable support to the Youth Council and we thank them for being involved.

The Conference Organising Committee is working well and under the guidance of their chair, Marian Wallace, is poised to offer us an interesting and varied conference in Dunedin this year. If you feel you have something to offer this group, whether it be your network of speakers, innovative and creative ideas, interest in sponsorship or knowledge of event management, this committee is always open to new members to keep the conference fresh and relevant.

Jersey Marketing has relaunched as Link Livestock Ltd and is growing from strength to strength. The change in name is for a very good reason and Link Livestock will have an official launch at the conference where they will present to the membership the strategy behind the name change. Karen Fitzgerald from the Manawatu now joins Ross Riddell and Grant Aiken and they have been kept busy in recent months with the myriad of autumn sales that occur. We appreciate the partnership with Brian Robinson and his team who provide the valuable auctioneering services.



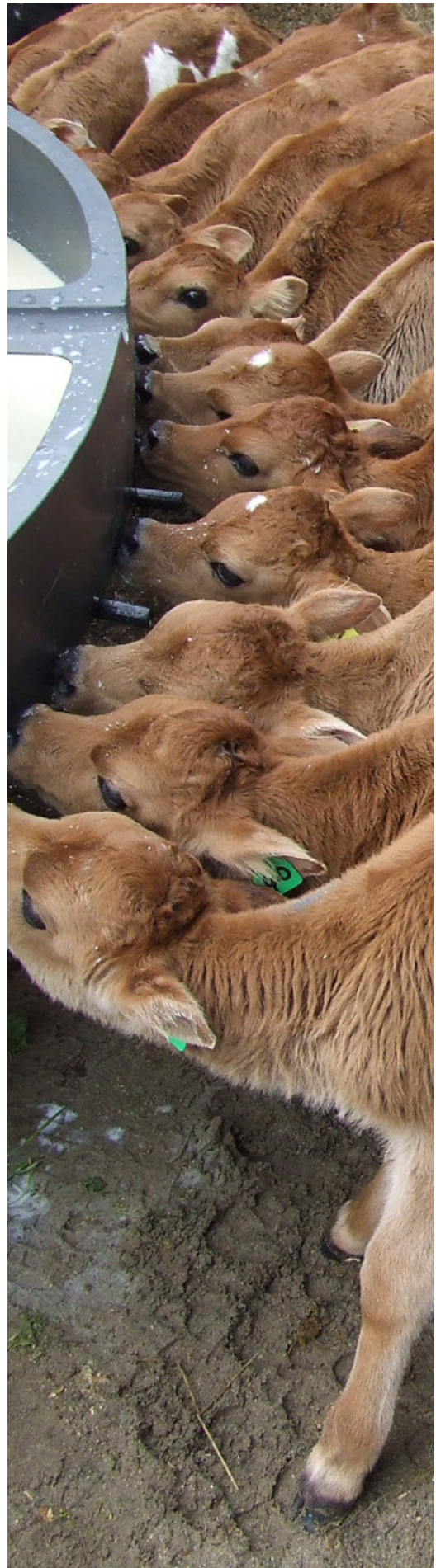
I would like to take this opportunity to thank everyone who is involved in the committees for their enthusiasm, passion, ideas and support; your input is valued and vital to the development and implementation of the strategy.

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

Thank you to the Board who give generously of their time to attend meetings, lead and support committees, attend functions and remain visionary and focussed on the tasks ahead. A special thank you to Steve Ireland who is stepping down this year. Steve has led the Genetics committee and has been instrumental to the development of the Jersey Future programme.

Lastly the membership: I appreciate the conversations, debates and ideas that come from you, the members, and hope that these continue. I hope you have enjoyed your year riding the wave of positivity for Jerseys and will continue to do so going forward.

Alison Gibb | President



## Remits

There are no remits.

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## Notices of Motion

That Rule 32 be amended as follows: Accounts and Audit

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

Moved: Jersey NZ Board of Directors

That Rule 38 be amended as follows:

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

*Furthermore, any reference contained in these rules to 'post, mail, sent, by hand, in writing, left at' (and their variations) is deemed to include forms of electronic notification.*

Moved: Jersey NZ Board of Directors

**Discussion notes** to explain the Notice of Motion to the AGM to amend the rules around audit and balance date of both Jersey NZ (parent body) and Link Livestock Ltd (subsidiary).

The Directors of Link Livestock Ltd (formerly Jersey Marketing Services Ltd) approached Jersey NZ Directors and the General Manager about their wish to change the balance date for Link Livestock from 31 March to 30 June. They indicated that it would be more logical for the balance date of Link Livestock accounts to align with the general farming calendar. It would mean that the bulk of sale activity over the autumn period would then be included in the financial reporting for the year in which it was transacted. This would also make year on year tracking of Link Livestock financial position more logical to follow.

The General Manager discussed potential implications with Jersey NZ accountants PwC, auditors Crowe Horwath and also sought legal advice from Harkness Henry. The Board considered all of this advice, and agreed to ask the members to change the balance data via this Notice of Motion. The Board are not in favour of only changing the Balance date for Link Livestock Ltd, preferring to maintain consolidated financial reporting across both entities.

Moving forward, if this recommendation is adopted the reporting period for the next set of accounts would be 15 months (1 April 2019 to 30 June 2020) and then annually (1 July to 30 June) thereafter. Consolidated Reporting would be provided to members in approx. September/October once the annual audit is completed. Interim reporting on the first six months of the financial year would also be provided to members in February each year. Consideration has also been given to the Annual Conference & AGM timing, at this stage there will be no further changes until the first financial period with the new balance date is complete. Membership consultation will be part of any proposed changes to Annual Conference & AGM timing.

# Strategic Plan - 2019

## Core Values:

Jersey is **sustainable**

Inherent Jersey **quality**

**Integrity** is paramount

We **collaborate**

## Core Purpose:

To promote and drive the growth of the Jersey breed throughout New Zealand

## BHAG:

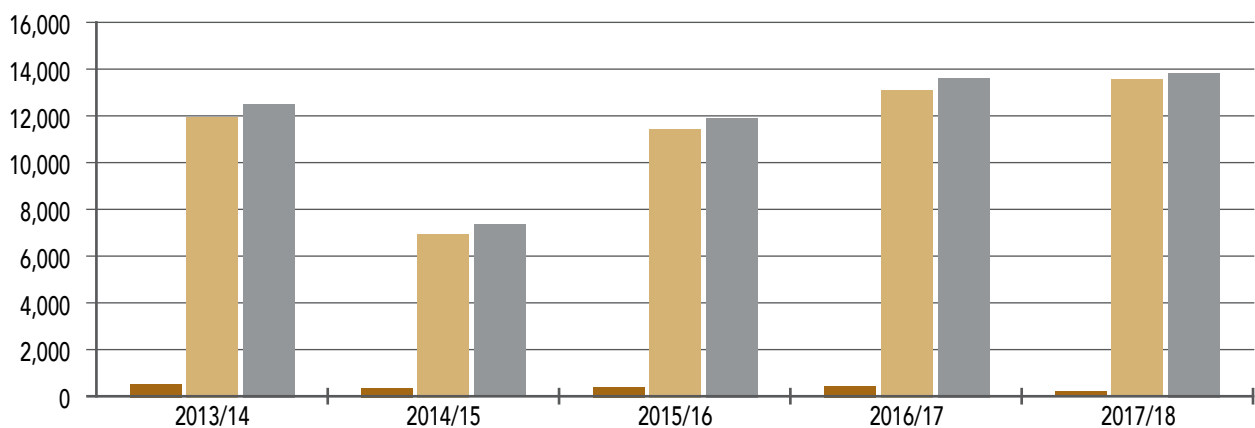
**Jersey #1 Breed**  
(2020 - 15% / 2025 - 25% / 2030 - 40%)

## 3-4 year Strategic Moves:

1. Tell the Story
2. Build the Machine
3. Hit the Numbers

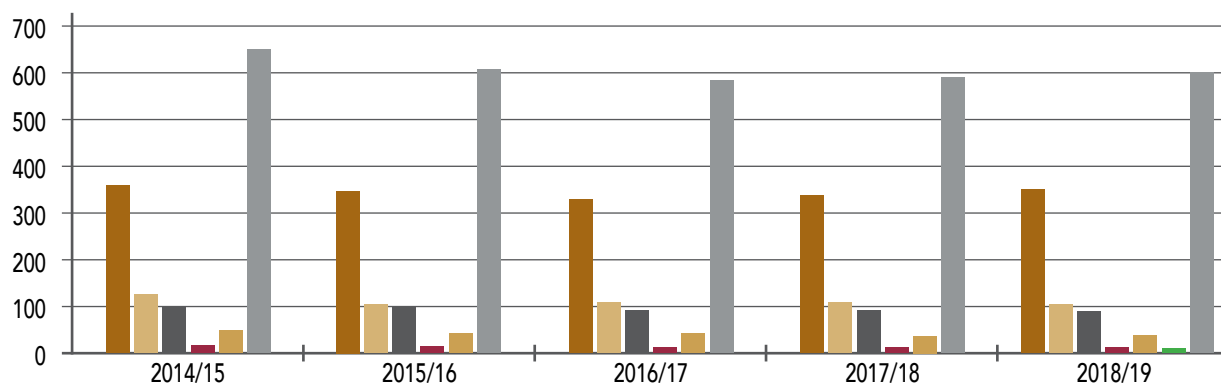
## Registration Analysis

	2013/14	2014/15	2015/16	2016/17	2017/18	
Male registrations	582	405	469	512	269	Male Registrations
Female registrations	11,903	6,949	11,422	13,076	13,508	Female Registrations
All registrations	12,485	7,354	11,891	13,588	13,777	TOTAL



