



ANNUAL REPORT

31 March 2019



**OFFICIAL
PUBLICATION
OF THE
NEW ZEALAND
AYRSHIRE
ASSOCIATION (INC)**



the **NEW ZEALAND
AYRSHIRE ANNUAL
MARCH 2019 REPORT**

OFFICE LOCATION

Livestock Improvement Centre
Cnr Morrinsville & Ruakura Rd
Newstead, Hamilton

POSTAL ADDRESS

595 Ruakura Rd, R D 6, Hamilton 3286

TELEPHONE

07 856 0816

GENERAL MANAGER

Pam Goodin

**MEMBERSHIP SERVICES
ADMINISTRATOR**

Robyn Gordon

BUSINESS ADMINISTRATOR

Stacey Allen

**PROMOTIONS & MARKETING
CO-ORDINATOR**

Kandin Robinson

E-MAIL

info@ayrshire.org.nz

FACEBOOK

Ayrshire New Zealand

WEBSITE

www.ayrshire.org.nz

Table of Contents

Below	—	Board of Directors
3	—	The Ayrshire Vision
4	—	Notice of Annual Meeting
4	—	Annual Meeting Programme
5	—	Presidents Report
7	—	Remits
7	—	Notices of Motion
8	—	Membership Analysis
8	—	Registrations by Herd Book
8	—	Trust Fund Donors
9	—	Production Awards 2017/18
11	—	Show Awards 2018/19
11	—	Special Awards
12	—	Statement of Financial Performance and Position
22	—	Finance Committee Report
23	—	General Manager's Report
24	—	Semayr Breeding Services Report
25	—	Production Promotion Committee Report
26	—	T.O.P. Classification / Judging Committee Report
27	—	Youth Committee Report

Board of Directors

President

Donald Green Leeston

Directors

Roger Hutchings	Okaihau
Roger Hancock	Ohinewai
Graeme Leech	Tirau
Vince Steiner	Tokoroa
Gordon Glentworth	Kaponga
Graeme Emslie	Norsewood
Stewart Riley	Collingwood
Peter Allison	Outram

The Ayrshire Vision

Vision

Ayrshire New Zealand will develop, promote and maintain the Ayrshire breed as a credible option for New Zealand dairy farmers.

Purpose

To be the number one dairy population, among all breeds, under the NZ payment system

Core Values

- Genetic gain of the Ayrshire population
- Always look for the opportunity
- Maintain a financially sustainable business
- Foster camaraderie among Ayrshire members
- Always maintain a professional image

Goals

- Ayrshire NZ will have united, vibrant members who are proud to belong.
- Ayrshire NZ members will be proactive and engaged in striving to achieve Association goals.
- Ayrshire NZ and its members are progressive and are perceived to be innovative.
- Ayrshire (A14+) will make up >1% of the national herd
- Ayrshire BW/GW and PW will increase annually
- Ayrshire cows will be financially rewarding for those who farm them.
- Ayrshire cows will be included in national statistics and trials.

Key Performance Indicators (KPI)

1. Membership: The Association membership will be 30% of farmers who have a proportion of Ayrshire in their herds.
2. Registration: 40% of available animals will be registered.
3. Semen Sales: The Semayr / LIC partnership will have 50% of Ayrshire calves registered annually sired by Semayr bulls.

NOTICE OF 110TH ANNUAL GENERAL MEETING 2019

and

ANNUAL REPORT, STATEMENT OF FINANCIAL PERFORMANCE and
STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2019

To be presented to the Annual General Meeting of the Association to be held at the Plymouth International Hotel, New Plymouth.

Friday 7th June 2019, at 9.00 am.

Business:

1. Notice of Meeting.
2. Apologies.
3. Minutes of the 2018 Annual General Meeting (see Bulletin No. 170).
4. Matters arising from the previous minutes.
5. To Receive and Adopt the President's Report.
(a) Obituaries
6. To Receive and Confirm the Statements of Financial Performance and Position.
7. Appointment of Auditor.
8. Results of Elections
 - Central North Island
 - Lower North Island
 - South Island
9. Notices of Motion.
10. Remits.
11. Reports from Committee Convenors.
12. General Business.

By Order of the Board
Pam Goodin
22 May 2019

Notice of Special Meeting to be held on conclusion of the AGM. Confirmation of Notices of Motion.

PRESIDENTS REPORT

It is with pleasure that I present my Presidents Report for the year ending 31 March 2019.

What a difference a year makes. When reading my last year's report, I noted that many of the dairy regions were struggling to keep up production due to dry weather conditions and a lack of rain fall. This season has been very much the reverse with a favourable spring, good summer growth, and now a mild autumn with many farmers reporting record production. A lift in the current milk price and the prospects of even better prices next year has the effect of lifting dairy farmers confidence. A concern that we all have as dairy farmers is the increase in costs that we must incur to operate our business. The cattle disease Mycoplasma Bovis continues to be a concern to our industry nationwide but particularly in the South Island. The majority of A & P Assn's throughout the country chose not to hold a cattle section at their shows to eliminate the risk of spreading this disease further.

The showing and the competition that goes with it plays a major part in the lives of many of our members. Our Association also has in the past sponsored and awarded Championships to nominated shows in both the North and South Island. The thought of not having showing competition got many members and show committees thinking, and as a result on farm competitions have been held with much success throughout the country.

One such competition was the Ayrshire New Zealand National On-Farm Challenge. This attracted over 220 entries from 50 members throughout the country. Genetic Enterprises were major sponsors, It was decided to award our 2018/19 North and South Island Champion and Reserve Cows judged from this competition. Thanks must go to the judge Dean Malcolm and to organisers Vince Steiner and Matt Robinson.

I am happy with the way that our Association has been operating throughout the year. I realise that we do have issues from time to time that may upset some members but in the big picture I would like to think that the future is bright for our breed. You will note that a small loss was recorded for the year in our finances. However, we have been able to repay back some debt and our cash position is in a better position than twelve months ago. I do firmly



believe that as a Breed Society we can offer value for money for the services that we offer.

You will now be aware that we have approached our members asking that they invest in the future of the Ayrshire Breed in New Zealand. We have some projects coming up that will require capital input from our Association. So, if you hear the word **INVEST-AYR** mentioned please give some serious thought to some form of assistance for future generations to come.

