

2019-2020

19
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ANNUAL REPORT
HARNESS BREEDERS (VIC) INC



01

President's Report

It was an honour to be elected President of Harness Breeders Victoria in October last year and it has been a pleasure to represent our members and work with our Committee through the 2019/20 season. A lot has changed in the last 12 months with the most obvious impact being Covid19 and everything that has gone with it. In a range of ways, Covid has created an environment where change has become necessary and many things were introduced or accelerated to overcome existing or new issues.

From a harness racing perspective the most significant of these changes has been the alteration of the racing season to match the calendar year. Covid created a need to extend this season so that feature races for the current crop could be run, and this extended to a permanent change for the 2021 season. We see this as a welcome change that allows for a complete overhaul of the racing calendar, but more importantly from a breeding perspective, a likely increase in the length of the breeding season. With the major juvenile features now being run late in the calendar year, January and February foals now have plenty of time to mature prior to these features being run.

Given September is not an ideal time to begin breeding in Victoria due to the cooler weather, it is hoped that an extension into January and February will assist in increasing or at least maintaining foal crop numbers. The advent of Covid saw HBV advocate for a Covid Breeding Stimulus via HRV to the State Government. Whilst that proposal was unsuccessful, it did result in a refocusing of HRV onto some of the VicBred changes that HBV have been advocating for. HBV have worked in a collaborative manner with the HRV Board and Management in a way that has been very welcome. Regular consultation with all kindred bodies has ensued throughout the Covid period especially, resulting in good decision making based on broad feedback from the wider industry.

This approach led to increased and revised VicBred First Win Bonuses which will see all categories of VicBred eligible horses born in 2021 racing for bonuses of up to \$12,000. We see this as a stepping stone, the first in a number of announcements and agreed with HRV that each of these elements would be reviewed yearly with a view to further increases for future crops being sought, subject to HRV's budget.

The second announcement was the increase in prizemoney for every race on Humbletonian Day to \$10,000 and the programming of 36 VicBred Platinum Maidens worth the same amount.

Whilst we aim to increase this in years to come, the achievable outcome for VicBred progeny will be a payday of up to \$18,000 if a suitably qualified horse can win one of these races. HBV sees these initiatives as a significant base from which the value of horses bred can be established, thereby assisting to improve the economics of Standardbred breeding in Victoria. We have further VicBred items on the table with HRV which we hope will result in further announcements over the next twelve months.

The arrival of Nutrien Standardbred has created significant disruption to the Yearling Sales scene, especially in Victoria. HBV welcomes Nutrien to the fold and I for one look forward to the 2021 sales season with APG-APTS in February and Nutrien in April. Three commercially viable entities provide our members with choice that they have not had for some time. I am very pleased with a number of initiatives that were undertaken this year for the first time:



Breed to Succeed: Dr Kath McIntosh produced, with the help of Paul Campbell (Campbell's Comments), an instructive set of 11 webinars under the Breed to Succeed banner. Many thanks to Kath, Paul and our presenters and sponsors for producing a wonderful library of information for our members. We intend to continue the exercise in 2021.

Breeders Week on SEN Track: Jess Tubbs established the very successful Breeders Week on SEN Track, where Jason and Blake interviewed a wide range of breeding participants on a range of breeding matters. This is an initiative we would like to see continue in 2021.

The Barn: HRV established The Barn via www.thetrots.com.au – this is an interface specifically for breeding matters and will provide our studs and breeders with plenty of media content and promotion opportunities. Thanks go to the HRV media team for their work here and the opportunity it creates for HBV as a Partner of this initiative.

Trackbred: We have continued to publish Trackbred this year. Thank you to David and Bianca Brehaut for the first class production of our now online publication.

Stallion Guide: Peter Wharton edited our Stallion Guide for its 25th Edition, a remarkable achievement. I would like to thank him for his great work on this years edition and acknowledge the fine work of Maurice Hanrahan who was the Committee representative.

Our Executive Officer, Desiree Pettit-Keating continues to go above and beyond the call of duty and has done a stellar job often under trying circumstances due to Covid and all of its restrictions. Her tenacity, attention to detail and her guidance are all appreciated by myself, the committee and members. Thank you once again Desiree for all that you do and the way that you do it!





I would like to thank the Committee for their time and effort throughout the year. Various members have undertaken significant work and can be proud of their efforts and results.

