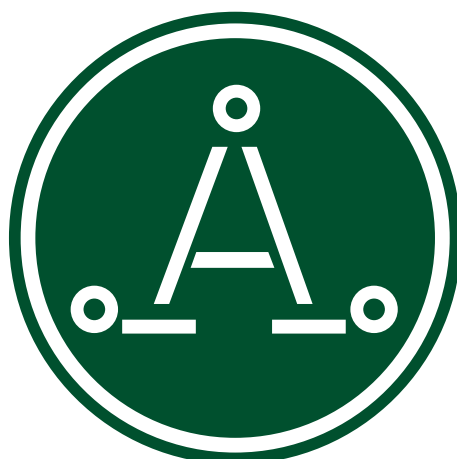


The Australian Stock Horse Society Limited

A Company Limited by Guarantee

ABN 35 001 440 437

ACN 001 440 437



Australian Stock Horse

FINANCIAL REPORT

1st April 2019 - 31st March 2020

Includes Notice for Annual General Meeting



Chairman of the Board
Lorna Fanning

Vision

The Australian Stock Horse Society wants the Australian Stock Horse to have the highest profile of any breed of horse in Australia with worldwide recognition.

Aims

To preserve the heritage and identity of the Australian Stock Horse.
To promote the development and popularity of Australian Stock Horses throughout Australia and the world. To maximise the benefits of owning a Registered Australian Stock Horse and being a Member of The Australian Stock Horse Society.

Mission

To maintain the heritage and to promote the bloodlines and high performance of the Australian Stock Horse among equestrian activities and the general public.

Chairman's Annual Report

It is my great privilege and pleasure to be writing this report to the members.

During the past 12 months this Board has focused heavily on the financial aspect of our operation. Previously, our Society has made consecutive losses since 2014 which has been of great concern to our future viability!

At the commencement of this term, we were again faced with a budgeted loss - of approximately \$150,000.00, which would further weaken our position.

However, I am very pleased to announce that this focus has paid dividends, in that for the first time in 5 years we are able to report a profit.

There have been a number of measures implemented to enable us to achieve this result, including membership and registration incentives, stud book reform and the consolidation of our business both operationally and financially.

I would like to say a big Thank You to all the Directors who have contributed immensely in the last 12 months. The Directors are all very passionate and loyal to the Australian Stock Horse Society and its Vision, Aims and the Mission Statement.

I would like to thank Steve Guihot for his time as CEO and his help with developing the Discussion Paper which went out to all Branches & Management Councils, as well as the Action Plan 2019 to 2022.

Operationally, we are progressing very well with the process of a number of major upgrades and developments to our computer systems which will be of great benefit to our members.

What a year it has been! Drought, fires, floods and COVID-19, surely when we get through this pandemic, we are due for a decent year.

Even with all these catastrophic events the members of the Society have continued to support their passion for Australian Stock Horses.

I would also like to thank Sue Haggarty, our Finance Manager.
And of course, Andrew Cooper our CEO for the knowledge and expertise he has shown, since joining us on the 6th January.

Thank you to our wonderful staff in Head Office and to all the volunteers of our Branches and Management Councils Australia wide, for all your hours of dedicated service to this great society, the ASHS.

Next year, 2021 is our 50th Anniversary!
What an incredible milestone!
We have so many plans in the pipeline.
I hope that members will get involved and make it a year to remember.

I look forward to meeting members at the AGM in Tamworth, NSW on the 1st August, provided COVID-19 allows.

Best wishes,

Lorna Fanning

Australian Stock Horse Society Limited

ACN: 001 440 437

Financial Report For The Year Ended 31 March 2020

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AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 31 March 2020.

Directors

The names of each person who has been a director during the year and to the date of this report are:

C Young resigned (17/08/2019)
J Petrich
L Cutler
M Wilson
J Allen
L Fanning
C Law resigned (17/08/2019)
R Watchirs resigned (23/08/2019)
B Welsh
L Butcher
D De Jong appointed (17/08/2019)
V Mascord appointed (30/08/2019)
B Moore appointed (17/08/2019)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the entity during the financial year was:

- The promotion and preservation of the identity of the Australian Stock Horse.
- Breeding improvement and popularity of this breed of horse.

Short-term and Long-term Objectives

The entity's short-term objectives are to:

- Continue to promote the Australian Stock Horse breed and improve services to members.