Semayr had a good year with semen sales and improved profit. We have a good proven team at present with the leading sires able to match and better bulls from competitive breeds with very good production BVs. International sales have also been very pleasing. We, as members, need Semayr sales to be strong to support the financial shortfalls of our administration. A view which is not always shared by those in governance for it would be beneficial to direct profits made from Semayr towards Breed Improvement.

Breed promotion has again been very pleasing with numerous articles on various members profiling their studs and farming operations. The office has been able to produce the spring and autumn Bulletin which is a must read for many of our members, also regular Ayrwaves are produced to keep members well informed of matters of interest.

I am often reminded that our Association is a business and if we are to be successful, we need to market our services that we offer. Not only to our members, but to the wider dairy industry in New Zealand and Internationally. Think of it as **PPPP. Produce your product, Promote your product, Present your product, Profit from your product.**

continued...

PRESIDENTS REPORT *continued...*

Following on from my last comment, congratulations to Hillary and Albie Jane for a very successful dispersal sale of your Southwind Stud. To achieve individual record prices and a very strong overall sale average was a credit to you both.

Our administration is moving more towards electronic notification of information, breed publications and the sending of accounts. I realise that this will not suit some members, and a few are unable to receive emails, but the cost savings for time and postage at present and in the future will make the change worthwhile. The Board is proposing a Notice of Motion to this effect to be voted on at the AGM.

Our administration continues to be contracted out to Jersey NZ. General Manager, Pam Goodin and her team administer the affairs of our Association. This arrangement works well for us as we work with Jersey NZ to improve cost efficiencies for both breeds. My thanks to Pam and her team for the work that they do in a very pleasant manner.

My thanks to my fellow Directors for their support throughout the year. I would like to congratulate Gordon Glentworth for his 30 years service as a Director. One thing I will say about Gordon is that at the Board level he always puts the Breed and the Association first.

A special mention to Stewart Riley who after 18 years representing Ward 7 and recently the South Island region is not seeking re-election. I welcome to our incoming Board Audrey Stevenson who will be taking over from Stewart.

Obituaries. To the members who have suffered bereavements during the past year, I offer the sympathy of the Association. The following obituaries of past and present members have been noted: Mrs Nancy Patrick, Mrs Billie Fraser, Mrs Ron Pollock, Maurice Chatfield, Kevin Hanks.

To my wife Anne and my family, thanks for your support not only for this past year but for the time that I have been President. It is good to have your support when I need to make decisions that may not be to the satisfaction of all concerned parties.

I am looking forward to the AGM and Conference in Taranaki this year. The programme looks interesting as the local club is endeavouring to keep costs down. For those attending please come along with a **positive** attitude towards the future of our breed and let us have some sound debate.

Donald Green | President

REMITTS

There are no remits.

NOTICES OF MOTION

That Rule 39 be amended as follows:

Notices

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

Moved: The Board of Directors

Explanation of Notice of Motion to amend Rule 39

It is the intention of the Board that electronic notification will be used where e-mail contacts are recorded for members, unless advised otherwise by individual members, with the exception of the Annual Report. The Annual Report will be provided by post to all members unless they specifically request an electronic notification. Voting on Board elections and postal ballots may also be conducted electronically in the future. If this is to occur, the electronic voting would be managed via a members only portal on the Association website with secure member login and would be password protected. Any such voting would also need to meet the existing requirements of the rules in relation to voting.

MEMBERSHIP ANALYSIS

	2015/16	2016/17	2017/18	2018/19	2019/20
Senior	200	195	179	173	171
Associate	73	67	66	64	63
Retired	24	24	24	25	20
Junior	20	23	27	22	19
Paid Life	37	35	35	33	33
Honorary Life	9	9	9	9	9
Ordinary	6	8	8	7	8
Dual				2	2
TOTALS	369	361	348	335	325

REGISTRATIONS BY HERD BOOK

	2013/14	2014/15	2015/16	2016/17	2017/18
Female - Main	3,233	3,099	2,682	1,469	2331
- Supplementary	2,863	2,585	2,074	1,858	1517
Male	204	208	170	112	67
TOTALS	6,300	5,892	4,926	4,439	3915

TRUST FUND DONORS

DM Thomson, D & Mrs. NE Hutchings, CEC Webb, AF & Mrs. G Hutchings, AAC Weir, FS Hutchings, JF Burgess, DJ Ireland, Parlane Rose Bowl Fund, A & M Scott Shield donors, BC & Mrs. N Patrick, DW Wallace, Thistledown Farm.

PRODUCTION AWARDS 2017/18

MAYFIELD TROPHY: Top Herd 50 + Cows Fat & Protein 2017/2018
Goldwyn Enterprises Ltd - B T & L J Hayward
99 cows av. 7725 litres milk, 316 kg fat, 267 kg protein, 290 DIM

SMITH FAMILY TROPHY: Top Pedigree Cow Fat & Protein 2017/2018
B T & L J Hayward - Sanrosa Dale 12-29 ET, V-8
5 yrs, 10010 litres milk, 415 kg fat, 372 kg protein in 305 days

SNOWLINE TROPHY: Top Cow 10 Yrs & Over Fat & Protein 2017/2018
G & J Glentworth - Sanrosa Royal 07-14, V6-8
10 yrs, 9848 litres milk, 358 kg fat, 376 kg protein in 291 days

C.E.C. WEBB TROPHY: Breeder of Highest BW Bull 2017/2018
G & J Glentworth - Sanrosa Deacon

CARMELGLEN TROPHY: Highest Cow on PW List with current lactation 2017/2018
Lodore Farm Ltd - R M & J E Hutchings
Karnea Phils Nicky, V7-9

CERTIFICATES: Total Milk Solids (Fat & Protein) for Top Herds four sizes 2017/2018
Top Herd 50-100 Cows - Goldwyn Enterprises Ltd - B T & L J Hayward, 99 cows av.
7725 litres milk, 316 kg fat, 267 kg protein, 290 DIM
Top Herd 101-200 Cows - W R & Z Kite, 188 cows av.
6460 litres milk, 276 kg fat, 230 kg protein, 281 DIM
Top Herd 201-300 Cows - G & J Glentworth, 216 cows av.
6997 litres milk, 292 kg fat, 256 kg protein, 284 DIM
Top Herd 301 + Cows - Trinity Farm Holdings Ltd - R & A, C & R Stevenson, 375 cows av.
6164 litres milk, 277 kg fat, 232 kg protein, 281 DIM