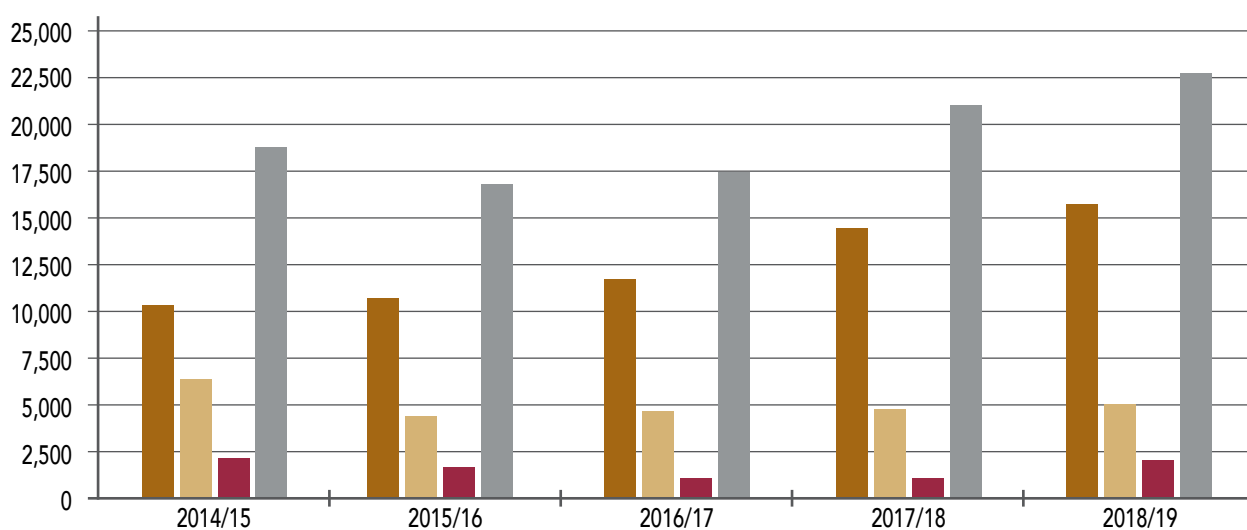
## Membership Analysis

	2014/15	2015/16	2016/17	2017/18	2018/19	
Senior	360	348	329	338	348	Senior
Associate	126	106	101	111	105	Associate
Lifetime	99	99	99	93	91	Lifetime
Honorary Life	17	14	14	13	13	Honorary Life
Junior	49	42	42	37	38	Junior
Retired					2	Retired
<b>TOTAL</b>	<b>651</b>	<b>609</b>	<b>585</b>	<b>592</b>	<b>598</b>	<b>TOTAL</b>



## Classification Numbers

	2014/15	2015/16	2016/17	2017/18	2018/19	
SPS Inspections	10,334	10,735	11,732	14,444	15,746	SPS Inspections
2 Year olds (members only)	6,321	4,377	4,624	4,757	4,995	2 year Olds (members only)
Older animals (members only)	2,130	1,670	1,084	1,857	2,029	Older animals (members only)
<b>TOTAL</b>	<b>18,785</b>	<b>16,782</b>	<b>17,440</b>	<b>21,058</b>	<b>22,770</b>	<b>TOTAL</b>





## **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 8 to 20, which comprise the Group and Association balance sheets as at 31 March 2019, the Group and Association profit and loss statements and statements of movements 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 2019 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 Group 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.

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

The Board Members are responsible for the other information. The other information comprises the information included in the Depreciation Schedule on pages 21 to 22, but does not include the special purpose financial statements and our auditor's report thereon.

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

In connection with our audit of the special purpose financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the special purpose financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 Auckland this 9th day of May 2019



## Company Directory

### New Zealand Jersey Cattle Breeders Association Incorporated For the year ended 31 March 2019

#### Nature of Business

Support of Jersey Cattle Breeding in NZ

#### Registered Office

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

#### Officers

Alison Gibb - President

Steve Ireland - Vice President

Tony Landers

Peter Gilbert

Glenys Ellison

Barry Montgomery

#### Incorporated Society Number

215333

#### IRD Number

011-209-963

#### Accountants

PricewaterhouseCoopers (PwC),  
Chartered Accountants

#### Auditors

Crowe Horwath New Zealand Audit Partnership  
Hamilton

#### Bankers

ANZ Bank

#### Solicitors

Harkness Henry Lawyers



## Directors Report

### New Zealand Jersey Cattle Breeders Association Incorporated For the year ended 31 March 2019

#### Introduction

The Directors are pleased to present the approved financial report including the historical financial statements of New Zealand Jersey Cattle Breeders Association Incorporated for the year ended 31 March 2019.

Alison Gibb

Date 9/5/19

Glenys Ellison

Date 9/05/19





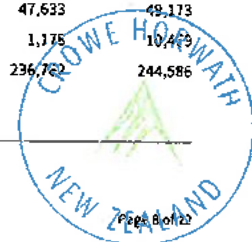
## Profit and Loss Statement (Group)

New Zealand Jersey Cattle Breeders Association Incorporated  
For the year ended 31 March 2019

	NOTES	2019	2018
<b>Trading Income</b>			
Annual Conference Income		42,643	35,866
TOP & Classifications		130,162	121,716
Contracting Income		73,350	72,600
Commission Received		135,160	87,449
Jersey Genome		4,950	5,000
Donations		6,000	10,018
Other Income		9,545	7,407
Registrations		93,657	108,185
Semen Sales & Royalties		136,934	111,775
Semex Competition		3,325	4,069
Souvenirs, Advertising & Publications		29,957	24,245
Subscriptions		51,373	54,287
Three Generation Pedigrees Income		19,373	17,085
IDW Youth Challenge Tour		27,229	-
<b>Total Trading Income</b>		<b>763,658</b>	<b>659,702</b>
<b>Other Income</b>			
IRD Penalties & Fines Reversed		-	834
Insurance for Stock Received		350	-
Bad Debts & Capital Recovered		1,388	1,726
Interest Received		9,540	9,726
<b>Total Other Income</b>		<b>11,288</b>	<b>12,346</b>
<b>Total Income</b>		<b>774,946</b>	<b>672,048</b>
<b>Expenses</b>			
Accounting & Audit Expenses		37,579	53,489
Accounting Depreciation & Amortisation		5,653	8,820
Annual Conference Expenses		39,397	53,006
Board & Custodian Costs		29,339	28,673
Commission Paid		69,945	56,462
Field Consultants Expenses		17,258	1,452
General Expenses		4,605	11,133
Genetic Programme Expenses		3,187	3,831
Honorariums		45,800	45,800
IDW Youth Challenge Tour Expenses		25,485	-
Insurance		5,868	4,764
Interest Expense		5	131
Loss on Asset Disposal		-	7,991
Office & Administration Expenses		47,633	49,173
Office R&M Expenses		1,175	10,423
Personnel - Salaries & Wages		236,762	244,586

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

2019 Special Purpose Consolidated Financial Statements New Zealand Jersey Cattle Breeders Association Incorporated



Profit and Loss Statement (Group)



	NOTES	2019	2018
Promotional Expenses		43,520	28,497
Semex Competition Expenses		2,662	4,601
Souvenir & Publication Expenses		27,937	18,558
Staff Expenses		9,539	4,634
Three Generation Pedigree		16,407	11,574
TOP & Classification Expense		67,796	57,122
Total Expenses		137,560	704,766
Profit / (Loss) for the Year		37,386	(32,718)

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

2019 Special Purpose Consolidated Financial Statements New Zealand Jersey Cattle Breeders Association Incorporated



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## Statement of Movements in Equity (Group)

New Zealand Jersey Cattle Breeders Association Incorporated  
For the year ended 31 March 2019

	2019	2018
<b>Equity</b>		
Opening Balance	445,684	478,402
<b>Recognised Revenues and Expenses</b>		
Profit / (Loss) for the Period	37,386	(32,716)
<b>Total Equity</b>	<b>483,070</b>	<b>445,684</b>

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

2019 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 As at 31 March 2019

	NOTES	31 MAR 2019	31 MAR 2018
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Bank		128,514	115,035
Prepaid Expenses		4,776	-
Trade and Other Receivables		156,819	69,976
ANZ Term Deposit		290,170	290,170
<b>Total Current Assets</b>		<b>580,279</b>	<b>475,181</b>
<b>Non-Current Assets</b>			
Property, Plant & Equipment	8	106,095	107,616
Trophies		5,970	5,970
<b>Total Non-Current Assets</b>		<b>112,064</b>	<b>113,586</b>
<b>Total Assets</b>		<b>692,343</b>	<b>588,767</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Bank - Credit Card		6,564	4,803
Trade and Other Payables		19,871	15,941
GST Payable		37,051	33,638
Expenses Accrued		58,974	59,807
HP Liabilities		1,200	449
Deposits Received on Behalf		85,614	20,590
Income in Advance		-	7,855
<b>Total Liabilities</b>		<b>209,273</b>	<b>143,083</b>
<b>Net Assets</b>		<b>483,070</b>	<b>445,684</b>
<b>Equity</b>			
Accumulated Income		483,070	445,684
<b>Total Equity</b>		<b>483,070</b>	<b>445,684</b>



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



## Profit and Loss Statement (Parent)

New Zealand Jersey Cattle Breeders Association Incorporated  
For the year ended 31 March 2019