Overall, the Committee has had a number of significant matters to debate and form views on, the most significant of them being the Stallion Limits imposed by HRA. HBV has stated via various letters and releases, that it is not opposed to Stallion Limits *per se*, but has made it clear that until research is completed into the genetic and commercial implications of a cap that such a decision should not have been taken. HRA have not been able to provide any form of justification on these grounds, nor the basis for the cap number they introduced.

We have also expressed our dismay at the manner in which this rule is being introduced and the impact on studs and breeders alike for the 2020 breeding season. To date, HRA have given us nothing other than polite responses.

I thank members for the opportunity to serve as President in 2019/20 and should I be re-elected, look forward to the opportunity to serve in the same role for the coming season.

Good luck with your breeding initiatives!
Nick Hooper



HARNESS
BREEDERS
VICTORIA

02

Secretary's Report

2019-2020 has been a year of many changes to the committee but a year that has brought about great achievements and momentum for HBV.

Committee changes

Executive Appointments

President – Nick Hooper

Vice President – Terry Lewis

Secretary – Dr Kath McIntosh

Treasurer – Maurice Hanrahan

New Members Appointed to the Committee

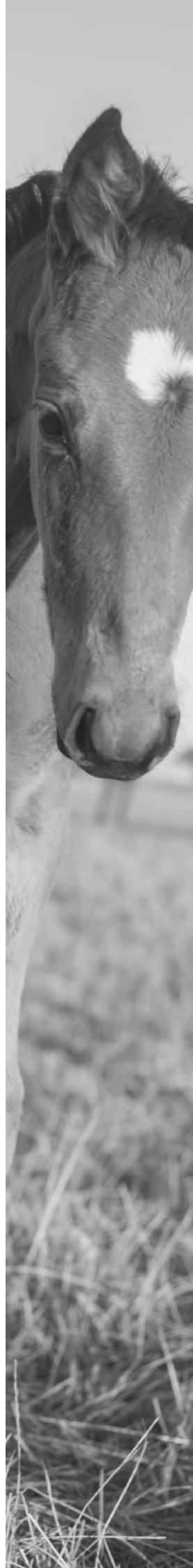
Jess Tubbs, Chris Lang Jnr, Maurice Hanrahan

Departing from the Committee

Steve Dickson

I would like to thank all those in previous roles on the executive committee and the broader committee for their efforts. We welcome new members to the committee and to the executive roles and look forward to their contributions to Harness Breeders in the future.

The Association has held four committee meetings plus the AGM this financial year in accordance with the constitution. These began in the usual fashion of a physical meeting but the meetings have evolved with the challenges of this year into meetings attended online by Zoom. All committee member changes were conducted and changed within the rules of the constitution, as too the meetings. All appropriate paperwork was submitted to Consumer Affairs Victoria, facilitating the continuance of Harness Breeders Victoria.



03

Treasurer's Report

The year 2020 will go down as one of the most interesting and challenging times in which to be appointed as Treasurer of HBV. Notwithstanding, I am pleased to report that the Club has recorded a profit of \$14,000, which is a \$40,000 improvement from the previous year. Whilst the outcome has been achieved in a very difficult environment, a number of factors have assisted the Club to achieve this result. The outcome would have been strengthened by \$11,000 were it not for the need to redress bad debts of nearly \$5,000 and retrospective provision for employee benefits in the order of \$6,000.

Firstly, the work to achieve a successful *Stallion Guide*, the premiere publication of HBV, has resulted in an increased in revenue as well as a reduction in production costs. Furthermore, as a result of the Covid outbreak, the Club was eligible and able to access the JobKeeper scheme to underwrite the important work of our Executive Officer. A number of other important decisions were made to redress the financial results from previous years.

Why is this important? The organisation and industry is at critical juncture. The ability of HBV to be forward thinking and bold is essential for the future of both breeding and racing in Australasia. There are many challenges and opportunities that need to be both considered and addressed and I am hopeful that HBV is in a position to make a substantial contribution.

Finally, I am indebted to the passion and contribution from our Committee and additionally indebted to Desiree, our hard working and effective Executive Officer.

04

2019-20 IN REVIEW

Membership & Engagement

Membership fees remained at the previous year's rate of \$55 for full membership and \$11 for associate membership. Membership for the season, including Life Members, was 426 in total, down from the previous season with 496 members.