CERTIFICATES: Top Cows - Milk, Fat, Protein, Dollar Earning
Fat kg - H R & E J Slack - Waiaka 11-59, 462 kg fat in 305 days at 6 yrs
Protein kg - G & J Glentworth - Sanrosa Royal 07-14, V6-8, 376 kg protein in
291 days at 10 yrs
Milk Litres - Goldwyn Enterprises Ltd - B T & L J Hayward - Goldwyn Reality
Pet, A8-8, 10635 litres milk in 301 days at 4 yrs

CERTIFICATES: Top Herd 50 or more Pedigree Cows Each Ward for Total Solids

Ward	Owner	Cows	Milk L	Fat kg	Prot kg	Solids	Days
1	Lodore Farm Ltd - R M & J E Hutchings	586	4895	216	178	394	271
2	H R & E J Slack	200	5846	269	208	477	288
3	W R & Z Kite	188	6460	276	230	506	281
4	Goldwyn Enterprises Ltd - B T & L J Hayward	99	7725	316	267	583	290
5	G & J Glentworth	216	6997	292	256	548	284
6	M R & S J Booth	238	5872	263	212	475	284
7	Riverlea Farm Ltd - S G & M Z Riley	239	4520	196	163	359	269
8	Trinity Holdings (2001) Ltd - L J & W P Main	210	5627	253	211	464	269
9	Trinity Farm Holdings Ltd - R & A, C & R Stevenson	375	6164	277	232	509	281

CERTIFICATES: Supplementary One Award - S1A Production Award for Total Solids
Goldwyn Enterprises Ltd - B T & L J Hayward - Goldwyn Brooke S1A
11 yrs, 12862 litres milk, 423 kg fat, 389 kg protein in 305 days

PRODUCTION AWARDS 2017/18

National Progeny
Competition:

Agri Feeds Don Hutchings Memorial Trophy - 5 Daughters

1. Goldwyn Enterprises Ltd - B T & L J Hayward - Salt Spray Bonny George - 1195.14pts
2. G & J Glentworth -Ojaniityn Rumba - 1161.66 points
3. G & J Glentworth - Asmo Andrei - 1138.78 points

Dalemere Farms Trophy:

10 Daughter Progeny Competition 2017/2018

G & J Glentworth, Asmo Tossiko - 1077.46 points

DairyCare Somatic Cell
Count Competition:

Overall Winner

Willmor Pastures Ltd - M L & L J Williams

Cell Count

42

Ward Winners:

No Entry

Cell Count

-

No Entry

-

Tahuna Pastoral Co Ltd - P & A McFall

73

Goldwyn Enterprises Ltd - B T & L J Hayward

77

Hardcase Family Trust - D Gordon

88

No Entry

-

Riverlea Farm Ltd - S G & M Z Riley

91

Willmor Pastures Ltd - M L & L J Williams

42

No Entry

-

DairyCare Top BW Herd
Award:

50 or more Ayrshire Cows

Overall Winner

Brynbush Farms Ltd - G, L & M Coop

BW

37

Ward Winners:

BW

1. Lodore Farm Ltd - R M & J E Hutchings

5

2. Slack No 2 Herd - R & C Slack

-7

3. Brynbush Farms Ltd - G, L & M Coop

37

4. Mayo Pastoral Co Ltd - D B & K M Somerville

16

5. The Hardcase Family Trust - D Gordon

5

6. Te Repo Farms Ltd - D & T Thompson

-8

7. Riverlea Farm Ltd - S G & M Z Riley

-9

8. Ackermann Ltd

2

9. Trinity Farm Holdings Ltd - R & A, C & R Stevenson

18

Ayrshire Youth Achiever
Competition:

Overall Winner

To be announced at the Awards Night.

Age Group 5 - 12

1st - Odyssey Travers

Age Group 13 - 17

1st - Zoe Botha

Age Group 18 - 25

1st - Courtney Davies

2nd= - Quinn Steiner

2nd - Gabby Steiner

2nd= - Jessica-Rose Young

3rd - Neko McDonald

Alltech All New Zealand
Photo Competition:

All Class Winner

To be announced at the Awards Night.

Graeme Knight Memorial Trophy - Best Overall Photo

To be announced at the Awards Night.

Ayrshire On-Farm
Competition:

Results to be announced at the Awards Night

Ingledeale Trophy/Association Photos

North Island Champion Cow

- to be announced

South Island Champion Cow

- to be announced

Association Photographs

North Island Reserve Champion Cow

- to be announced

South Island Reserve Champion Cow

- to be announced

SHOW SEASON AWARDS 2018/19

Scott Memorial Shield:	Sire Progeny - Not Awarded
Ardgowan Trophy:	Royal Champion Cow - Hastings - Not Awarded
Wrightson Medal Trophy:	Best Female Royal Show - Hastings - Not Awarded
Autumn Show Points Shield:	Most Points nom: Autumn Show - Not Awarded
Sir Charles Fergusson Trophy:	Most Points Royal Show - Hastings - Not Awarded
Fredrickson Trophy:	Young Handlers Award (Senior) - North Island - Not Awarded Young Handlers Award (Senior) - South Island - Not Awarded
Greenlane Trophy:	Young Handlers Award (Junior) - North Island - Not Awarded Young Handlers Award (Junior) - South Island - Not Awarded
Arran Trophy:	Ayrshire Young Judge Competition - Daniel Simons

SPECIAL AWARDS

Kiteroa Trophy:	For the person or persons who contributed the most effort in promoting the progress within the Ayrshire breed in the last 12 months both club wise and breed wise. No nominations recieved
Bell Booth Achiever Awards:	For persons who have made some notable achievement in the Ayrshire Breed. To be announced at the Awards Night.
Distinguished Member - Ward:	For members who promote Ayrshires locally by always portraying a positive attitude for the breed, and who make the time and effort for the breed, or to assist other Ayrshire members and/or Ayrshire enthusiasts throughout the region to achieve their goals. To be announced at the Awards Night.
Distinguished Members - Association:	For members who promote Ayrshires either nationally or locally by always portraying a positive attitude for the breed, the NZ Ayrshire Association and it's aims, directions and objectives. To be announced at the Awards Night.
Rob McIntosh Memorial Trophy:	To encourage an exhibitor to go further and/or continue showing Animals at local calf club days and A&P Shows. No nominations received.
Glengordon Trophy:	For the person or persons under 26 years of age as at April annually, who contributed the most effort in promoting the progress within the Ayrshire breed in the past 12 months both club wise and breed wise. No nominations received.