The entity's long-term objectives are to:

- Grow the membership base and increase engagement levels
- Strengthen communication with Branches and Office Bearers
- Streamline operations by embracing the digital age

Strategies

To achieve its stated objectives, the entity has adopted the following strategies:

- Enhance member services to increase the membership base
- Develop overseas branches
- Increase sports participation

Information on Directors

C Young	—	Resigned
Experience	—	10 years as a director
J Petrich	—	Junior Vice Chair
Experience	—	8 years currently as a director, 5 years previous
L Cutler	—	Director
Experience	—	6 years as a director
M Wilson	—	Director
Experience	—	6 years as a director
J Allen	—	Treasurer
Experience	—	5 years as a director
L Fanning	—	Chairman
Experience	—	4 years as a director

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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DIRECTORS' REPORT

C Law	—	Resigned
Experience	—	4 years as a director
R Watchirs	—	Resigned
Experience	—	3 years as a director
B Welsh	—	Senior Vice Chair
Experience	—	3 years as a director
L Butcher	—	Director
Experience	—	1 year 8 months as a director
D De Jong	—	Director
Experience	—	7 months as a director
V Mascord	—	Director
Experience	—	7 months as a director
B Moore	—	Director
Experience	—	7 months as a director

Meetings of Directors

During the financial year, 12 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
C Young	3	3
J Petrich	12	11
L Cutler	12	11
M Wilson	12	10
J Allen	12	10
L Fanning	12	12
C Law	3	-
R Watchirs	4	3
B Welsh	12	12
L Butcher	12	11
D De Jong	9	9
V Mascord	7	7
B Moore	9	9

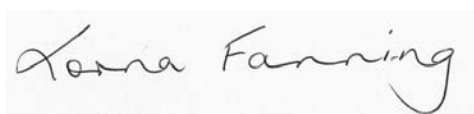
The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 31 March 2020, the total amount that members of the entity are liable to contribute if the entity is wound up is \$127,540 (2019: \$133,200).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 March 2020 has been received and can be found on page 3 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director



L Fanning

Dated this 24th day of June 2020

AUSTRALIAN STOCK HORSE SOCIETY LIMITED

ACN: 001 440 437

**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF AUSTRALIAN STOCK HORSE SOCIETY LIMITED**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Australian Stock Horse Society Limited. As the lead audit partner for the audit of the financial report of Australian Stock Horse Society Limited for the year ended 31 March 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Name of Firm Rose & Partners



Name of Partner Paul Heaton

Date 24/06/2020

Address 109 Liverpool Street

Scone

NSW 2337

AUSTRALIAN STOCK HORSE SOCIETY LIMITED

ACN: 001 440 437

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDED 31 MARCH 2020**

	Note	2020	2019
		\$	\$
Revenue	2	30,493	25,496
Other income	2	1,956,321	2,517,161
Employee benefits expense	3	(894,140)	(959,544)
Depreciation and amortisation expense	3	(79,922)	(74,034)
Motor vehicle expenses		(12,039)	(12,665)
Audit, legal and consultancy fees	3	(32,987)	(39,401)
Membership expenses		(66,787)	(145,988)
Registration and transfer expenses		(104,720)	(136,357)
Sports and events expenses		(144,006)	(542,538)
Journal expenses		(156,498)	(201,791)
Merchandise expenses		(54,405)	(80,275)
Branch expenses		(40,434)	(61,938)
Board expenses		(79,288)	(67,438)
Other administration expenses		(298,602)	(355,209)
Current year surplus before income tax		22,986	(134,521)
Income tax expense		-	-
Net current year surplus		22,986	(134,521)
Surplus attributable to members of the entity		22,986	(134,521)
Total comprehensive income attributable to members of the entity		22,986	(134,521)