HBV again thank long-time supporters, Alabar and Niota Bloodstock, for donating services to Ultimate Machete and Great Success, to offer as part of our member renewal campaign. Congratulations to Norm McCloy and Bradley O'Keeffe who won services to the respective stallions in 2019.

Our social media presence continued to grow and provide us with both more exposure and more value to offer potential sponsors and advertisers. Facebook grew by over 25% and HBV tweets were seen over 340,000 times across the season.

Trackbred Journal

Six, online editions of *Trackbred* were produced by editor David Brehaut for the 2019-20 season, covering a wide range of issues and items of interest, from feature race winner pedigrees to yearling sales and all in between. It is the first year that *Trackbred* has been delivered exclusively online, following further untenable increases in the costs of production. HBV thanks Metro Printing for their support in publishing this popular magazine for many years.

24th IRT Australasian Standardbred Stallion Guide

The 2019 edition of the *Stallion Guide* was published again, with demand for hard copy editions still very high. Copies were made available free of charge from each state HQ, five Victorian country tracks, and posted to members of HBV and WASBA, in addition to over 4,000 households with a registered breeder who had been active in the past two seasons. An online edition was also published to broader reach. We thank IRT, HRV and Metro for their support in delivering this quality publication.

Stallion Tender

Thanks to the generosity of Woodlands Stud, HBV were able to run a stallion tender in October for the exciting sire, Downbytheseaside. This activity netted the organisation a profit of over \$4,500. The Committee would again like to thank and recognise Woodlands Stud for their involvement.





Search for a Star

The winner of the 2019 IRT Australasian Standardbred Stallion Guide Search for a Star competition was Blanche Poole of Rhiannon Park, whose photo of a Betting Line colt with his dam, Alta Calypso, was voted the most popular across the June voting period on Facebook.

Again, HBV received numerous entries of Vicbred foals from across the country and we are pleased to see that engagement with this series continues to grow, with almost 15,000 Twitter impressions and over 15,600 reached on Facebook.



2018-19 IRT Victorian Breeder Awards

The IRT Breeder Awards were held this year as a luncheon in the heritage barn at the Bendigo Pottery Tourism Complex, presented by Tanya McDermott. Our headline Woodlands Victorian Breeder of the Year was presented with other industry awards at the HRV Gordon Rothacker Awards night to Bruce & Vicki Edward of Durham Park.

It was pleasing to see a good variety of names on the honour roll, with the Trotting Broodmare of the Year collected by Wayne Schulze and Dale Eastman for Insulated and the Pacing Broodmare by Lauriston Bloodstock for Aston Villa, while the Judd Family (below) collected the Ian Daff Memorial Trophy for tenured services to the breeding industry. HBV thank all the sponsors who make this event possible each season, particularly gold sponsors IRT, Alabar, Metro



Breed to Succeed Series

While initially planned to take place at a number of race courses across the state in May, our series of educational seminars, designed to help breeders maximise their investment and improve horse welfare outcomes, was unable to go ahead due to restrictions on gatherings and travel. Instead, the series was redesigned to use digital resources and with the support of sponsors and Harness Racing Victoria, HBV were able to deliver the Breed to Succeed webinar series in 2020-21 in partnership with Campbell's Comments. More on this very successful initiative will appear in the next Annual Report.

IAHP Vicbred Bonus Breeder of the Month

With sponsors, International Animal Health Products, HBV have been able to personally congratulate breeders on their horses collecting a Vicbred First Win Bonus over the season with over 900 postcards. Feedback – particularly from smaller breeders – continues to be hugely positive and we have gained several new members from the exercise. Each month, the breeders of the most horses to claim a bonus are recognised publicly on our website, in *Trackbred*, and on Twitter, Facebook and Instagram.

AGM and Committee Profiles

The 2018-19 AGM was held prior to the Victorian Breeder Awards at the Bendigo Pottery Complex on Sunday 20 October 2019. A good representation of members was in attendance, and all reports and financials were presented and passed.

HBV extended great thanks to outgoing President, Terry Lewis, on his incredible work for the organisation throughout his presidency and was pleased to see him successfully appointed to the role of Vice President. Members welcomed new President, Nick Hooper, to the role, while the appointments of Secretary and Treasurer were carried over until after all board vacancies were filled.