INDEPENDENT AUDITOR'S REPORT
To the Members of NZ Ayrshire Association Incorporated

Opinion

We have audited the special purpose financial statements of NZ Ayrshire Association Incorporated ("the Association") on pages 3 to 11, which comprise the statement of financial position as at 31 March 2019 and the statement of financial performance and statement of movements in equity for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose financial statements of the Association for the year ended 31 March 2019 are prepared, in all material respects, in accordance with the statement of accounting policies set out in Note 1 of the special purpose financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements* section of our report. We are independent of the Association 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 Association.

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 Association to meet the requirements of the Rules of the Association. As a result, the special purpose financial statements may not be suitable for another purpose.

Emphasis of Matter - Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to Note 11 to the financial statements, which discloses the Association had incurred a deficit of \$15,752 from operations for the year ended 31 March 2019 (31 March 2018: deficit \$70,050) and as at 31 March 2019 the Association's current liabilities are greater than its current assets in amount of \$222,027.

In addition, the Westpac – 91 Loan of \$366,604 matures on 31/03/2020 and at the date of signing these financial statements there has not been any renewal or renegotiation of repayment terms with Westpac relating to this loan.

These conditions cast doubt as to whether the Association will be able to continue as a going concern.

Should the Association be unable to renegotiate loan repayment terms with Westpac, and achieve a surplus, then the Association may no longer be able to continue as a going concern, and adjustments would need to be made to the Association's financial statements to provide for any loss on realisation of the Association's assets. In addition, the Association would likely be required to provide for further liabilities and to reclassify certain non-current assets and non-current liabilities as current assets and current liabilities.

Responsibilities of the Board Members for the Special Purpose Financial Statements

Board Members are responsible on behalf of the Association for the preparation of the special purpose financial statements in accordance with the accounting policies as disclosed in Note 1 to 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 Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board Members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the special purpose financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board Members and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 entity 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.

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



Crowe Horwath New Zealand Audit Partnership
 CHARTERED ACCOUNTANTS

Dated at Hamilton this 21st day of May 2019

NZ AYRSHIRE ASSOCIATION (INCORPORATED)
ACE AYRSHIRE HERD
STATEMENT OF LIVESTOCK TRADING
FOR THE YEAR ENDED 31 MARCH 2019

	2019 \$	2018 \$
Ace Cows & Heifers		
Sales	-	466,472
	-	466,472
Less - <u>Cost of Sales</u>		
Opening Stock	-	486,600
Purchases	-	-
Closing Stock	-	-
Total Cost of Sales	-	486,600
GROSS PROFIT (DEFICIT) ON LIVESTOCK TRADING FOR THE YEAR	-	(20,128)

RECONCILIATION OF STOCK NUMBERS		2019 \$	2018 \$
Opening Stock	Ace Herd	-	355
Less Sales	Ace Herd	-	355
Less Deaths	Ace Herd	-	-
Plus Purchases	Ace Herd	-	-
Plus Natural Increase	Ace Herd	-	-
Closing Stock	Ace Herd	-	-



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

NZ AYRSHIRE ASSOCIATION (INCORPORATED)
SEMAYR LIVESTOCK AND BREEDING SERVICES
STATEMENT OF TRADING
FOR THE YEAR ENDED 31 MARCH 2019

		2019	2018
		\$	\$
Bulls			
Sales		43,679	30,812
		<u>43,679</u>	<u>30,812</u>
Less - <u>Cost of Sales</u>			
Opening Stock		91,200	96,250
Purchases		23,200	13,700
		<u>23,200</u>	<u>13,700</u>
Closing Stock		(86,900)	(91,200)
Total Cost of Sales		27,500	18,750
GROSS PROFIT (DEFICIT) ON LIVESTOCK TRADING FOR THE YEAR		<u>16,179</u>	<u>12,062</u>
		2019	2018
		\$	\$
Breeding Services			
Sales		201,229	181,780
Semen Purchases		8,420	-
		<u>192,809</u>	<u>181,780</u>
Opening Semen Stock		76,821	52,651
Closing Semen Stock		<u>19,685</u>	<u>76,821</u>
GROSS PROFIT ON TRADING OPERATIONS FOR THE YEAR		<u>135,673</u>	<u>205,950</u>
RECONCILIATION OF STOCK NUMBERS		2019	2018
Opening Stock Numbers	Bulls	75	77
Plus Purchases	Bulls	18	14
Less Sales	Bulls	22	16
Closing Stock Numbers	Bulls	<u>71</u>	<u>75</u>



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

NZ AYRSHIRE ASSOCIATION (INCORPORATED)
SPECIAL PURPOSE STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 \$	2018 \$
ACE AYRSHIRE HERD			
Gross Profit on Livestock Trading for the Year		-	(20,128)
Milk Solids		-	-
Dividend Income		-	281
Total Income on Ace Ayrshire Herd		-	(19,847)
Less - Aceayr Expenses		-	(23,834)
Net Surplus (Deficit)		-	(43,681)
SEMAYR BREEDING SERVICES			
Gross Profit on Livestock Trading for the Year		16,179	12,062
Gross Profit from Breeding Services		135,674	205,950
Total Income on Breeding Services		151,853	218,012
Less - Breeding Services Expenses	5	(150,347)	(209,510)
Net Surplus (Deficit)		1,506	8,502
INCOME (EXPENSES) FROM OTHER SOURCES			
Registration		25,935	12,346
Subscription		33,814	27,406
Other Income		50,932	51,685
Total Income from Other Operation		110,681	91,437
Less - Administration Expenses	6	(127,939)	(126,308)
Net Surplus (Deficit)		(17,258)	(34,871)
TOTAL NET SURPLUS/(DEFICIT) TO ACCUMULATED FUNDS		(15,752)	(70,050)



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

NZ AYRSHIRE ASSOCIATION (INCORPORATED)
SPECIAL PURPOSE STATEMENT OF MOVEMENT IN EQUITY
FOR THE YEAR ENDED TO 31 MARCH 2019

	2019	2018
Equity at start of Period	733,986	802,987
Net Surplus (Deficit) for the period	<u>(15,752)</u>	<u>(70,050)</u>
Total recognised Revenues and Expenses for the Period	(15,752)	(70,050)
Increase (Decrease) in Investment Funds	-	1,139
Increase (Decrease) in Property Revaluation Reserve	2,001	-
Equity at End of the Period	<u><u>720,235</u></u>	<u><u>733,986</u></u>