The accompanying notes form part of these financial statements.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,407,861	1,538,258
Accounts receivable and other debtors	5	23,029	36,348
Inventories	6	41,711	50,345
TOTAL CURRENT ASSETS		<u>1,472,601</u>	<u>1,624,951</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	509,246	520,058
Intangible assets	8	5,462	1,139
TOTAL NON-CURRENT ASSETS		<u>514,708</u>	<u>521,197</u>
TOTAL ASSETS		<u>1,987,309</u>	<u>2,146,148</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	9	359,158	526,395
Lease liabilities	10	8,014	-
Employee provisions	11	95,751	131,572
TOTAL CURRENT LIABILITIES		<u>462,923</u>	<u>657,967</u>
NON-CURRENT LIABILITIES			
Accounts payable and other payables	9	17,455	20,777
Lease liabilities	10	13,012	-
Employee provisions	11	17,620	14,089
TOTAL NON-CURRENT LIABILITIES		<u>48,087</u>	<u>34,866</u>
TOTAL LIABILITIES		<u>511,010</u>	<u>692,833</u>
NET ASSETS		<u>1,476,299</u>	<u>1,453,315</u>
EQUITY			
Retained surplus		1,414,427	1,391,443
Reserves		61,872	61,872
TOTAL EQUITY		<u>1,476,299</u>	<u>1,453,315</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Note	Retained Surplus	Revaluation Surplus	Total
		\$	\$	\$
Balance at 1 April 2018		1,525,962	61,872	1,587,834
Comprehensive Income				
Surplus for the year attributable to members of the entity		(134,521)		(134,521)
Total comprehensive income attributable to owners of the entity		(134,521)	-	(134,521)
Balance at 31 March 2019		1,391,441	61,872	1,453,313
Balance at 1 April 2019		1,391,441	61,872	1,453,313
Comprehensive Income				
Surplus for the year attributable to members of the entity		22,986		22,986
Total comprehensive income for the year		22,986	-	22,986
Balance at 31 March 2020		1,414,427	61,872	1,476,299

For a description of each reserve, refer to Note 16.

The accompanying notes form part of these financial statements.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		2,178,152	2,762,846
Payments to suppliers and employees		(2,271,906)	(2,816,458)
Interest received		15,764	21,496
Net cash generated from operating activities	14	<u>(77,990)</u>	<u>(32,116)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		28,254	-
Payment for property, plant and equipment		(101,687)	(77,126)
Net cash used in investing activities		<u>(73,433)</u>	<u>(77,126)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of finance lease liabilities		(5,730)	-
Increase in finance lease commitments		26,756	-
Net cash used in financing activities		<u>21,026</u>	<u>-</u>
Net increase in cash held		(130,397)	(109,242)
Cash on hand at beginning of the financial year		1,538,258	1,647,500
Cash on hand at end of the financial year	4	<u><u>1,407,861</u></u>	<u><u>1,538,258</u></u>

The accompanying notes form part of these financial statements.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Australian Stock Horse Society Limited receives non-reciprocal contributions of assets from the government and other parties for no or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax.

(b) Inventories

The entity shall measure inventories held for distribution at cost, adjusted when applicable for any loss of service potential.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

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

Freehold Property

Freehold land and buildings are shown at their cost less subsequent depreciation and subsequent impairment for buildings.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	3%
Plant and equipment	5-20%
Computer software	20-40%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(d) Leases

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and Subsequent Measurement

Financial liabilities

A financial liability is measured at fair value through profit and loss if the financial liability is

- amortised cost; or
- fair value through profit and loss.

Financial liabilities are subsequently measured at:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The entity initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading and not a contingent consideration recognised by an acquirer in a business combination to which AASB 3: Business Combinations applies, the entity made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the entity's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

- the entity no longer controls the asset (i.e. the entity has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amounts due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

- the general approach
- the simplified approach
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the entity assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the entity measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- there is no significant increase in credit risk since initial recognition, the entity measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15: Revenue from Contracts with Customers and contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (i.e. diversity of customer base, appropriate groupings of historical loss experience, etc.).

Purchased or originated credit-impaired approach

For a financial asset that is considered credit-impaired (not on acquisition or origination), the entity measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- a lender granting to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise
- high probability that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumes that the credit risk has not increased significantly since initial recognition and accordingly it can continue to recognise a loss allowance of 12-month expected credit loss.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

In order to make such a determination that the financial asset has low credit risk, the entity applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term;
- adverse changes in economic and business conditions in the longer term may, but not necessarily will, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a risk of default lower than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the entity recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(f) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(g) Employee Provisions

Short-term employee provisions

Provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, sick leave and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee provisions expense.

The entity's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current employee provisions.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(i) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

(j) 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).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(l) Intangible Assets

Software

Software is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

(m) Provisions

Provisions are recognised when the entity 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.

(n) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the entity retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

(o) Accounts Payable and Other Payables

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

(p) Critical Accounting Estimates and Judgements

The directors 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 entity.

Key Judgements

(i) Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

(q) New and Amended Accounting Policies Adopted by the Entity

Initial application of AASB 16: Leases

The entity has adopted AASB 16: Leases with a date of initial application of 1 January 2019. A core change resulting from applying AASB 16 is that most leases will be recognised on the balance sheet by lessees as the standard no longer differentiates between operating and finance leases. An asset and a financial liability are recognised in accordance to this new standard. There are however two exceptions allowed being short-term and low-value leases.