This occurred at the following meeting, with the 2019-20 committee structured thus:

President – Nick Hooper
Vice President – Terry Lewis
Secretary – Dr Kath McIntosh
Treasurer – Maurice Hanrahan

General committee – John Campbell, Elizabeth McLean, Jess Tubbs, Chris Lang Jnr, Brett Coffey, Mark Hughes, Les Joslin, Steve Dickson.

To encourage engagement by breeders and members, HBV produced a series of profiles (right) for each of the committee members, outlining their involvement and experience, and what makes them excited about the breeding industry in Victoria. These are all available on the HBV website.



JESS TUBBS

32. HBV COMMITTEE MEMBER

WHY I JOINED THE HBV COMMITTEE...

I felt obliged to try to assist the industry, as I believe it's up to all of us to ensure its longevity.

WHAT EXCITES ME ABOUT THE FUTURE OF BREEDING IN VICTORIA...

It's exciting to see the refinement of the Standardbred breed - we've come a long way in a relatively short amount of time and our horses are some of the best in the world.

CONTACT

contact@vicharnessbreeders.org.au

BEST REASONS TO BREED IN VICTORIA...

Access to great stallions, quality vets and foaling facilities and the terrific Vicbred program

THE FIRST HORSE I BRED WAS...

Melpark Alexa was the first one I got to choose the stallion for though I'd been involved through Dad for years. We delivered her at Mum and Dad's farm and this past season she's had her first foal.

HOW I FIRST GOT INVOLVED IN BREEDING...

Through Dad. He always believed in trainers breeding one or two where they could to help keep the horse population ticking along.

I LOVE BREEDING STANDARDBREDS BECAUSE

I love spending time with the broodmares, building trust with them. They come to rely on you, I love spoiling them and reassuring them. After having a thoroughbred surrogate last season, I now have even more appreciation for how easy Standardbreds are to deal with!

MY BREEDING SQUAD IS...

Dad will always be #1 even though he's no longer here to give me his opinions. Ian Kitchin has been a terrific help and we continue to race and breed mares together.

THE MOST SUCCESSFUL HORSE I'VE BRED...

Lenard Ess and Melpark Alexa both have five wins on the board. Lenny has been an extra special accomplishment, making it back to the track after a paddock injury which required surgery.

MY FAVOURITE BROODMARE IS...

Wya Mya Macray is by far my number one girl. I raced her with Ian Kitchin and was lucky enough to have him agree to let her come back to breed at Larajay Farm. She's irreverent and bossy, massively food-driven and I couldn't love her more. She's also been some lovely foals including Cee Bee Macray and Larajay Macray.

MY FAVOURITE STALLION IS...

I know he hasn't set the track alight, but Village Jolt was always my favourite when up visiting the team at Empire Stallions.

WHICH VIC BREEDER DOES A GREAT JOB...

Anyone who takes breeding seriously & offers top-level care to their broodmares is doing a great job; one mare or fifty, we need every one of those foals & are responsible for ensuring their best care.

WHAT ONE THING MAKES A DIFFERENCE...

Staying positive & be proud of the contribution you're making. If we are all doom and gloom, how will we ever entice new breeders into the game? Is it tough? Absolutely! But breeders are resilient and strong and fundamental to our sport.



Industry Advocacy & Engagement

This year, HBV have been very active in lobbying and advocacy, as well as engagement with Harness Racing Victoria and Harness Racing Australia. Particularly in the latter half of the season, HBV applied considerable resources toward advocacy – particularly in the area of rule changes for the 2020-21 season for stallion limits (refer President's Report).

Members of the Executive have attended bi-monthly meetings with the various teams within HRV with pleasing results across a range of matters and initiatives. We thank HRV for their time and continue to see the relationship with all kindred bodies grow. HBV were happy to support HRV's engagement drive as part of the Summer of Glory at Tabcorp Park Melton where owners were invited to bring along a guest to the first night of the Summer of Glory to enjoy free trackside hospitality.

Humbletonian

HBV again sponsored the all- maiden Vicbred race day at Maryborough, nicknamed Humbletonian Day and aimed at providing horses with a last opportunity for the season to collect their First Win Bonus, with a bottom-up ballot a condition of the series. We were not only able to add a \$250 cash bonus to for the breeders of each winner but also invest in promoting the day, the club, and the Vicbred futurity scheme through interviews (conducted on TrotsVision by Paul Campbell) with winning breeders and HBV committee members, live results and photo albums as well as stories looking at the



breeding and pedigree for each of the winners, including Carter Mayson (above). HBV thanks HRV, Maryborough Harness Racing Club and the Victorian Square Trotters Association for their investments in this popular event.