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

NZ AYRSHIRE ASSOCIATION (INCORPORATED)
SPECIAL PURPOSE STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	Note	2019 \$	2018 \$
ACCUMULATED FUNDS			
Opening Balance		234,269	304,319
Surplus (Deficit) for Year		<u>(15,752)</u>	<u>(70,050)</u>
Closing Balance		218,517	234,269
Capital Reserve		57,305	57,305
Property Revaluation Reserve	8	405,295	403,294
LIC Share Adjustment		1,807	1,807
Ravensdown Bonus Share Offer		1,498	1,498
Youth Fund		15,813	15,813
Special Projects Fund		<u>20,000</u>	<u>20,000</u>
		501,718	499,717
TOTAL MEMBERS & TRUST FUNDS		<u><u>720,235</u></u>	<u><u>733,986</u></u>
<i>Represented by:</i>			
CURRENT ASSETS			
Debtors		44,598	88,851
Cash at Bank - Westpac - Ayrshire		38,320	83,936
Cash at Bank - Westpac - World Conference account		4	4
Stock - Ayrshire		2,479	2,804
Biological Assets - Semayr		86,900	91,200
	- Livestock		
	- Semen	19,685	76,821
GST Holding		<u>9,349</u>	-
Total Current Assets		201,335	343,616
CURRENT LIABILITIES			
Creditors		56,758	50,306
GST Holding		-	31,825
Borrowings - Westpac Banking Corporation	7	366,604	366,604
Total Current Liabilities		<u>423,362</u>	<u>448,735</u>
WORKING CAPITAL		<u>(222,027)</u>	<u>(105,119)</u>
SHARES			
LIC	- Investment	-	9,653
Ravensdown	- Bonus	1,329	1,329
	- Investment	<u>1,353</u>	<u>1,353</u>
		2,682	12,335
FIXED ASSETS (REFER SCHEDULE)	2	974,561	976,751
TERM LIABILITIES			
Borrowings - Westpac Banking Corporation	7	<u>34,981</u>	149,981
		34,981	149,981
NET ASSETS		<u><u>720,235</u></u>	<u><u>733,986</u></u>

President
Donald Green

Date: 20 May 2019



Finance Convenor
Graeme Emslie

Date: 20 May 2019



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

N Z AYRSHIRE ASSOCIATION (INCORPORATED)
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. **Statement of Accounting Policies**

Reporting Entity

NZ Ayrshire Association (Inc) is a non-profit organisation registered under the Incorporated Societies Act 1908. These Financial Statements are a special purpose report that has been prepared in accordance with the accounting policies below and the Rules of the Association.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position have been applied on an historical cost basis except for the revaluation of the leasehold (Bull Farm) property. Accrual accounting is used to recognise revenues and expenses when they occur and reliance is placed on the fact that the Association is a going concern. The information is presented in New Zealand dollars.

Specific Accounting Policies

The following specific accounting policies, which materially affect the measurement of financial performance and financial position, have been applied:

A. Fixed Assets and Depreciation

1. Fixed Assets are recorded at cost less Accumulated depreciation with the exception of the leasehold (Bull Farm) property.
2. The leasehold property at Kaweora Rd is re-rated every three years to its Rating Valuation as performed by Quotable Value Limited.
3. Depreciation has been charged at 2% diminishing value on office premises, 0% on the Bull Farm and 4.8% -14% diminishing value on Bull Farm Fences/Yards/Equipment. These method and rates are considered appropriate to the circumstances of the Association.

B. Revenue

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

C. Accounts Payable

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

D. Accounting for G.S.T.

The financial statements have been prepared on a G.S.T. exclusive basis, with the exception of debtors and creditors which are stated inclusive of G.S.T.

E. Stock and Biological Assets

Stocks of semen and goods held for re-sale have been valued at the lower of historical cost or net realisable value on a FIFO basis. Semayr Breeding Services bulls have been valued at historical cost.

F. Investments

Investments in shares are valued at cost.

G. Income Tax

The Association is not liable for the payment of Income Tax by reason of its exemption under Section CW51 of the Income Tax Act 2007.

H. Accounts Receivable

Accounts Receivable are stated at their expected realisable value.

I. Changes in Accounting Policies

There have been no material changes in accounting policies since the preparation of the last financial accounts.

J. Borrowings

Borrowings are initially recognised at the fair value of the consideration received, net of transactions cost. They are subsequently measured at amortised cost using the effective interest method.



NZ AYRSHIRE ASSOCIATION (INCORPORATED)
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Fixed Assets

	<u>Cost</u>	<u>Revaluation</u>	<u>Accumulated Depreciation</u>	<u>Closing Value 31/03/19</u>
2019:				
Office Premises	40,375		17,767	22,608
Bull Farm (leasehold property)	505,000	406,000		911,000
Bull Farm – Fences/Yards/Equip	<u>123,930</u>		<u>82,978</u>	<u>40,952</u>
	<u>\$669,305</u>	<u>\$406,000</u>	<u>\$100,745</u>	<u>\$974,560</u>
2018:				
Office Premises	40,375		17,306	23,069
Bull Farm (leasehold property)	505,000	404,000		909,000
Bull Farm – Fences/Yards/Equip	<u>123,930</u>		<u>79,248</u>	<u>44,682</u>
	<u>\$669,305</u>	<u>\$404,000</u>	<u>\$96,554</u>	<u>\$976,751</u>

Deed of License

The New Zealand Ayrshire Assn (Inc) holds an equitable interest in premises owned by Livestock Improvement Corporation situated on the corner of Morrinsville Road and Ruakura Road, Hamilton. The interest is subject to a Deed of License signed and operative 8 October 1993. The value of this interest is held at cost less allowable depreciation, based on the occupied floor area of 47.5 m² as contained in Schedule C to the License. The license has an indefinite term.

Bull Farm \$911,000

The Bull Farm, situated on Kaweora Road, Opunake, is a 59.074 ha leasehold property (Section 10 Blk X Opunake Survey District) for which the Association holds a leasehold interest registered under Schedule 1 of the Maori Reserved Land Amendment Act 1977. The lease is perpetually renewable under and subject to the provision of the Maori Reserved Land Act 1955, and was varied in 2010, extending the term to 31 December 2031. The \$911,000 reflects the value of the Associations' (Lessees) interest in the property – refer to Note 9. The annual lease payments are \$13,000 (excl GST).