	NOTES	2019	2018
<b>Trading Income</b>			
Annual Conference Income		42,643	35,866
TOP & Classifications		130,162	121,716
Contracting Income		73,350	72,600
Jersey Genome		4,950	5,000
Donations		6,000	10,018
Other Income		9,545	7,407
Registrations		93,657	108,185
Semen Sales & Royalties		136,934	111,775
Semex Competition		3,325	4,069
Souvenirs, Advertising & Publications		30,632	25,320
Subscriptions		51,373	54,287
Three Generations Pedigree Income		22,456	18,391
IDW Youth Challenge Tour		27,229	-
<b>Total Trading Income</b>		<b>632,256</b>	<b>574,634</b>
<b>Gross Profit</b>		<b>632,256</b>	<b>574,634</b>
<b>Other Income</b>			
IRD Penalties & Fines Reversed		-	894
Bad Debts & Capital Recovered		1,398	1,726
Interest Received		9,540	9,723
<b>Total Other Income</b>		<b>10,928</b>	<b>12,343</b>
<b>Total Income</b>		<b>643,184</b>	<b>586,976</b>
<b>Expenses</b>			
Accounting Depreciation & Amortisation		5,653	16,810
Insurance		5,869	4,764
Accounting and Audit Expenses		35,208	44,150
Honorariums		45,800	45,800
Personnel - Salaries & Wages		236,762	236,164
Personnel - Human Resource Expenses		9,539	4,634
Annual Conference Expenses		39,397	53,006
TOP & Classification Expenses		67,796	57,122
Promotional Expenses		39,835	24,794
Souvenir & Publication Expenses		27,937	18,558
Interest Expense		5	131
Bad Debts		7	-
Board & Custodian Costs		29,339	28,673
Office & Administration Expenses		40,869	43,247
Office R&M Expenses		1,178	10,468
Three Generation Pedigree		16,407	11,574

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







	NOTES	2019	2018
General Expenses		4,976	10,074
Genetic Programme Expenses		3,187	3,832
Semex Competition Expenses		2,662	4,601
IDW Youth Challenge Tour Expenses		25,485	-
<b>Total Expenses</b>		<b>637,908</b>	<b>618,402</b>
<b>Profit (Loss) Before Taxation</b>		<b>5,276</b>	<b>(31,426)</b>



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



## Statement of Changes in Equity (Parent)

New Zealand Jersey Cattle Breeders Association Incorporated  
For the year ended 31 March 2019

	2018	2018
<b>Equity</b>		
Opening Balance	472,446	503,872
<b>Movement</b>		
Income for the Period	5,276	(31,426)
Total Movement	5,276	(31,426)
Total Equity	477,722	472,446



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



## Balance Sheet (Parent)

### New Zealand Jersey Cattle Breeders Association Incorporated As at 31 March 2019

	NOTES	31 MAR 2019	31 MAR 2018
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Bank		92,725	86,051
Prepaid Expenses		4,776	-
Trade and Other Receivables		58,301	68,824
ANZ Term Deposit		290,170	290,170
<b>Total Current Assets</b>		<b>445,973</b>	<b>445,045</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	8	106,095	107,616
Investment - Link Livestock Limited		35,000	35,000
Trophies		5,970	5,970
<b>Total Non-Current Assets</b>		<b>147,065</b>	<b>148,586</b>
<b>Total Assets</b>		<b>593,037</b>	<b>593,632</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Bank - Credit Card		6,565	4,803
Trade and Other Payables		16,277	15,301
GST Payable		32,300	32,970
Expenses Accrued		58,974	59,807
HP Liabilities		1,200	449
Income in Advance		-	7,855
<b>Total Liabilities</b>		<b>115,315</b>	<b>121,185</b>
<b>Net Assets</b>		<b>477,722</b>	<b>472,446</b>
<b>Equity</b>			
Accumulated Income		477,722	472,446
<b>Total Equity</b>		<b>477,722</b>	<b>472,446</b>



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

## Notes to the Financial Statements

### New Zealand Jersey Cattle Breeders Association Incorporated For the year ended 31 March 2019

#### 1. Statement of accounting policies

##### **Reporting Entity**

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

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

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

##### **Name Change of Subsidiary**

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

##### **Measurement Basis**

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

##### **Basis of Consolidation**

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

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

##### **Revenue recognition**

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

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

##### **Receivables**

Receivables are stated at their net realisable value.

##### **Taxation**

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



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



### **Property, Plant & Equipment**

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

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

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

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

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

### **Investments**

Investments are valued at lower of cost or market value.

### **Goods and services tax (GST)**

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

### **Changes in Accounting Policies**

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.

### **Expenditure**

Expenses have been classified based on their business function.

### **Accounts Payable**

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

### **Bank Accounts and Cash**

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

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







## 2. Related Party Transactions

During the year there were transactions between the Board Members of New Zealand Jersey Cattle Breeders Association Incorporated and its subsidiary. These include the use of Association Services including: membership subscriptions, registrations, TOP & Classification, Three Generation Pedigrees, Purchase of Jersey Future Semen, Jersey Genome Programme, allowances and reimbursement of expenses for 2 directors who are TOP Inspectors, competition entries, advertising in publications, and the sale/purchase of stock through Link Livestock Limited. These included sales and purchases of goods and services on an arm's length basis at market rates. The total remuneration paid to Board Members during the year was \$45,800 (2018: \$45,800).

New Zealand Jersey Cattle Breeders Association Incorporated holds 100% of the shares in Link Livestock Limited. The Director of that company being Trent Paterson was also a Director of New Zealand Jersey Cattle Breeders Association Incorporated. During the year Link Livestock Limited was charged a total of \$2,167 by New Zealand Jersey Cattle Breeders Association Incorporated for services provided and management fees (2018: \$1,250).

## 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 2019 is an amount of \$510 (2018: \$510) which was recovered from Jennifer Taylor.

## 4. Contingent Liabilities

There are no contingent liabilities as at 31 March 2019 (2018: NIL)

## 5. Investment in Subsidiary

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

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

**Principal Activity:** Livestock Marketing

**Ownership:** 100%

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

**Balance Date:** 31 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 Link Livestock Limited.



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



## 7. Deed of Licence

The New Zealand Jersey Cattle Breeders Association Group 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 116m<sup>2</sup> 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 2019

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

As at 31 March 2018

	Cost	Accumulated Depreciation	Original Cost of Assets Disposed	Closing Value	Depreciation for the Year
Office Equipment	32,313	8,103	14,263	9,947	1,035
Buildings & Improvements	134,407	44,334	-	90,073	2,562
Computer Equipment	24,099	3,028	21,071	-	-
Motor Vehicles	36,348	36,348	-	-	4,944
Leasehold Improvements	7,875	279	-	7,596	279
	<b>235,042</b>	<b>92,092</b>	<b>35,334</b>	<b>107,616</b>	<b>8,820</b>

2019 2018

## 9. Tax Reconciliation

Operating surplus / (deficit) before tax		
Link Livestock Operating Surplus	32,109	(1,292)
Total Operating surplus / (deficit) before tax	32,109	(1,292)

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





	2019	2018
<b>Timing differences</b>		
Losses Carried Forward	(128,185)	(126,894)
<b>Total Timing differences</b>	<b>(128,185)</b>	<b>(126,894)</b>
Taxable profit / (loss)	(96,076)	(128,186)
Tax payable at 28%	-	-
Losses to Carry Forward	96,076	128,186
<b>Deductions from tax payable</b>		
RWT Paid	-	1
<b>Total Deductions from tax payable</b>	<b>-</b>	<b>1</b>
Current tax expense	-	(1)

#### 10. Capital Commitments

The Company has no capital commitments as at 31 March 2019 (2018: Nil).

#### 11. Subsequent Events

There have been no events subsequent to balance date which required disclosure in or adjustment to the financial statements.

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



# Recommendation of Director - Expenses Review Committee

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

It is pleasing that all directors have again submitted claims for their honorarium entitlements this 2018/19 financial year.

It is noted that the actuals for the 2018/19 Board meeting expenses is considerably reduced from the previous 2017/18 financial year, reflecting notably that all JNZ Board meetings were held in Hamilton this year.

In previous years, the Board Meeting Expenses listed in the table below has also included other 'custodian expenses' including Committee and Youth Council expenses, sponsorship, RAS and World Jersey Cattle Breed meetings/subscriptions. As this Committee deals with direct Board expenses, we will now report only on these moving forward as part of this report.

Rob Farley & Euan Reeve | Director Expense Review Committee



Rob Farley



Euan Reeve

	RECOMMENDATION FOR 2019/2020	ACTUALS FOR 2018/2019
HONORARIUMS	THIS YEAR	LAST YEAR
1. Base Honorarium	\$6,500.00	\$6,500.00
2. President (extra)	\$5,000.00	\$5,000.00
3. Vice President (extra)	\$1,800.00	\$1,800.00
TOTAL ELECTED DIRECTORS HONORARIUMS	\$32,800.00	\$32,800.00
4. Appointed Director	Board discretion	Board discretion
DIRECTOR MEETING EXPENSES		
5. Travel (for own car)	Included in base honorarium	Included in base honorarium
6. Airfares	Reimbursed	Reimbursed
7. Board Meetings	Included in base honorarium	Included in base honorarium
8. Meeting accommodation	Bed & breakfast plus \$30 evening meal allowance	Bed & breakfast plus \$30 evening meal allowance
9. Sub-committee of Board	Included in base honorarium	Included in base honorarium
10. Member representation days, meetings. Training days, Dairy Industry Meetings (including DIGAD & AEL), TOP Advisory Days and membership specific meetings (including all relating to Governance Review and Specialised projects as needed)	\$100 per day, \$0.35 cents per kilometre car allowance, Airfares & Motel expenses (all subject to prior Board approval)	\$100 per day, \$0.35 cents per kilometre car allowance, Airfares & Motel expenses (all subject to prior Council approval)
11. Royal Show	Board discretion	Board discretion
12. R.A.S meetings	Board discretion	Board discretion
13. W.J.C.B Meetings	Board discretion	Board discretion
BOARD MEETING EXPENSES (ACTUAL)		\$7,515 (\$19,085 17/18)
TOTAL BOARD EXPENSES (ACTUAL)		\$45,800 (\$45,800 17/18)

# General Managers Report

The last year has brought great success and great challenges for the Jersey breed from the perspective of our team in the Jersey NZ office. With the breed going from strength to strength our aim is to place ourselves to take every opportunity to promote the benefits of Jersey in innovative ways making best use of our available resources.