Australian Pacing Gold Yearling Sale

Prior to the Sales, HBV were pleased to be able to promote member-vendor lots through our social media streams and afterward, produce a significant album of photos from across the APG event, not just the sales ring. A dedicated Sales edition of Trackbred was delivered. and follow up articles on successful lots were included in the April issue.

Again, Harness Breeders Victoria organised and delivered a BBQ on the Friday night prior to the APG Sales at Inglis Oaklands, in concert with APG's yearling parade. As always, the BBQ was very well received and we thank past committeeman, Ash Haynes, for his extensive input in this activity. HBV had considerable presence on Sales day itself, with president Nick Hooper conducting two tours of the facility for interested parties and hosting our Follow A Foal marquee (see below).

Follow A Foal

The culmination of this long-term project took place at the APG Yearling Sales, where both fillies were auctioned. With the dual purpose of engaging new people with the breeding journey and supporting two very worthy charities, the project continued to follow the two 2018 crop fillies as they grew and were prepared for the sale. The project captured many new email subscribers and followers on social media, and created a library of informative articles and videos about the practical side of breeding.

Prior to the sales, significant media promotion was undertaken with a photo shoot taking place at Aldebaran Park with representatives of both WomenCan (formerly the Women's Cancer Foundation) and the Children's Tumour Foundation.



Aldebaran Demi meets Jane (WomenCAN) and Xavier (Children's Tumour Foundation) at Aldebaran Park

Unfortunately, immediately before the sales the Alabar filly was withdrawn from the APG sale on vet's advice. Alabar generously substituted He's Watching filly from Art Critic and a percentage of her final sale price was donated into the pool instead. On the day, the APG auctioneers were joined by Katie Alford, on behalf of the Children's Tumour Foundation, and Jodie Quinlan representing WomenCan, to bring the hammer down on each respective lot, with further exposure gained to buyers both on site and watching proceedings online. HBV were also able to host a marquee area with information about the project and the charities, and use as a base for tours of the complex run across the day.

Due to COVID19 restrictions, our planned presentation event with both charities was not able to be delivered. Each charity received a donation of \$630 which was welcomed with warm thanks. We extend our gratitude to Duncan McPherson OAM and the team at Aldebaran Park, and to Alan Galloway and the crew at Alabar Farms for their terrific support of this project.



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2019-20 FINANCIALS

HARNESS BREEDERS (VIC) INC
A.B.N. 98
462 323 765

ANNUAL REPORT - 30 JUNE 2020



HARNESS BREEDERS (VIC) INC
FINANCIAL REPORT - 30 JUNE 2020

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Harness Breeders (Vic) Inc
Income and Expenditure statement
for the year ended 30 June 2020

	Note	2020 \$	2019 \$
Income			
Advertising Revenue	2	114,566	127,342
Membership Fees	2	7,004	7,978
Subscription Income	2	16,060	28,938
Sponsorship Income	2	5,750	0
Interest received	2	258	760
Government Subsidies	2	16,000	0
Other Income	2	3,465	5,878
Total Income		163,103	171,296
 Cost of Sales			
Printing		34,525	95,736
Correspondents		2,005	4,519
Editor		29,449	38,960
Postage		13,075	9,179
Total Cost of Sales		79,054	148,394
Gross Profit	3	84,049	22,902
 Other expenses			
Accounting Fees		1,390	700
Advertising & Marketing		1,567	660
Advertising Commissions		3,188	0
Auditor Fees	10	700	1,750
Bookkeeping		1,201	2,425
Bad Debts Written Off		4,940	0
Bank Fees		22	20
Dinners & Functions		6,214	7,293
Donations		812	61
Employee Costs (Payroll)		27,267	19,800
Employee Benefit Expenses	6	7,222	0
General Expenses		791	481
Merchant Fees		613	860
Printing & Stationery		1,359	1,186
Sponsorship		1,600	2,750
Telephone		512	518
Travelling Expenses		235	673
Trophies		7,726	8,803
Postage		2,061	2,469
Website expenses		350	0
Workers Compensation		197	192
Total expenditure		69,967	50,461
Surplus/(deficit) for the year		14,082	(27,739)

The accompanying notes form part of these financial statements

Harness Breeders (Vic) Inc.