3. Related Party Transactions

There were no related party transactions during the year ended 31 March 2019 other than between the Association and its members in the normal course of business. (2018: Nil).

4. Capital Commitments

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

5. Semayr Breeding Expenses

Semayr Breeding expenses includes the following significant expenses;

	<u>2019</u>	<u>2018</u>
Processing & Distribution	35,358	105,614
Mortgage Interest	24,805	19,586
Bull Farm Management Fee	12,000	12,000
Royalties	16,154	25,565

6. Administrative Expenses

Administration expenses includes the following significant expenses;

	<u>2019</u>	<u>2018</u>
Administration Fee to Jersey NZ	66,000	66,000
Audit Fee	6,272	6,143
Travel & Meeting	11,848	10,993



NZ AYRSHIRE ASSOCIATION (INCORPORATED)
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

7.	<u>Term Loan</u>				
		<u>Current</u>	<u>Term</u>	<u>Due</u>	<u>Interest</u>
	2019:	<u>Amount</u>	<u>Amount</u>	<u>Date</u>	<u>Rate</u>
	<u>Westpac Banking Corporation</u>				
	Term Loan 91	\$366,604	-	31/03/2020	5.55%
	Term Loan 95	-	\$ 34,981	31/05/2020	5.55%
	TOTAL	<u>\$366,604</u>	<u>\$ 34,981</u>		
		<u>Current</u>	<u>Term</u>	<u>Due</u>	<u>Interest</u>
	2018:	<u>Amount</u>	<u>Amount</u>	<u>Date</u>	<u>Rate</u>
	<u>Westpac Banking Corporation</u>				
	Term Loan 91	\$366,604	-	31/03/2019	5.65%
	Term Loan 95	-	\$149,981	30/05/2019	5.65%
	TOTAL	<u>\$366,604</u>	<u>\$149,981</u>		

The loans are secured by way of a General Security Agreement over the Association's assets and undertakings, Specific Security Agreement dated 10 July 2001 over livestock owned by New Zealand Ayrshire Association (inc) and Registered First Mortgage over the rural property situated at Kaweora Rd, Opunake as legally described in Certificate of Title 49363.

- (i) At 31 March 2019 the Association has an overdraft facility of \$40,000 with Westpac Bank (2018: \$40,000)
- (ii) The Association holds a Business MasterCard Facility with Westpac Bank with a limit of \$7,000.

8. Property Revaluation Reserve

	<u>2019</u>	<u>2018</u>
Opening Balance	403,294	403,294
Additions in the year	<u>2,000</u>	-
Closing Balance	405,294	403,294

The leasehold property at Kaweora Road, Opunake was revalued by Quotable Value Limited as at 1 September 2018. The valuation increase for the year ended 31 March 2019 of \$2,000 (2018: nil) is recognised directly in equity in the Property Revaluation Reserve, as shown in the Statement of Movements in Equity and the Statement of Financial Position.

9. Contingent Liability

The Association has collected "SNiP tax" from LIC from the sale of semen for the express purpose of DNA sampling animals for genomic selection in the amounts of \$13,005 in 2010, \$10,511 in 2011, \$11,292 in 2012, \$9,230 in 2013, \$9,113 in 2014, \$5,547 in 2015 and \$5,648 in 2016 which has been recorded as revenue in the respective years' financial accounts. Some DNA sampling has taken place and the Association is likely to incur an additional cost of up to the gross amount collected in the event that widespread testing of the Ayrshire cow population is undertaken.

10. Subsequent Events

At the date of signing the audit report, other than those disclosed in note 2 below, there are no matters or events that have arisen, subsequent to balance date that would require adjustment, or disclosure in, these financial statements (2018: No matters or event arisen or disclosed).

11. Going Concern

These financial statements have been prepared upon the basis the Association is a going concern. The Association had incurred a deficit of \$15,752 from operations for the year ended 31 March 2019 (31 March 2018: deficit \$70,050) and as at 31 March 2019 the Association's current liabilities are greater than its current assets in amount of \$222,027.

In addition, the Westpac -91 Loan of \$366,604 matures on 31/03/2020 and at the date of signing these financial statements there has not been any renewal or renegotiation of repayment terms with Westpac relating to this loan.

These conditions cast doubt as to whether the Association will be able to continue as a going concern.



NZ AYRSHIRE ASSOCIATION (INCORPORATED)
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

Going Concern (continued)

Management have forecast a surplus of \$26,375 for the ensuing 31 March 2020 financial year, and are expecting this increase in the surplus to be derived through normal trading.

Should the Association be unable to renegotiate loan repayment terms with Westpac, and achieve a surplus, then the Association may no longer be able to continue as a going concern, and adjustments would need to be made to the Association's financial statements to provide for any loss on realisation of the Association's assets. In addition, the Association would likely be required to provide for further liabilities and to reclassify certain non current assets and non current liabilities as current assets and current liabilities.



FINANCE COMMITTEE REPORT

Draft accounts for the financial year ended 31 March 2019 are to hand and show a book deficit of \$15,752.

Ayrshire office shows income from core business up from \$69,000 to \$87,000, an increase of \$18,000 with expenses remaining the same at \$105,000. This giving the office a trading shortfall of \$17,000, an improvement on last financial years trading shortfall of \$35,000.

Semayr made a small book surplus of \$1,506. Sales of Breeding Services were up and expenses down. Note that semen stocks reduced from \$76,800 down to \$19,800 a difference of \$57,000 of which \$28,000 being semen stocks sold to LIC at cost and the balance semen stocks destroyed and written off. Accordingly LIC semen storage costs have dropped from just on \$9,000 down to just under \$3,000.

So when adding depreciation and semen stocks written off a physical cash trading surplus of approx. \$30,000 was made. Also to note a reduction in term debt for the financial year has been made of \$115,000.

Cashflow forecast for the year ended 31 March 2020 has been prepared and shows a budgeted surplus of approx. \$26,000. We have been conservative on the Semayr semen sales compared to the last two years so I would expect any movement to be in a positive direction.

Graeme Emslie | Convenor

Graeme Emslie
Convenor



GENERAL MANAGERS REPORT

All administration functions for Ayrshire New Zealand continue to be carried out by Jersey NZ under a Memorandum of Understanding between the two Associations.