The Jersey NZ team has undergone considerable change since this time last year. Angela Makara moved on to new challenges in June after 11 years of service, and was replaced by Shay Rout. Sadly, Shay moved on after only five months when she was headhunted by a previous employer into a new role. Melissa Goodman also resigned in January to take up a fresh opportunity. While such changes bring challenges for us as an organisation, we must also acknowledge that the size of our team affects opportunities for career advancement for our employees.

Kandin Robinson and Robyn Gordon have replaced Shay and Melissa as Promotions & Marketing Coordinator and Member Services Administrator respectively, and members will have the opportunity to meet them both at Conference. Kandin and Robyn have both taken to their roles with relish, and while still learning, are proving valuable additions to the team. Stacey Allen remains as our Business Administrator, responsible for all day to day accounting activities, and we also retain the services of our independent contractor Josh Herbes, who bolsters our promotions team a for a few hours each week. We anticipate employing a part-time fixed-term administration assistant shortly. This new role will allow the team to be more proactive, and will provide support to me as I turn my focus to DIGAD over the coming months.

We are now getting to the 'pointy end' of the DIGAD negotiations. The timely employment of Brian Wickham as interim Manager of NZ Animal Evaluation has seen the original 'Breed Society solution' developed by the NZ Dairy Breeds Federation finally adopted. Further work is now being done on how this model will work from a high level perspective before we get down to developing new programmes that access the data required for provision of our core services via DIGAD. Further internal work will also take place as we ensure that we use the new data streams in the most effective way across all of our activities, including our joint venture programmes. If developed and implemented correctly, the 'Breed Society solution' will see increased efficiencies for our members across many aspects of our organisation.

All administration work for Ayrshire New Zealand and the NZ Milking Shorthorn Assn continues to be undertaken by the team under the Memorandums of Understanding.



**Pam Goodin**

General Manager

In August of last year, the administration work for Jersey Marketing (now Link Livestock) returned to the Jersey NZ office after a period of being undertaken by an independent contractor.

## Financial Report

In the absence of an Audit & Risk Committee, this report will also address some of the anomalies that are apparent in the audited accounts when comparing the 2019 accounts with the results from the previous year.

### 1. Profit & Loss Statement (Group)

- Registrations. Income decreased by \$14,528 in the 2019 year. Registration numbers are down for the corresponding period, with the usual February influx for the JerseyGenome registration deadline not occurring to the same extent as previous years. Male registrations have also declined.
- Accounting & Audit expenses. These expenses have decreased following the employment of a Business Administrator meaning that the external accounts input has reduced.
- Field Consultant expenses. Relating to Link Livestock, increased income activity and an additional agent translates to increased field agent expenses.
- Office R & M expenses. The significant expense to refurbish the office in the 2018 year was not replicated in 2019.
- Personnel - Salaries & Wages / Staff Expenses. Changes in the makeup of the team (including recruitment costs), overall time resource has increased. Team training has increased.



# General Managers Report

- Promotional Expenses / Souvenir & Publication Income & Expenses. Additional spend in promotions in the 2019 year was a Board strategic decision, and was budgeted with some funds allocated from outside normal operating revenue. Successful promotions were also undertaken with merchandise on herd signs and hoodies.

## 2. Profit & Loss statement (parent)

- Accounting, Depreciation and Amortization. The motor vehicle book value is now zero, therefore depreciation is no longer calculated on this asset. The old website value was written off in the 2018 year.

Increase in income 2018 to 2019 \$102,898, increase in expenditure \$32,794 resulting in 2018 deficit \$32,718 moving to 2019 surplus of \$37,386. Overall, total equity has increased by \$37,386.

## Conclusion

As a team, we continue to balance the needs and deadlines of four organisations on a daily basis, and appreciate the support shown by our President Alison Gibb, the Board of Directors and all members as we endeavour to provide the best service possible for all.

The Jersey NZ 'core' team of Stacey Allen, Kandin Robinson, Robyn Gordon are a dynamic group of individuals who endeavour to do the best they can for the Board and members at all times, who are proactive and forward-thinking, and who show both great resilience and humour. I am proud to call them my colleagues, and acknowledge their support as together we promote the strategy and values of Jersey NZ.

Pam Goodin | General Manager



# Industry Affairs Committee

## Members:

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

Warren Berry resigned from the committee after the 2018 Annual General Meeting. We thank Warren for his contributions to the committee over the past couple of years.

## Meetings and attendance:

The Industry Affairs Group met four times during the year (July, November, February, May) and also was in contact by phone and email between meetings.

Some members also participated in smaller, single issue meetings with industry contacts (see below)

## Topics addressed:

Topics addressed over the year included:

- NZAEL issues
- Production Worth (PW)
- The Environment
- Jersey cross beef
- Downgrading due to yellow fat
- Communication to and from membership

Probably the most pleasing aspect of the year has been the way industry is engaging with JerseyNZ in general and Industry Affairs Committee specifically. During the year some key industry contacts asked us if they could come to our next meeting to discuss an issue relevant to Jersey. We have been accepted as a group worth talking to and are being invited to the discussion table early on in the decision making process. As a consequence the views of JerseyNZ are being acknowledged and considered.

Industry contacts over the last 12 months have included Fonterra and Waikato Regional Council (environment), NZAEL, CRV Ambreed, LIC, DairyNZ, Massey University, Greenlea meats, Meat Industry Association.

## 1. NZAEL issues

There have been and always will be new developments and changes to the breeding worth system. It is therefore imperative that Jersey NZ through the Industry Affairs and Genetics committees is, and remains, part of the decision making process. This year, discussions with NZAEL have happened on several occasions and covered the following areas:

Reproof bias – after 5 years of work by NZAEL, this has finally been solved for Jersey. Is due to a combination of incorrect parentage, inbreeding, and 2y production being closer to mature cow production in Jersey compared with Holstein Friesians. The latter point means BW for Jersey sires is



**Roger Ellison**

Industry Affairs Convenor  
Email: glen.rog@xtra.co.nz

overestimated when based solely on 2y old daughters. The solution to these problems is yet to be worked out. JerseyNZ through Industry Affairs will stay engaged during this decision making process.

New proposed fertility BV model – this utilises more information like a 2y old heifers calving date and gestation length and treats overseas Holstein Friesians as a separate breed. It will also measure calving date as continuous variable rather than the current system of 'did she calve in the first 42 days or not.' These changes will improve the fertility BVs predictability. It is being beta tested in the next few months and if it passes, will be released in February 2020. Again, Jersey NZ through Industry Affairs is actively involved in this process. The changes, if implemented, will be positive for Jersey.

Giving farmers an early heads up when there are significant changes to BW pending. – this year, NZAEL notified the industry prior to spring mating of the pending significant reranking of bulls and cows in the February run. This gave farmers the ability to modify their sire selections to take advantage of this pending change. Industry Affairs congratulated NZAEL for doing this and emphasised the benefits for farmers for this to be an ongoing policy.

Genomics and the national dairy industry. For the ongoing competitiveness of the NZ dairy industry JerseyNZ supports the desire of NZAEL to have access to genomic data in its database (currently it doesn't). Overtime, using genomics to assess an animal's breeding values will become more and more reliable and important in a breeding program. Industry Affairs will continue to do what it can to support NZAEL to achieve this.

During the year Jeremy Bryant, Manager of NZAEL moved to another position in AgResearch. Industry Affairs would like to thank Jeremy for his collegiality and willingness to discuss issues with us.

**Continued...**

Dr Brian Wickham was appointed interim Manager in February. We have already had several discussions with Brian and find him engaging and committed to enhancing the BW system. We look forward to working with him over the next year or so.

We also had a good discussion with Professor Dorian Garrick at a joint Industry Affairs and Genetics committee meeting in February. This discussion helped us 'get our head around' the role of genomics and where this is heading and some of the issues that are likely to come into play as we move down this track.

## **2. Production Worth (PW)**

I quote what I wrote in last years annual report "This has been an ongoing issue that was reported in the 2016 and 2017 annual reports". Well we are still in regular discussion with Rachel Bloxham, LIC on this use. The good news is that the change in economic values due to the lift in the value of milk fat relative to milk protein improved Jersey PW relative to the other breeds. This was further enhanced when the economic values were changed to a 3y rolling average rather than the previous 5 year rolling average. As a consequence of these two factors, the PW of Jerseys in a mixed breed group should now be closer to or even exceed that of x-breds and Holstein Friesian cohorts.

However, this should only be considered a temporary 'fix' as the underlying issue is yet to be resolved. i.e. the absence of fertility and body condition score traits in PW.