The entity has chosen to apply AASB 16 retrospectively with cumulative effect. While the right-of-use assets for property leases will be measured on transition as if new rules had always been applied, all other right-of-use assets will be measured at the amount of the lease liability on adoption (after adjustments for any prepaid or accrued lease expenses).

Initial application of AASB 1058: Income of Not-for-Profit Entities and AASB 15: Revenue from Contracts with Customers

As at the reporting date, the directors have concluded that the impact of AASB 1058 and AASB 15 would not be material on the financial statements.

Initial application of AASB 2018-8: Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The entity has performed a high-level impact assessment and notes that all leases are at-market. Accordingly, AASB 2018-8 does not apply and AASB 16 will apply instead (refer above for impacts on the adoption of AASB 16).

Note 2 Revenue and Other Income

	2020 \$	2019 \$
Revenue		
Revenue from (non-reciprocal) government grants and other grants		
— Other government grants	14,729	4,000
	<u>14,729</u>	<u>4,000</u>
Other revenue		
— Interest received on investments in government and fixed interest securities	15,764	21,496
	<u>15,764</u>	<u>21,496</u>
Total revenue	<u>30,493</u>	<u>25,496</u>
Other income		
— Other	41,784	85,579
— Membership Fees	1,063,463	1,084,941
— Registration and Transfer Fees	654,837	740,610
— Sports and events	34,863	381,546
— Journal	81,568	111,127
— Merchandise	79,806	113,358
Total other income	<u>1,956,321</u>	<u>2,517,161</u>
Total revenue and other income	<u>1,986,814</u>	<u>2,542,657</u>

Note 3 Surplus for the year

	2020 \$	2019 \$
a. Expenses		
Employee benefits expense:		
— contributions to defined contribution superannuation funds	894,140	959,544
Total employee benefits expense	<u>894,140</u>	<u>959,544</u>
Depreciation and amortisation:		
— Plant & Equipment	77,690	71,562
— Intangibles	2,232	2,472
Total depreciation and amortisation	<u>79,922</u>	<u>74,034</u>
Audit fees:		
— audit services	17,000	16,970
— taxation services	1,764	2,079
Total audit remuneration	<u>18,764</u>	<u>19,049</u>

Note 4 Cash and Cash Equivalents

	2020 \$	2019 \$
CURRENT		
Cash at bank – unrestricted	1,407,861	1,538,258
	<u>1,407,861</u>	<u>1,538,258</u>
	<u>1,407,861</u>	<u>1,538,258</u>

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 5 Accounts Receivable and Other Debtors

	Note	2020 \$	2019 \$
CURRENT			
Accounts receivable		2,485	24,366
Other debtors		20,544	11,982
Total current accounts receivable and other debtors		23,029	36,348

Note 6 Inventories

	2020 \$	2019 \$
CURRENT		
At cost:		
Inventory	41,711	50,345
	41,711	50,345

Note 7 Property, Plant and Equipment

	2020 \$	2019 \$
LAND AND BUILDINGS		
Freehold land at cost:		
— At cost	35,000	35,000
Total land	35,000	35,000
Buildings at cost:		
— At cost	513,820	513,817
Less accumulated depreciation	(222,771)	(207,591)
Total buildings	291,049	306,226
Total land and buildings	326,049	341,226
PLANT AND EQUIPMENT		
Plant and equipment:		
At cost	547,023	525,076
Less accumulated depreciation	(431,333)	(388,154)
	115,690	136,922
Motor vehicles:		
Motor Vehicles	50,794	58,510
Less accumulated depreciation	(9,439)	(29,369)
	41,355	29,141
Computer Software		
At cost	225,494	207,409
(Accumulated depreciation)	(204,027)	(201,146)
	21,467	6,263
Flags Pennants and Banners		
At cost	40,015	40,015
(Accumulated depreciation)	(35,330)	(33,509)
	4,685	6,506
Total plant and equipment	183,197	178,832
Total property, plant and equipment	509,246	520,058

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

	Land and Buildings \$	Motor Vehicles \$	Plant and Equipment \$	Computer Software & Website Development \$	Flags Pennants & Banners \$	Total \$
2019						
Balance at the beginning of the year	354,903	37,602	90,018	22,647	9,462	514,632
Additions at cost	1,500		75,627			77,127
Disposals						-
Depreciation expense	(15,174)	(8,461)	(40,108)	(5,000)	(2,958)	(71,701)
Carrying amount at the end of the year	341,229	29,141	125,537	17,647	6,504	520,058
2020						
Balance at the beginning of the year	341,229	29,141	125,537	17,647	6,504	520,058
Additions at cost		49,916	26,765	18,460		95,141
Disposals		(28,263)				(28,263)
Depreciation expense	(15,180)	(9,439)	(45,312)	(5,938)	(1,821)	(77,690)
Impairment losses						-
Reversals of impairment losses						-
Carrying amount at the end of the year	326,049	41,355	106,990	30,169	4,683	509,246