The Jersey NZ team has undergone considerable change since this time last year. Angela Makara moved on to new challenges, 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 Robyn at Conference. Kandin and Robyn have both taken to their roles with relish, and while still learning, are proving valuable additions to the team. Kandin is very active on social media, so expect to see some increase in activity here over the coming months. Many members will already know Robyn as she has been an active Ayrshire New Zealand youth member.

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 the 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. If developed and implemented well, the 'Breed



Society solution' will see increased efficiencies for our members across many aspects of our organisation.

The Meeting room now has some great Ayrshire New Zealand artwork featuring the Ayrshire Vision, and our Ayrshire connection is well displayed throughout the office. All publications were issued on deadline, with the exception of the Production Register. As the Dairy Sire Summary is no longer produced, considerable time and effort went into sourcing the bull data that we usually feature, and getting it into an acceptable format for publication. Eventually we had to concede defeat for this year to get the Production Register printed, but anticipate that the new DIGAD programmes will allow us to rectify this issue in time.

Earlier this year the Board approved the development of a new website for the Association, which has been contracted out to Josh Herbes of Real Experience (who is also our internal contractor). Work has been progressing on this, and we anticipate that the website will be live by Conference. Initially this contract is to replicate the existing site into a more modern and user friendly site, both for members and the team. Once that is completed we will work on further enhancements over the coming months. On behalf of the team, I acknowledge the support of Donald as President alongside the Board of Directors and members. It is heartening to see the relationships that develop as the Board and members get to know the team through their use of core services.

As a team we continue to balance the needs and deadlines of four organisations on a daily basis, and recognise that this sometimes brings challenges for each organisation. Our core team of Stacey Allen, Kandin Robinson and 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 thank them for their support.

Pam Goodin | General Manager

SEMAYR BREEDING SERVICES REPORT

Gordon Glentworth
Chairman



It is with pleasure that I present the 2019 Semayr Breeding Services report on behalf of the Semayr Board of Directors. This past financial year shows a small profit of just \$1,506. Some explanation around this figure is required.

The opening semen stock shows straws totalling \$21,363 and our closing semen stock value is only \$6,031. With semen from the proven and unproven bulls being collected by LIC, it was decided that they would hold all semen with the exception of the genetic insurance straws that are owned and stored under our name. This has meant that a lot of semen was sold to LIC at the cost price, which attracts a royalty once sold onto the clientele. On top of that we dumped semen that was no longer required. Over 15,000 straws of semen was sold to LIC with a further 1,400 straws of semen destroyed.

Our sales income was up just over \$20,000 and with LIC collecting most of the semen from our bulls, this has seen a reduction of \$70,000 in semen processing. Also more sales were from Semayr owned bulls rather than leased bulls and this has shown a reduction in royalties paid of \$9,500. The only other major difference in the accounts was fertiliser which was applied last autumn, approx. \$18,000.

The young bulls that were selected for next spring matings contain only three A2A2 sires. This is disappointing as 80% of the sires of these bulls are A2A2. There were however no bulls rejected as A1A1.

We may have to look at trying to have 50% of the intake A2A2. The criteria we use as a guideline for bull selection has altered over the years moving away from BW as the main part of selection to putting much more emphasis of Breeding Values for traits that we desire, such as Protein & Fat BV, Udder Conformation BV etc., and as a result we have had better bulls coming through our sire proving scheme bulls with more production ability and considerable improvement in udder conformation. The Semayr brochure is due out now, and unfortunately the pictures of the young bulls are not as good as we would have liked. This year due to Mycoplasma Bovis our young bulls have been grazed at LIC rather than by ourselves and as it has been very dry conditions in the Waikato, the growth rates on the bulls has been lower than we would have wanted. Also condition is lighter than desired. We will see if this will have any ongoing effect on the upcoming

semen collection. Last year's bulls all produced.

The proven bulls been offered this year includes two new graduates, both are A2A2 sires and will transmit the traits that we need in the breed production, type and proven under NZ dairy farming conditions. I consider that as we move forward with the Ayrshire breed, we need to be concentrating on bulls that are transmitting more than +10kgMS on fat and protein while improving type, especially udder and capacity etc. as well. Semayr has several bulls that meet this criteria. Overall the standard of proven bulls being offered by Semayr has never been better.

Also offered this year is a Finnish sire that is a genomically proven bull and with great production and type traits. His breeding would be an outcross to 99% of our Ayrshires here in NZ and he is also A2A2, so check him out. On the genomic front we are in the process of having some proven bulls tested, after which we will consider the results. If they are encouraging we expect to use this as a tool in our young bull selection next spring.

The bull farm has again grazed all our lay-off bulls. This season has not been too stressful at all - water or feed wise. As we head into the winter our grass reserves are very good. We are behind on weed (gorse) spraying and we have some fencing maintenance to catch up on.

Lastly, on behalf of the Semayr Board, thank you to all members that have either purchased semen from sires offered by Semayr and/or offered us young sires for consideration in our progeny test team. Thank you to the Semayr Board for their dedication and support of the Ayrshire breed improvement and thank you to the office for their help throughout the year.

Remember that if we want the Ayrshire breed to be here for the future, we have to do more than just use genetics that are Ayrshire. We have to use genetics that will IMPROVE our breed. Semayr is dedicated to this and as the breed is now only 0.5 of 1 percent of the NZ dairy population, we need to concentrate on breed progress and improvement so that all farmers will consider our breed as a viable breed in the NZ dairy industry.

Gordon Glentworth | Convenor

PRODUCTION PROMOTION COMMITTEE REPORT



It is a pleasure to present this report. Weather wise the season has been difficult for people in many parts of the country, but as farmers we just keep trucking along as best as we can. The articles on members farming Ayrshire cattle in rural publications just keep on coming. After last year having in the mid-twenties there has been at least another 10 this year. Thank you to those people concerned, well done and a good read too. The latest was on Sanrosa and Gordon Glentworth coming up through the ranks, the formation of Semayr and where his breeding has taken his herd to and the BW system on our Ayrshire cow. The A & P show season has been a non-event this season with just a couple of shows still going ahead because of Mycoplasma Bovis. There have been a few on farm breed shows, and a couple of A & P shows. Have also had on farm competitions which have been very successful.