Recently, LIC undertook a farmer survey to ascertain what farmers want in a cow index. At the time of writing, we are not privy to the results of this survey. It is the opinion of Industry Affairs that there is nothing wrong with PW as a cow index if it incorporated all the factors that affected a cows profitability – which includes fertility and body condition score.

We have also discussed the value of reporting PW in youngstock, 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 and agents when buying stock.

Over the next year, we will keep in contact with Rachel and LIC on this issue and continue to put our case.

## **3. The Jersey cow as producer of beef calves**

The Industry Affairs committee believes that the high proportion of calves from Jersey cows ending up as bobby calves is a significant risk for the breed. This was emphasised by a couple of speakers at last years Whangarei conference (Murray Jagger and John Vosper).

Beef growers and finishers heavily discount calves that contain Jersey x beef genetics because they perceive such cattle as less profitable than Holstein Friesian x beef genetics. The question we have been asking ourselves is how much of this is real and how much is just perception. A study a few years ago by AgResearch at Poukawa Research Station found "when Friesian type and Jersey x type bulls were stocked at a similar liveweight per hectare, there was little difference in terms of total output of beef per hectare."

Consequently we are closely following a couple of trials at the moment, a Jersey x wagyu trial and Jersey x Angus trial. These trials are measuring the performance of calves from birth to slaughter where proportion of different meat cuts, tenderness and marbling will be

assessed. We expect these animals will be finished and killed earlier and with a lighter body weight than other breeds but the hope is that the meat quality will be superior, therefore attracting a higher price and compensating for the lower killing weights. These trials still have 12-18 months to run.

## **4. Downgrading of Jersey animals due to yellow fat**

We have had comments from some meat industry contacts that grading of meat based on fat colour is historic and the reasons no longer apply. Many of you will be aware of the financial impact of this downgrade, which also considerably impacts on the profitability of Jersey x beef animals if a number are downgraded at slaughter.

We have followed this up by writing to the CEO of Meat Industry Association asking for comment. He has replied saying we make some good points and will take up the issue with the meat industry.

## Industry Affairs Committee *continued...*

### **5. The environment and the role of the Jersey cow/farmer**

As reported last year, this is a complex area, which makes it critical that we work according to our *modus operandi* – get the facts before taking any action.

Previously we have established that Overseer uses kg liveweight/ha and not cows/ha as its criteria for estimating stocking rate and that the breed liveweights used are appropriate for the different breeds and crosses.

We have also established that the regulators are, and will continue to use Overseer as their main means of assessing nutrient balances and movements at the farm level.

These points are good for Jersey as it negates the argument by some that farmers should be milking larger cows but just fewer of them. It is well established that Jerseys have the lowest green house gas and N excretion footprint per kg liveweight, per kg feed eaten and per kg milk solids produced. However, as reported last year, a significant industry breed change to Jersey will not be sufficient to meet the countries requirement under the Paris accord to decrease the countries environmental footprint by 30% of 2005 levels by 2030.

Industry Affairs sent a submission on behalf of JerseyNZ on the proposed 2050 zero carbon bill. Our inputs were closely aligned with other agricultural groups like Fonterra and DairyNZ. The final bill is still being drafted so, as yet, we are not sure the level of impact it may have on the dairy industry. As noted above, there will be an impact.

### **6. Fonterra payment system**

Over the previous couple of years, Industry Affairs spent quite a lot of time understanding Fonterra's payment system (VCR especially) by contacting key people in Fonterra and wider industry. As a consequence of these discussions we concluded that the mechanism of calculation is fair and robust. With the 3y rolling average being used, it just takes time for the full shift in value of fat and protein that has been occurring to appear in the payout.

This season, we have seen the value of fat over protein in payout payout. Butter and anhydrous milk fat are still reaching high prices relative to skim milk powder on the global dairy trade platform so we can expect high fat Jersey milk to retain a significant premium payment over low fat high protein equivalents of other breeds for several years to come.

### **7. Communication to and from JNZ members**

During the year, the Industry Affairs committee contributed an article in each of the Jersey Focus magazines. 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. Input of ideas and feedback from members is encouraged so that our activities remain relevant to members. The AGM is one forum for the exchange of information and ideas. Letters, emails or phone calls are other avenues that are welcome.

Roger Ellison | Industry Affairs Convenor



# TOP & Judging

## Judging

The Mycoplasma Bovis outbreak has had a major impact on show-ring activity. With the virtual total abandonment of A&P show dairy cattle classes, it has been a trying time for keen exhibitors. Our judges have been busy however, adjudicating at all the on farm shows, organised by our clubs and also at the substitute on farm events that have replaced significant regional shows. My commendation to clubs that have shown initiative in these areas, creating a worthwhile replacement event, for our keen stock-persons. It is imperative that we maintain the interest of our younger members at this challenging time.

Whilst mentioning our youth, I must congratulate on behalf of us all, the Jersey NZ Youth Team who participated in the IDW Australian Youth Challenge. Held in the large indoor facility at Tatura, just out of Shepparton in Victoria, the all-girl team, after winning individual first prizes in contributing events as the Challenge unfolded, ultimately triumphed to win the team event. Their performance and the manner in which they conducted themselves while representing Jersey NZ is an absolute credit to them.

Three Judging schools were run, in conjunction with Ayrshire NZ, during the month of March. Host farms were Ferdon Genetics [Otorohanga], Glenalla Jerseys [Ashburton], McDonalds and Vanners [Ayrshire and Jerseys respectively] at Stratford in Taranaki. My thanks to all of the host farms for making stock and facilities available. It is very much appreciated.

It is always pleasing to see new judges at these days, wanting to learn and having a go. If you have an interest and wish to learn more about good dairy conformation please don't hesitate to contact the office or one of the judges committee. A number of new judges graduated from the judging schools with a level of judging status. My congratulations to them. It was very satisfying to have both Corey Ferguson and Luke Gilbert achieve Merit Judge Certification for the first time. Well done.

The Murray Harnett Challenge Cup which is contested annually at the Feilding Dairy Event looked likely to be uncontested this year. However, your board at my suggestion, decided to award this Cup to the highest scoring judge [who qualified under the rules for this event] at any of the three judging schools run around the country. To maintain the integrity of the scoring for this event, the over-judges remained the same [Vince Steiner and myself] for the three judging schools. We found a deserving winner.

Finally I would like to thank my Judges Committee [it's been a quiet year] of Ross Riddell, James Wallace, Richard Adam, Peter

Gilbert and Christina Jordan for their support and also a big thank you to all Jersey NZ Judges for giving of their time and expertise in officiating at all relevant events.



**Barry Montgomery**

TOP & Judging  
Convenor

## TOP & Classification

An extremely busy TOP/

Classification window confronted your inspectors this past season. With the unavailability of several classifiers through personal reasons the increased workload was handled predominately by ten inspectors. Dairy NZ's [NZAE] request that all two year SPS inspections are completed by very early December has increased the pressure. Historically South Island SPS inspections could be pushed out to later in the month. With the demand to have that heifer information earlier, this not now the case. With many of the classifiers flying more than once, into the South Island, it has added some cost to the SPS contract.

However the deadlines were achieved, thanks to a willingness to commit from our classification team.

Again this year we assessed more animals in total than last year. With 22,770 animals [SPS 15,746 and member 7024] we inspected an 1712 extra animals.

Although our costs were a little higher Member Classification/SPS still contributed very positively to our overall financial position- showing a net contribution of \$62,366.

My thanks to Melissa Goodman in the office and Robert Hall as TOP Coordinator for organising the tours. Sadly Melissa has left us after really coming to terms with the classification portfolio. Her availability to help when problems arose 'in the field' was appreciated by all classifiers. I am sure our new staff member Robyn Gordon with her farm background and understanding of TOP/Classification will step into the role with aplomb.

We started the season with a classifiers workshop at the Gibb farm in Taupiri. My thanks to Russell, Alison and Natalie for making their stock and facilities available. It's vital to have an early season workshop to get our 'eye in' and discuss any new issues on how we are looking at any particular trait. There was also a combined workshop with Holstein and Ayrshire in the Waikato region that many of our classifiers attended. Very good value, something we will continue to do.

## TOP & Judging *continued...*

Since becoming convenor, I have had a goal of making your classification team the most professional team out there; in the way they present themselves, conduct themselves and deliver accurate assessment of the animals under appraisal. From the very positive feedback I have received we are achieving this. My special thanks to all our classifiers in this regard.

The Jersey NZ inscribed sunhats were a very welcome addition to our classifiers apparel. Thank you for suggesting this Ross Riddell.

Two TOP training and certification days were held in March this year. One in the Waikato and one in the South Island at Ashburton. These are organised by the Animal Evaluation Unit of Dairy NZ. We were unable to get any new classifiers over the line this year from several candidates. My appreciation to those members who had the interest and took the time to attempt certification.

We need new classifiers and will continue to encourage keen personal to become certified.

We will continue to use the current platform [hand held units] for the delivery of TOP next season, but hopefully with the final DIGAD solution getting closer to reality [Dr Brian Wickham has created some impetus in this area] we will have a new platform in the not too distant future. The Dairy Breed Societies are working in this area currently.

Finally a thank you to my classification committee of Robert Hall, Graeme Collins, Peter Gilbert and Maurice Pedley and to all the classifiers for their commitment to the job.

Barry Montgomery | TOP & Judging Covenor

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## Link Livestock Ltd Report

Jersey Marketing Services Ltd / Link Livestock Ltd

Although strictly speaking we did not reveal our name change until after our balance date, it has been in the pipeline for some time, just lacking a suitable new name. We employed the services of a consultant to guide our decision making looking to the future. While having Jersey in our name has attracted Jersey farmers it has had the effect of restricting our business with other breeds which are of course a combined bigger market. With this in mind our directors have made the change to Link Livestock Limited using the byline - Linking Buyers and Sellers.