Note 8 Intangible Assets

	2020 \$	2019 \$
Trademarks - at cost	43,974	37,419
Accumulated amortisation	(38,512)	(36,280)
Net carrying amount	5,462	1,139

Note 9 Accounts Payable and Other Payables

	Note	2020 \$	2019 \$
CURRENT			
Accounts payable		48,413	110,496
Deferred income		33,719	41,418
Other current payables		276,676	373,474
Other members Debtor		350	1,007
		359,158	526,395
NON-CURRENT			
Deferred income		17,455	20,777
		17,455	20,777

Note 10 Lease Liabilities

	Note	2020 \$	2019 \$
CURRENT			
Lease liabilities		8,014	-
		8,014	-
NON-CURRENT			
Lease liabilities		13,012	-
		13,012	-
TOTAL LEASE LIABILITIES	15	21,026	-

Lease liabilities are secured by the underlying leased assets.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 11 Employee Provisions

	2020	2019
CURRENT	\$	\$
Provision for employee benefits: annual leave	52,600	65,816
Provision for employee benefits: long service leave	42,345	57,471
Time in lieu	806	8,285
	<u>95,751</u>	<u>131,572</u>
NON-CURRENT		
Provision for employee benefits: long service leave	17,620	14,089
	<u>17,620</u>	<u>14,089</u>
	<u>113,371</u>	<u>145,661</u>

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave, long service leave and time in lieu..

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(g).

Note 12 Events After the Reporting Period

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

- The COVID-19 Pandemic and associated social distancing restrictions imposed by the Australian Government has meant that the 2020 National Show has been cancelled.

Note 13 Related Party Transactions

a. Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel (KMP).

The totals of remuneration paid to KMP of the entity during the year are as follows:

	2020	2019
	\$	\$
KMP compensation:	491,915	498,790
	<u>491,915</u>	<u>498,790</u>

b. Other Related Parties

Other related parties include close family members of KMP and entities that are controlled or jointly controlled by those KMP individually or collectively with their close family members.

— M. Wilson Judges Workshop (Assessor) July 2018	-	1,156
	<u>-</u>	<u>1,156</u>

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 14 Cash Flow Information

	2020 \$	2019 \$
Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus		
Net current year surplus	22,986	(134,521)
Adjustment for:		
Depreciation and amortisation expense	79,922	74,172
(Increase)/decrease in accounts receivable and other debtors	13,319	(13,399)
Increase/(decrease) in accounts payable and other payables	(170,560)	54,112
Increase/(decrease) in employee provisions	(32,291)	(12,942)
(Increase)/decrease in inventories on hand	8,634	462
	<u>(77,990)</u>	<u>(32,116)</u>

Note 15 Financial Risk Management

Financial Risk Management Policies

The directors are responsible for monitoring and managing the entity's compliance with its risk management strategy. The directors overall risk management strategy is to assist the entity in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the directors on a regular basis. These include credit risk policies and future cash flow requirements.

Note 16 Reserves

Revaluation Surplus

The revaluation surplus records revaluations of non-current assets.

Note 17 Entity Details

The registered office of the entity is:

Australian Stock Horse Society Limited
48 Guernsey Street
Scone
NSW 2337

The principal place of business is:

Australian Stock Horse Society Limited
48 Guernsey Street
Scone
NSW 2337

Note 18 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the entity. At 31 March 2020 the number of members was 6,377.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED

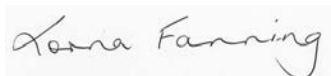
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DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Australian Stock Horse Society Limited, the directors of the registered entity declare that, in the directors' opinion:

1. The financial statements and notes, as set out on pages 4 to 18, satisfy the requirements of the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards applicable to the entity; and
 - (b) give a true and fair view of the financial position of the entity as at 31 March 2020 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director



L Fanning

Dated this 24th day of June 2020

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN STOCK HORSE SOCIETY LIMITED