This has also brought about the inaugural Ayrshire NZ National On-Farm competition. A very well run competition over the whole country finding the champion South Island & North Island females for 2018-2019. Results on awards night. After inspecting 222 cows and visiting 50 farms this competition was a great in-house promotion of our Ayrshire cattle, and a lot of entrants have not been at A & P shows before. Well done on an excellent job by Matt Robinson and Vince Steiner, Judge Dean Malcolm and Genetic Enterprises for sponsorship.

On the production side congratulations to top herds and individual awards in the wards. The Goldwyn Enterprises Ltd herd of B T & L J Hayward topped the highest herd with 7,725 litres, 583 kg milk solids, the Goldwyn herd also featured prominently in fat, protein and the first four places in the milk awards. An E8-8 cow of V & S Steiner was 5th on the fat list with 434 kgs at the grand old age of 12 years. Great results. Congratulations to H & E Slack and G & J Glentworth for topping the fat and protein list respectively.

The sale season has seen record prices at Southwind dispersal where cows made \$26,000, \$24,000 and \$17,000 and all age groups were NZ sale records. I hope these genetics can be further advanced for the benefit of the NZ Ayrshire cow into the future.

Southwind promotion by Neil McDonald was outstanding, the use of the internet and web pages etc. has bought a whole new meaning to the sale of animals. Even the results and live streaming kept all Ayrshire people up with the play. Matt Robinson also used the internet to advertise his Pukekaraka stud for sale for members to view. This is the future!!!! On the social media scene, the Ayrshire Breeders Network, Ayrshire cow enthusiasts and NZ Dairy Genetics Facebook pages continue to be used by Ayrshire breeders and followers, well done.

If possible I would like the three organisers of the social media group to have a get together with others and see if they can expand any ideas for the future. Thanks to Jane Hutchings, Nancy Eade and Sian Emslie who formed this group.

Two Bulletins were issued this year with both making a good profit and were a good read with reasonable advertising from members. Promotion material this year was jute tote bags with Ayrshire New Zealand logo on and "get some red in your shed". These bags sold really well and remember we can order more. They look good in the supermarket and they can carry a lot. We have a few more ideas like this in the pipeline e.g. – wooden tray, cooler bags, tea towels, wall chart and mouse pad. Finally look out for the Semayr AI brochure it should be out by now but it is worth waiting for, something for everyone.

A big thank you to my committee of Roger Hancock, Graeme Leech and Pam Goodin for their input and help throughout the year.

Peter Allison | Convenor

TOP JUDGING COMMITTEE REPORT

Committee: Gordon Glentworth, Roger Hutchings and myself



TOP & Classification

No new inspectors but a few in training. With a spring workshop as new guidelines gives a chance for inspectors to come together before starting spring tours to discuss any new measures and improve uniformity. Also a chance for new people to have a go without pressure of large group or people they don't know so anyone interested please make contact.

2018 TOP	2yr	Older	Total	Herds
Ayrshire	2124	1548	3672	55
Milking Shorthorn	385	148	533	13
TOTAL:	2509	1696	4205	66

TOP over time	2014	2015	2016	2017	2018
Ayrshire	2516	2613	2749	3128	3672
Milking Shorthorn	456	190	470	300	533
TOTAL	2972	2803	3219	3428	4205

Judging

No New senior Judges. We have changed the guidelines around becoming a senior judge. With less shows, we can use two judging schools instead of three report cards from shows.

Judging schools were run in conjunction with Jersey NZ. We had haltered cows at three schools. All senior judges recertified with full passes. We may see more working together with Holstein-Friesian as well in the future to reduce costs where there were not a lot of people to sit.

The Arran Trophy has been awarded from these judging schools.

Royal Show Judges: 1st choice Andrew Thomson; 2nd choice John Robinson; 3rd choice Paul Symonds

North Island Champs have been awarded to Stratford. South Island Champs have not been applied for as of date of writing this

National On-Farm Competition

WOW!! Has been a great success. Many thanks to Dean Malcolm for judging. Thanks also to Genetic Enterprises and a private sponsor for their sponsorship of this competition.

Many thanks to the team at the office and to Matt Robinson for all the work they have done to make it happen. Over 220 cows judged in 8 regions and 52 entrants on 49 farms.

Vince Steiner | Convenor

Excellent Cows

2018	2017	2016	2015	2014
149	143	62	45	27

YOUTH COMMITTEE REPORT

It is with pleasure that I present the Youth Committee Report for 2018/19.

The Youth Committee consists of Pam Goodin, Vince Steiner, David Ackermann, Imogen Steiner, Donald Green and Roger Hutchings who was co-opted on.

For the size of our breed, I believe our youth have plenty of opportunities to partake in the various activities that we can offer.

The Youth Achiever Competition was held again but with a changed format. This was mainly due to the cancellation of show and calf club classes. Whilst we had a good uptake of entries, the final completed entries were disappointing. I feel that unless we get more support for this competition, we may need to withdraw it.

Due to the cancellation of cattle classes at A&P shows the Greenlane and Fredrickson Trophies were not competed for.

Congratulations to Daniel Simons for winning the Arran Trophy for the Ayrshire Young Judge. This competition was held in conjunction with the judging schools held around the country. We have appointed our Youth Ambassador to the Ayrshire World Conference in Australia 2020. Karen Feek was the successful nominee. Congratulations Karen.

UK Ayrshire Society extended an invitation to send a youth member on an exchange to the UK and Ireland in October 2019 with all internal costs covered by the host country.



We invited expressions of interest and I am very pleased to say that we had a very hard decision to make selecting the successful candidate. The successful candidate will be announced at the AGM.

The annual Young Breeders Seminar was this year held in Northland with fifteen young people registering to attend. The timing of this coincided with the two stud sales in the area with various workshops such as TOP demonstrations, understanding the information that a 3G pedigree has to offer and accounting advise. The group got to experience the Kiwi adventure at Lodore and enjoy the Northland sights and hospitality. Thanks to the Northland members particularly the Hutchings family for hosting and part sponsoring this seminar.

Once again, I would like to thank the clubs and individuals who help and encourage our youth in whatever direction they are heading in life, like any organisation that we are involved with when we mention youth people are only too happy to help.

Thanks again to Pam and her team for their friendly help often they are the the first point of contact for those interested in our activities.

Donald Green | Convenor



**WE LOOK FORWARD TO SEEING YOU ALL
AT CONFERENCE**



AYRSHIRE NEW ZEALAND

595 Ruakura Rd, R D 6, Hamilton 3286

t 07 856 0816 f 06 856 0670

www.ayrshire.org.nz