The business has made steady progress over the last 12 months turning a profit and adding positively to the Jersey NZ bottom line result. We have shifted our administration back into the Jersey NZ office making better use of their resources.

Although the paddock market has generally been flat we have been able to increase sales volumes.

The 2018 autumn auction sales were quite buoyant and Mycoplasma Bovis appeared to help our spring bull sales trading numbers. We held our first on farm bull sale in September proving very successful for our vendor and JMS.

The positive milk price has not resulted in higher stock values probably because there is no dairy expansion at present and likely to remain that way in the near future.

The increased value of fat does not appear to have had a

substantive effect on breed choice or values at this stage but anecdotally cross breed farmers seem more amenable to a higher Jersey content in their herds. When farmers compare their milk prices at seasons end and the fat price increase in next seasons VCR is announced we would anticipate more interest in Jersey genetics.

We see Link Livestock Limited being more active selling other breeds in future and with more agents. Finding suitable applicants is difficult. At present Link Livestock Ltd has just two Directors both of which have strong Jersey affiliations. We propose to increase that to three Directors, one of which to have other breed connections.

As will have been noted in the Jersey NZ AGM Notice of Motion, LLL proposes to change its Balance Date to June 30th. The annual accounts would then better reflect the full season and include June 1st transactions.

My personal thanks to our Directors Warren Berry and Trent Paterson and also to Jersey NZ President Alison Gibb who attends most of our meetings, our two agents Grant Aiken and Karen Fitzgerald and the office staff.

Ross Riddell | Business Manager



**Ross Riddell**

Business Manager



# Genetics Report

The Jersey breed is now extremely well positioned to increase the Jersey content of the national dairy herd. Strong Milkfat values continue with strong international consumer demand. On farm our milkfat revenue significantly exceeds protein returns.

As we are aware AEU now uses a 5 year rolling average for fat and protein EVs (economic values) and has reduced the VCR from 5 years to 3. Jersey dominance on the RAS list will continue at least for the next two or three years with AEU VCR used to calculate fat and protein ratios favouring Jersey fat efficiencies.

Currently Jersey bulls dominate the AEU RAS list with 25 Jersey, 5 Kiwi cross and 0 Holstein. Eight new Jersey graduates enter the RAS list including four sons of Arietta NN Degree. Pukeroa AND Baratone and Glenui Degree Hoss are top contenders for Sire of the Season.

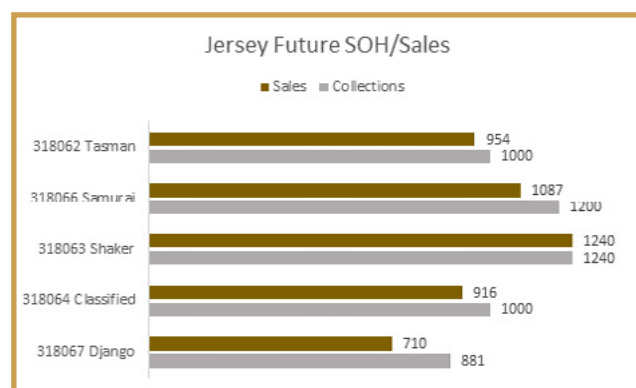
All breeding companies reported a lift of around 20% Jersey semen sales in 2018 compared to the previous season and we should expect further increases for 2019. We are told demand for Jersey semen will be met with the current number of Jersey bulls in service as Jersey bulls in Progeny test have been over represented compared to other breeds when comparing semen sales by breed.

We continue to argue for more Jersey bulls in Progeny test schemes, given the historic lift in breed rankings and imminent growing demand for Jersey semen.

## Jersey Future

Jersey Future semen sales lifted significantly for the 2018 team with 980 straws sold from each bull. This was up from around 600 the previous year. Our aim is to prove more bulls annually if we are able to generate increased sales. Remember most of the success of this scheme will come from great genetics and your support!

We extend our gratitude towards the breeders who have offered outstanding bull calves for selection.



**Steve Ireland**  
Genetics Covenor

Please Keep Jersey Future in mind when you make your breeding decisions and when elite bull calves are born. We look forward to our first crop of Jersey Future heifers calving spring 2020

This outstanding team is packed full of solid cow families. Some of these young bulls come from proven bull dams while others represent cow families establishing themselves as worthy genetic leaders.

Averaging 249gBW, 0.42 Overall opinion, 0.48 Capacity, 0.53 UO, 0.44 DC, 3.45% Fert, -18 SCC

You won't find better value genetics than this team!

6 different sires represented.

Devon Quin Ontime is a worthy addition to the team Sired by VJ Quintana, Quin is genetically diverse from a great cow family with a significant genomic lift from ancestry.

This year's team are all A2A2 protein variant therefore opportunities here for breeders moving their herds towards A2

We encourage breeders to consider adding a little outcross to your breeding programs. Outcross progeny from top performing dams could be of interest from AI companies. You could breed the next Quin.

SIRE	gBW / Rel		
319060 WEE BURN DEIG DON	277 56		
319061 DEVON QUIN ONT IME-ET	207 40		
319062 KAIMATARA KINGPIN PORT	202 59		
319064 KELLAND TRIPLE ROCKSTAR	256 55		
319065 TIRONUI OKURA GR KEA - ET	285 52		
319066 TIRONUI GR MONTAGE ET	268 49		

WEIGHTED AVERAGES OF YOUR SELECTED Sires									
Management	-1								1
Adapt to Milk	0.41								quickly
Shed temp	0.42								good
Milking speed	0.29								fast
Overall opinion	0.42								desirable
Conformation	-1								1
Stature	-0.03								tall
Capacity	0.48								capacious
Rump angle	-0.18								sloping
Rump width	-0.12								wide
Legs	0.10								curved
Udder support	0.33								strong
Front udder	0.49								strong
Rear udder	0.53								high
Front	0.06								close
Rear	-0.17								close
Udder overall	0.53								desirable
Dairy conf	0.44								desirable

gBW	\$249	93% Rel
Milkfat	22 kgs	
Protein	3 kgs	
Milk	-654 Litres	
Liveweight	-44 kgs	
Total Longevity	422 days	
Milkfat %	5.9%	
Protein %	4.4%	
Calving Diff	-1.95	
Fertility	3.45	
SCC	-0.18	

Nil: the reliability of a team of bulls is always higher than using just one bull

LIC Data Source 11/02/2019

## Genetics Report *continued...*

### Jersey Genes

With a very high graduation rate Our Jersey Genes bulls continue to contribute towards jersey genetic gain and we've enjoyed another year of very good royalties.

Last season Roma Kingpin was CRVs 4th highest selling international bull over all breeds. His sons Puketawa King Carrick JG and new graduate Puketawa King Connacht JG are set to continue Kingpins path of success.

Pukeroa Gun Walker has been a popular outcross option.

Waiteitei Super Maxwell sold out last year with greater than expected demand New Graduate Drumclog Manzello Lucas JG ,BW 203 will contribute significantly with his 27 kgs Fat and 10 KGs protein BVs along with very good capacity, udders and outstanding management traits.

Be sure to utilise these great genetics within your breeding programs while adding to our jersey business.

### Jersey Genome

Elite females identified through CRV and Jersey NZ supports CRVs Jersey genetics program.

This partnership between Jersey NZ and CRV Ambreed contributes significantly towards our jersey genetics within NZ and supports our collaborative values within the industry. 4 bulls have been purchased by CRV this season from the Jersey Genome programme.

Both Drumclog Manzel Lucas JG and Puketawa King Connacht JG are excellent results from the genomes partnership.

The current 2018 team of genome comprises 49 2 year olds represented from 21 breeders.

### Genetics Meetings

Given significant crossover we have now joined forces with the Industry affairs committee with joint meetings where possible

### JERSEY FARMERS, GO FORTH "EDUCATE, ADVOCATE AND RE-POPULATE"

From your Genetics team

Steve Ireland (convenor), Tony Landers, Barry Montgomerie, Toby Sneddon, Trent Patterson, Ross Riddell

Steve Ireland | Genetics Covenor





## Conference Committee Report

The majority members of the committee from last year have remained on the committee as was the plan to keep continuity. Michele Capper has also joined the committee this year.

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, budget and venue
- Alison Gibb – Keynote speakers and sponsorship
- Marion Johnson – Workshops and merchandise
- Ross Turner – Workshops and speakers
- Karen Fitzgerald – Sponsorship and venue
- Gail Gray – Sponsorship
- Michele Capper – entertainment and food

The committee have worked very well together and have hopefully put together a great conference for 2019.

The committee originally decided on a date in early June for the conference, however this was changed to late May due to the world Jersey Cattle Bureau having their annual meeting in June.



**Marian Wallace**

Conference Covenor

To date numbers have been low and this in part maybe because of the date of the conference. This is something that does need consideration next year. Having the conference in late May affects those members who are moving farms or who have staff moving farms. This year two committee members and their families are unable to attend the conference for that reason. It also is more likely to affect our younger members who we are trying to encourage to attend the conference.

Marian Wallace | Conference Committee Covenor

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## Youth Committee Report

The Youth Committee is pleased to have been able to help one of our young members, Joanna Fowlie, attend the Youth Symposium as part of the World Jersey Bureau Meeting held in USA during June 2018. I trust Joanna enjoyed this experience and learned a lot of valuable information through being able to attend.