Balance sheet

for the year ended 30 June 2020

	Note	2020 \$	2019 \$
Asset			
Current assets			
Cash and cash equivalents	4	70,779	75,932
Trade receivable	5	85,977	80,573
Total current assets		156,756	156,504
Non-current assets			
Property, plant, equipment		-	-
Total non-current assets		-	-
Total assets		156,756	156,504
Liabilities			
Current liabilities			
Trade creditors and other payables		-	25,855
GST Payable		10,270	7,145
PAYG Payable		1,584	-
Superannuation Payable		523	429
Provisions	6	5,337	-
Total current liabilities		17,714	33,429
Non-Current liabilities			
Provisions	6	1,885	-
Total non-current liabilities		1,885	-
Total liabilities		19,599	33,429
Net assets		137,157	123,075
Members Funds			
Retained surplus		137,157	123,075
Total Members Funds		137,157	123,075

The accompanying notes form part of these financial statements

Harness Breeders (Vic) Inc.
Statement of changes in Members Funds
for the year ended 30 June 2020

		2020	2019
		\$	\$
Total Members Funds at the beginning of the financial year	7	123,075	150,814
Surplus/(deficit) for the year		14,082	(27,739)
Total Members Funds at the end of the financial year	7	<u>137,157</u>	<u>123,075</u>

The accompanying notes form part of these financial statements

Harness Breeders (Vic) Inc.
Statement of cash flows
for the year ended 30 June 2020

	Note	2020 \$	2019 \$
Cash from operating activities			
Receipts from customers		156,126	209,846
Payments to suppliers and employees		(161,537)	(204,229)
Interest received		258	760
Net cash provided by/ (used in) operating activities	8(b)	(5,153)	6,377
Cash flows from investing activities			
Net cash provided by/ (used in) investing activities		-	-
Cash flows from financing activities			
Net cash provided by/ (used in) financing activities		-	-
Net increase/(decrease) in cash held			
Cash at beginning of financial year		75,932	69,555
Cash at end of financial year	8(a)	70,779	75,932

The accompanying notes form part of these financial statements

Harness Breeders (Vic) Inc.

Notes to the financial statements for the year ended 30 June 2020

1. Statement of significant accounting policies

a) Statement of compliance

The committee has determined that the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements. The financial report is a special purpose financial report which has been prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Reform Act 2012*.

These financial statements have been prepared in accordance with following Australian Accounting Standards:

AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031	Materiality
AASB 1048	Interpretation of Standards
AASB 1054	Australian Additional Disclosures

b) Basis of measurement

The financial statements have been prepared on an accrual basis and are based on historical cost and do not take into account changing money values except where specifically stated.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

c) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Depreciation

The depreciable amount of all fixed assets is depreciated on a declining balance basis over the asset's useful life to the association commencing from the time the asset is held ready to use.

d) Impairment

At each reporting date the committee assesses whether there is objective evidence that a financial instrument has been impaired. If any such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

e) Income tax

The association is a not-for-profit organisation and is exempt from income tax under section 50-45 of the *Income Tax Assessment Act 1997*.

f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits, held at call with banks, other short-term highly liquid investments with original maturities cash within three months.

Harness Breeders (Vic) Inc.

g) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised as interest accrues, using the effective interest rate method.

h) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period.

Employee benefits expected to be settled wholly within 12 months together with benefits arising from wages, salaries and annual leave which may be settled after 12 months, which have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

Contributions to defined contribution superannuation plans are expensed when incurred.

i) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are stated inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities which are disclosed as operating cash flows.

j) Trade creditors and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days on recognition of the liability.

k) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they hold significant financing components, when they are recognised at fair value. The association holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised costs using the effective interest rate method.

l) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

m) Critical Accounting Estimates and Judgements

The Committee evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the Association.

The Association did not have any significant accounting estimates or judgements that required any further disclosures during the year.

Harness Breeders (Vic) Inc.