There is a planned Youth Ambassador Conference to be held this coming year. This will involve the Youth Council, Youth Ambassadors and the Youth Committee. This weekend is planned to be in Auckland.

Other than that, this has been a quiet year for the Youth Committee. If anyone is interested in joining this committee, please contact either the office or myself.



**Peter Gilbert**

Youth Committee Covenor

Peter Gilbert | Youth Committee Covenor

## Youth Council Report

Although the weather is drying up, the Youth Council enthusiasm has not.

We say goodbye to Euan Reeve and Paul Edwards, Thank you for your service and contribution over the past four years. I would like to wish you both luck for your future endeavors. Welcome to new member Michelle Good, We are looking forward to the refreshing ideas and viewpoint you will bring to the Youth Council.

In January, I was lucky enough to be involved in the Youth trip to International Dairy Week in Australia. 12 young ladies ranging in ages from 11 to 19 competed in the Holstein Australia Youth Challenge. The Youth Council again sponsored this team and this year it is a pleasure to say that the team won. They all put in hard work prior to the trip and during. They were true ambassadors for Jersey NZ and themselves through their conduct and passion. Well Done Girls! The money raised from another successful Youth Auction contributed to the sponsorship of the trip.

We are working on having a couple of days away together along with the Youth Ambassadors. The purpose of this is to help streamline the role and as a way of team building and networking. The Youth Committee will be organising the event and also will be in attendance. More details on this will be available soon.



**James Wallace**

Jersey Youth Council

We are currently in our second year of the Ian Harris Memorial Competition and are looking at expanding improving the competition for future years. Thank you and good luck to the participants.

As a Council we will be continuing our governance training and shall be starting the year with a review of our strategy and values.

I look forward to catching up with people over the next few months.

James Wallace | Chairperson, Jersey NZ Youth Council



**Minutes of the 116<sup>th</sup> New Zealand Jersey Cattle Breeders  
Association Annual General Meeting held on Friday 8 June 2018  
at Distinction Hotel, Whangarei, commencing at 9.30 am.**

Mrs A Gibb (President) welcomed 63 members and Directors to the 2018 Annual General Meeting.

**1. AGM NOTICE OF MEETING**

The Notice of Meeting was taken as read.

**2. APOLOGIES**

P Brewster, G Collins (lateness), J & Dobson, M Ellis, R & K Farley, W & M Ferguson, P Goodin, I & C Jordan, G & L Lawry, T Luckin, C & L Megaw, L Pedley, E Reeve, N & J Riddell, M Townshend, C Townshend.

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

A Hazlitt / T Ford

Carried.

**3. OBITUARIES**

The meeting stood for a moments silence for those members, past and present, who have passed since the last AGM.

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

**That the Minutes of the Annual General Meeting of 25 May 2017 are taken as a true and correct record.**

D Shaw / D Hickey

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 the promotions and marketing of Jersey NZ has been slower than expected but we are still making progress. This year Jersey NZ established the Conference Organising Committee which worked well. Happy to welcome new members to the Youth Council and great to see the progress happening there also. The report was opened for discussion, there was no discussion.

**That the Presidents Report is adopted.**

A Gibb / G Wallace

Carried.

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

In the absence of the General Manager due to sickness, Mrs A Gibb pre-empted responses to questions in relation to the loss that was incurred and why the auditors did not sign the official report prepared by P Goodin. The reason that the audit was signed by T Paterson and A Gibb was due to a delay in receiving the final accounts by the auditors to get the audit out to the membership in time; the use of T Paterson (Jersey Marketing Services Director) was approved by the auditor. T Paterson went through the report before giving approval to affix his signature and questioned thoroughly any points that he felt needed clarification.

- The loss that is seen on the report is a group loss of both JNZ and JMS, this includes the repayments from JMS to the loan that was provided on re-establishing JMS services.
- This year saw a large reduction on the Jersey Genome entry fee in order to entice more participation, this went from \$350 in the previous year to \$50 currently.
- Semen royalties are up in the figures but Jersey Future sales did not come close to reaching budget.
- Semex competition made a loss due to increase in expenses.
- There is a noted loss in Jersey Focus; this is due to the timing of invoicing where the printing of the Focus was late so the invoice fell into the incorrect financial year.
- Additional expenses were incurred through the establishment of the Xero accounting system along with training from PWC on the package.
- There is an accounting depreciation write off of the old website.
- Last year's conference ran at a loss due to having the conference in Wellington City. Angela Makara added that travel and accommodation was more expensive for staff in attendance, the events were more expensive than in other years also.
- Board expenses were higher this year due to travelling to both Taranaki and Southland. Although the two trips were on separate years, both fell into this financial year.

- The general expenses are incorrect due to merging and staff expenses (this was questioned by S Ingram for clarification but could not be answered, A Gibb to ask P Goodin during the recess and re-attend to the question). Readdressing Susan Ingram's question, the general expenses as reported is not correct due to items being coded wrong at the time of entry.
- Honorariums were increased at the last Annual General meeting, and all Board members are now taking them.
- The office refurbishment was 30 years coming, and needed to take place due to health and safety risks.
- The increase in staff numbers accounts for the increase in salary amounts.

A Gibb opened the report for discussion. C Burnett asked if the AGM looking to make a loss or profit in 2018. A Makara responded that the conservative estimate of surplus is around \$3500 for this AGM, last year was more expensive due to being in Wellington City. S Ingram asked where was the major loss from last year. C Burnett asked what is the 'commission paid'? T Paterson replied that 'commission received' and 'commission paid' both relate to Jersey Marketing Services. C Perrott asked which period the Jersey Marketing transactions are paid in, T Paterson replied that some payments/transactions are moved into the next financial year due to stock movement and often income received is in a different period than the sale transacted. R Riddell asked was the previous year's sales recorded in the same manner, with no forward commissions? If this is a new policy it could greatly affect how the report is viewed. After following up with P Goodin, A Gibb confirmed this was also the case previously. C Perrott asked if it is worth having a city based AGM if the costs are too much, A Gibb responded that we chose Wellington as it was different for the membership to have an event in the city centre, and had a lot more options to choose from in regards to activities to attend. It was an attempt to promote the new re-branding and do something different. How it happened in Wellington doesn't rule out something similar in the future, but it wasn't our finest moment. T Paterson asked where is the overall expenditure going and is a deficit going to happen again? A Gibb responded there were a lot of things that happened that weren't budgeted for. Going forward the budget will be looked more closely into, the board is aware that there are issues. We also need more membership support of the Jersey NZ services; registrations, TOP. S Ireland added that investment is important, but there are certainly ways to trim the costs. A Gibb added that TOP classifiers are also paid more. S Ingram asked if the membership can have last year's budget and this year's budget in the annual report? A Gibb was unsure of how this would work, but it can be discussed by the Board. B Cutforth asked if not able to be published can this at least be presented by the speaker at the AGM as it could add value, A Gibb responded that this is possible. D Shaw noted that the membership need to have faith in our board that they are doing what is best for Jersey NZ. C Perrott asked where are our income streams and where are further opportunities? A Gibb replied that the current income streams are registrations and TOP classifications, we also have Jersey Future, but as in any newly established service it takes time to thrive. We could also look into having partnerships/sponsors, although not normally an income stream considered by Jersey NZ this could be an option going forward. The board agrees that there needs to be further discussion on alternative income streams. B Potts noted if the membership want more to happen then they need to stand up and do something about it, adding that this has not occurred in the way that it needs to. A Gibb commented that we are still gaining trust back from the membership and moving forward with this we need to look at new ways to inspire the membership.

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

A Gibb / M Johnson

Carried.

## **7. ELECTION OF AUDITOR**

**That Crowe Horwath are appointed as auditors for the financial year ending 31 March 2019.**

A Gibb / R Colebrook

Carried.

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

As there are no elections this year there is no formal vote required. However, Tony Landers and Alison Gibb both need to be re-appointed as their 2yr term has expired. A Gibb invited B Cutforth to speak on behalf of the reappointment committee. Overall comments were that the Jersey NZ board are functioning well as a group and have a well formulated structure which stands as a great positive for Jersey NZ, congratulating the Board on this. There were two points of contention for the reappointments committee: leadership succession and industry connection. They felt that both T Landers and A Gibb could attend to these risk factors. The committee feel that the board is still at risk in regards to 'business acumen'. B Cutforth offered all those attending to vote individually on each standing director, which was declined. A secret ballot on either party was also offered and declined.

**That T Landers and A Gibb are reappointed for a term of one year.**



B Cutforth / R Riddell Carried.  
 B Cutforth added the committee's recommendation to appoint someone to the Board to assist and fill the gap that is apparent in the lack of 'business acumen'.

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

B Cutforth resigns, R Riddell and M Townshend are both available for re-election.

R Riddell	B Cutforth / M Pedley
M Townshend	M Pedley / B Cutforth
T Paterson	M Pedley / E Bocock

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

D Hickey is happy to hear that the board is now taking their honorarium again.

**That the recommendation as printed in the Annual Report 2018 is adopted.**

A Gibb / B Potts Carried.

#### **11. ELECTION OF THE BOARD EXPENSES REVIEW COMMITTEE**

E Reeve and R Farley are both available for re-election.

**That E Reeve and R Farley remain the Board Expenses Review Committee.**

M Shaw / D Ireland Carried.

#### **12. COMMITTEE REPORTS**

- 12.1 Industry Affairs Report. R Ellison spoke to his report s presented in the Annual Report: working hard on developing relationships in the industry, and we have some key players that are representing Jersey well such as Jeremy Bryant and Melissa Stephen. We are also working with CRV, LIC, Fonterra, and the Waikato Regional Council. In regards to the environmental 'stuff' we are looking at where Jerseys fit in this climate, especially around bobby calves and Jersey meat. The group is holding strategy meetings in regards to biggest risk areas in the industry, working out what to do in that space.

**That the Industry Affairs Committee Report is adopted.**

R Ellison / D Hickey Carried.

- 12.2 Classification and Judging Report. B Montgomery presented his report as printed in the Annual Report, and opened the report for discussion. D Shaw commented that Jersey NZ needs to toughen up on personalised TOP requests, they can take a huge amount of time/energy/expenses. Jersey NZ office needs to take greater initiative when the tours are happening in order for members to fit into the scheduling that is taking place during this time. B Montgomery noted that the Committee has met and discussed this point and it will be addressed. D Shaw added that there are a large number of animals that are presented as Friesian that are not. This impacts on data recording and there is a concern that farms are not providing the correct data. C Burnett noted that some farmers don't want to or can't afford the extra cost of verifying those animals that come back with queries, which could impact on this point being resolved. B Montgomery noted that there are new technologies and programmes that are coming out that could make it easier to assist farmers in their recording processes. C Perrott noted that if we are not getting the right info then the Jersey breed can lose out. This kind of data inaccuracy is distorting data and can significantly impact on ranking and reliability. R Turner asked why don't the extreme scores get used on both ends of the scale in regards to stature? We see lots of 9's but not many 1's, could this be adding to the problem? B Montgomery and P Gilbert both responded that these are issues that the TOP Advisory Committee is looking into. D Hickey asked if there will be more options for autumn herds? B Montgomery responded that we are looking into this for next season.

**That the Classification & Judging Committee Report is adopted.**

B Montgomery / D Shaw Carried.

- 12.3 Promotions Committee. A powerpoint presentation was presented by A Gibb and C Hickey. Key points of success so far: Full rebranding, values dissemination, business cards, more newspaper articles, newspaper advertising, updated breed booklet, members call to action promo, internationally renowned Jersey Focus, increased social media presence, updated website, wide range of apparel and visibility, bumper stickers, farm signs promo, road signs, Josh Herbes (Media expert contractor). Key points coming now: Industry interface manager, 3 month fixed term position; Regional ambassadors; More opportunity to show case Jersey at networking events/shows. Key points coming in the future: Billboard ideas "I milk Jerseys because..."; Farm Fence banner collection; periodically there will be ideas promoted on how members can help on an everyday basis; plus Many more

C Hickey opened the report for discussion. R Turner asked if the Committee has looked into SMASH? S Ingram asked what are we doing for Fieldays? A Gibb responded that we appreciate your suggestions and we encourage you to think about your own ideas and let us know, C Hickey added that we often sit in the

meeting room with 3-4 people, to have the ideas of 600 would be even better. A Gibb noted that National Fielddays are too expensive with low return for us to invest in going year after year, but this year we will be installing the road signs on those roads the lead to the fielddays. D Shaw commented on a great report, all members are passionate and if every member was to donate \$10 per culled cow that could fund one of these promotional ideas. J Ellis asked if we get discounts on articles/adverts in magazines and papers? A Gibb replied not really, and often there are too many strings attached to make it feasible. R Ellison noted that he deliberately didn't mention Jersey NZ in his article as they don't get picked up if they are seen to be biased or promoting a particular idea. We have to get the articles out and then associate with Jersey NZ.

**That the Promotions Committee Report is adopted.**

C Hickey / A Hazlitt

Carried.

- 12.4 Genetics Committee. S Ireland presented his report as printed in the Annual Report, the membership need to get behind Jersey Future and buy more straws in order for this programme to stay viable. There is the potential to open up sales to non-members.

The report was opened for discussion. E Bocock commented that the sales criteria are too restrictive. C Burnett expressed disappointment that the whole team is not A2A2, felt that this was a poor decision made. S Ireland acknowledged this point and will promote the team sales for the 3 A2A2 bulls, a number of factors go into the selection criteria. There also needs to be more demand in sales, in order to have greater options. M Johnson asked why the three Zaga bulls instead of more variety? S Ireland responded availability and reliability. C Perrott noted that due to the use and sale restrictions autumn herds can't use the straws. C Inverarity (LIC) felt that this was a good point that can be discussed at the next meeting. R Hamilton asked if we can sell to non-members. S Ireland replied yes. B Potts asked if larger herds can buy more than the 50 straw limit. S Ireland responded potentially yes.

**That the Genetics Committee Report is adopted.**

S Ireland / J Ellis

Carried.

- 12.5 Jersey Marketing Services Ltd. R Riddell spoke to his report as printed in the Annual Report: we are building impetus and have determination. We are establishing good networks, and the potential for growth is good. We have recently expanded with employing Karen Fitzgerald in the lower North Island. The report was opened for discussion. R Colebrook commented that the aim of \$30,000 profit this year is too low, R Riddell agreed but JMS is in its early stages and will need to build to get larger profits. B Cutforth asked if thought had been given to changing the trading name. R Riddell replied there would be a lot to consider and would not be a rash decision to be made. Will take the suggestion on board and continue the conversation. M Johnson commented that she is a grateful and happy customer of JMS. S Ireland asked if there is an opportunity for collaboration and co-branding? R Riddell replied that this is a complicated issue. Perhaps at annual events would be OK, but collaboration with individual farmers is not likely. Sole agency is also essential when branding any sales with individual prefixes.

**That the Jersey Marketing Services Ltd report is adopted.**

R Riddell / D Ireland

Carried.

- 12.6 Annual Conference Organising Committee. M Wallace spoke to her report as presented in the Annual Report. The report was opened for discussion, numerous AGM attendees congratulated all involved parties in organising this year's Conference. Comment was made that future AGM's should include an alternative schedule. M Wallace noted the committee wanted the programme to be inclusive but also encourage all members to attend the AGM and providing an alternative can be seen as discouraging from engagement in the AGM programme. B Cutforth noted that engagement with local members was lacking. M Wallace responded that this has been noted as a weakness of the planning committee, but the committee did what they could with the information they had. A Gibb advised that a call for next year's organising committee will be coming soon. M Wallace noted that the Committee tried for the West Coast for this year's AGM but couldn't accommodate projected numbers, 2019 will definitely be in the South Island and we will welcome new committee members. R Turner commented that M Wallace did a great job as chairperson.

**That the Annual Conference Organising Committee Report is adopted.**

M Wallace / R Turner

Carried.

- 12.7 Youth Committee. P Gilbert spoke to his report as presented in the Annual Report.

**That the Youth Committee Report is adopted.**

P Gilbert / A Johnson

Carried.

- 12.8 Youth Council. A Gibb spoke to the report as presented in the Annual Report, noting the goals of the Youth Council as a succession planning tool, alongside general governance training for a sitting term of three years. She presented C Hickey with his certificate of service and made special mention of M Stephen who also sat for three years. A Gibb introduced J Wallace as the new Chairperson.

M Johnson asked what are the aims of the Youth Council in the coming year? J Wallace replied that general training with the group is on-going; J Fowlie is being sponsored to go to America for the World Jersey

Conference (funded by the Heifer Raffle); wanting to extend youth outreach and get a youth ambassador weekend to take place early 2019.

**That the Youth Council Report is adopted.**

A Gibb / G Wallace

Carried.

**13. GENERAL BUSINESS**

- 13.1 Junior members. R Thomson noted there doesn't seem to be anything for junior members. A Gibb replied we find that younger children are engaged at a show level so are focussing on the group of young farmers aged 25-35 to see how to better to engage this group. We have competitions which help, but need more: such as running seminars, groups, mentorships. Youth Council starting off with ambassador's weekend. There is so much potential to what we can do and a lot of new things happening (as seen in promotions presentation) but Jersey NZ needs the help and support of its membership. M Johnson noted that there is nothing in the focus for younger kids, A Gibb replied more can be done but it is expensive, and capacity to do so thin. C Hickey added we have been attempting an outreach to the membership to gain information on youth members, but didn't have a lot of response. Short of calling every member and asking their age, current information of target groups is limited. Three Focus's ago we had a centre spread on youth related articles, and resources that already exist on other platforms that could be utilised. A Gibb added we actively try to get youth stories out in the media and will continue to do so
- 13.2 Genetics. D Shaw asked why don't we have greater discussions on genetics at the AGM? Maybe speakers, or group discussions specifically for those interested in breeding genetics. A Gibb replied that this is a good point and the actual AGM doesn't have to go for so long. We can open the meeting, clear the constitutional requirements and then could potentially leave the rest of the afternoon for something exactly like that. M Pedley commented that Jersey Clubs are depleting, there could be the potential to hold an event such as Dairy Event but for discussions on genetics, young farmer's interests are changing and we need to accommodate for this. This could be an All Breeds forum with workshops and speakers etc. A Gibb nominated P Gilbert to look further into this with the Youth Committee
- 13.3 Mycoplasma Bovis. M Pedley asked what will happen if shows stop because of M. Bovis. Group discussion continued on the effect of M. Bovis and how this will effect sales, competitions, shows and the wider industry - it is a 'wait and see' type situation.
- 13.4 Jersey Australia. C MacKenzie (President, Jersey Australia) added his support on behalf of Jersey Australia and wants to continue a partnership with Jersey NZ going forward.
- 13.5 Cull cow proposal. B Montgomery asked for feedback on the already highlighted idea of donating \$10 per cull cow to Jersey NZ. Only comments from J Pirie and M Pedley, that this would need further formulation and clarification and be a targeted promotion.

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



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