	2020	2019
	\$	\$
2. Revenue and Other Income		
Advertising Income		
Stallion Guide	106,002	98,113
Track Bred Magazine	8,564	29,629
Total Advertising Revenue	114,566	135,720
Memberships	7,004	7,978
Subscriptions	16,060	28,939
Sponsorship Income - Vic Bred Scheme	5,750	0
Government Subsidies - Job keeper	16,000	0
Interest received	258	760
Other income		
Tour tickets	0	5,878
APG BBQ & Follow-a-Foal sales	3,409	0
Raffle income	56	0
Total Other Income	3,465	5,878
Total revenue	163,103	171,296
3. Profit from Ordinary Activities		
Net gains and expenses		
Profit from ordinary activities before income tax expense include:		
Net gains		
Interest received	258	760
Association revenue	162,845	170,536
Expenses		
Cost of Sales	79,054	148,394
Association Expenses	69,967	50,461
	14,082	(27,739)
4. Cash and cash equivalents		
Cash at bank	70,779	20,569
Investment CBA 5726	-	55,363
	70,779	75,932
5. Account receivables and other debtors		
Trade receivables	85,977	80,573
Less provision for doubtful debts	-	-
	85,977	80,573

Harness Breeders (Vic) Inc.

6. Provisions

Current

Annual leave provision	5,337	-
	5,337	-

Non-current

Long service leave provisions	1,885	-
	1,885	-

Total provisions	7,222	-
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Movement in Provisions

	Annual Leave Provision	Long Service Leave Provision
	\$	\$
Opening balance at 1 July 2018	-	-
Additional provisions recognised	-	-
Reductions arising from payments	(-)	(-)
Closing Balance at 30 June 2019	-	-
Opening balance at 1 July 2019	-	-
Additional provisions recognised	5,337	1,885
Reductions arising from payments	(-)	(-)
Closing Balance at 30 June 2020	5,337	1,885

	2020	2019
	\$	\$
7. Retained Profits and Reserves		
Retained profits at the beginning of the year	123,075	150,814
Net profit	14,082	(27,739)
Retained profits at the end of the financial year	137,517	123,075

8. Cash flow information

Reconciliation of cash

Cash at the end of financial year as shown in cash flow statement is reconciled to items in the statement of financial position:

Cash at Bank	70,779	20,569
Term deposits	-	55,363
	70,779	75,932

a)

Reconciliation of net cash provided by operating activities to surplus

Surplus from ordinary activities	14,082	(27,739)
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Non-cash flows in profit

Depreciation	-	-
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Changes in assets and liabilities:

(Increase)/decrease in receivables	(5,404)	22,257
Increase/(decrease) in trade and other payables	(21,053)	11,859
Increase/(decrease) in provisions	7,222	-

Net cash provided by operating activities	(5,153)	6,377
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b)

Harness Breeders (Vic) Inc.

9. Remuneration of Members

The Members receive no remuneration or benefits. Expenditure incurred in the course of carrying out their responsibilities are reimbursed as incurred.

	2020	2019
	\$	\$
10. Remuneration of Auditor		
Total amounts receivable by the Auditor of the Association for:		
Audit of the Association's accounts	700	1,750
	<u>700</u>	<u>1,750</u>

In 2019, the audit of the Association's financial statements and records were performed by Palmer & Associates. The payment in 2020 relates to the audit of the 2018/19 financial records.

During the 2020 financial year, the financial reporting obligations of Harness Breeders (Vic) Inc under the *Associations Incorporation Reform Act 2012* were reviewed. As the association is a Tier 1 organisation, it is no longer required to have its financial statements audited or reviewed, unless Members require the audit to be performed.

11. Related parties

There were no related party transactions conducted during the year.

The names of the Committee Members throughout the year end and at the date of this report are:

N Hooper

T Lewis

K McIntosh

M Hanrahan

B Coffey

L Joslin

E Maclean

J Campbell

M Hughes

C Lang Jnr

J Tubbs

Harness Breeders (Vic) Inc.

Statement by Members of the Committee.

The Committee has determined that the Association is not a Reporting Entity and that this Special Purpose Financial Report should be prepared in accordance with the Accounting policies outlined in Note 1 of the Financial Statements.

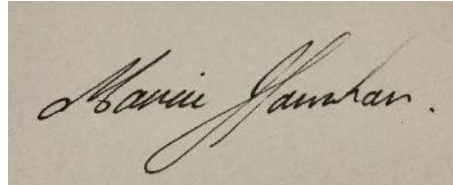
In the opinion of the Committee, the Financial Report as set out on pages 2-11:

1. Presents a true and fair view of the financial position of Harness Breeders (Vic) Inc as at 30 June 2020 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Harness Breeders (Vic) Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with a Resolution of the Committee and is signed for and behalf of the Committee by:



Nick Hooper, President



Maurice Hanrahan, Treasurer

Dated this 10th day of October 2020