Opinion

We have audited the financial report of Australian Stock Horse Society Limited (the entity), which comprises the statement of financial position as at 31 March 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of Australian Stock Horse Society Limited is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the entity's financial position as at 31 March 2020 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Australian Stock Horse Society Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 31 March 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Directors for the Financial Report

The directors of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the entity'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 directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN STOCK HORSE SOCIETY LIMITED

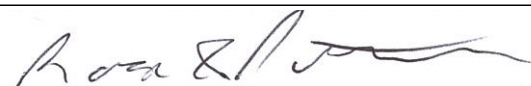
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting 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 financial report 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 overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

Auditor's name and signature: Paul Heaton



Name of firm: Rose & Partners



Address: 109 Liverpool Street, Scone, NSW, 2337

Dated this 24th day of June 2020

The Australian Stock Horse Society Limited
Profit & Loss Statement
For Period Ending 31/03/2020

	2020	2019
INCOME:		
Membership Fees	1,063,463	1,084,942
Membership Other	2,177	57,533
Registration & Transfer Fees	461,004	504,502
Registrations Other	193,833	236,108
Nat Show Sponsorship & Competitor Fees	(801)	106,140
Nat Show Nomination Fees	(1,190)	222,148
Fountain of Youth Sale Entry Fees	0	33,682
Other ASHS Events	4,372	4,400
Accreditation - Judges & Assessors	3,600	4,868
Youth	28,882	10,300
Journal Trading	(74,930)	(90,664)
Merchandise Trading	25,401	33,082
Interest Received	15,764	21,496
Profit/Loss On Sale of Asset	24,512	0
Admin & Sundry	14,275	29,754
TOTAL INCOME	1,760,362	2,258,291
EXPENSES:		
Membership	66,787	145,988
Registration	104,720	136,357
National Show Operating Costs	26,082	204,535
Nat Show Prizemoney	0	161,257
Fountain of Youth Sale Costs	4,626	23,751
Other ASHS Events	49,589	88,883
Marketing - Digital & Brand Awareness	18,205	21,698
Accreditation - Judges & Assessors	18,568	28,101
Youth	29,936	19,513
International Promotion	207	0
Administration	1,339,368	1,495,291
Board	79,288	67,438
TOTAL EXPENSES	1,737,376	2,392,812
OPERATING PROFIT/(LOSS)	22,986	(134,521)

*This statement is unaudited

The Australian Stock Horse Society Limited
Trading Statements
For Period Ending 31/03/2020

	2019-2020	2018-2019
JOURNAL OPERATING STATEMENT		
Advertising Income	68,425	86,132
Other Income	13,143	24,995
Total Income	<u>81,568</u>	<u>111,127</u>
Less: Expenses	156,498	201,791
Net Loss incl. in Profit & Loss	<u>(74,930)</u>	<u>(90,664)</u>

	2019-2020	2018-2019
MERCHANDISE TRADING STATEMENT		
Sales Revenue	79,806	113,358
Less: Cost of Goods Sold	<u>(53,641)</u>	<u>(78,701)</u>
Gross Profit (Loss)	26,165	34,657
Less:		
Advertising & Promotion	764	1,575
Net Profit incl. in Profit & Loss	<u>25,401</u>	<u>33,082</u>

	2019-2020	2018-2019
BOARD EXPENSES		
Director Emolument	16,000	16,000
Travel	27,121	22,618
Accommodation & Room Hire	16,017	14,176
Meals	6,069	6,573
Election Expenses	5,666	2,800
Financial Statement Distribution	749	0
Sundry Expenses	916	736
Telephone	6,750	4,535
Total Board Expenses	<u>79,288</u>	<u>67,438</u>

The Australian Stock Horse Society Limited
Schedule of Administration Expenses
For Period Ending 31/03/2020

ADMINISTRATION EXPENSES	2019-2020	2018-2019
Accountancy & Audit Fees	18,764	19,549
Advertising	3,269	878
AGM	10,329	13,366
Amortisation	2,232	2,472
Ballot Expenses		12,575
Bank & Finance Charges	16,242	20,692
Branches	37,227	56,738
Computer & Software	52,023	61,371
Depreciation	77,690	71,701
Donations	354	1,279
Electricity	8,114	9,788
Employment Services	1,887	159
Equipment - Small	314	1,387
Finance Charges	590	
Fringe Benefits Tax	1,212	6,108
Insurance	91,160	90,616
Legal Costs	14,223	20,352
Motor Vehicle Expenses	9,151	9,409
Postage	22,648	31,052
Printing & Stationery	6,351	5,237
Professional Fees	10,420	
Raffle Costs		3,973
Rates	3,072	2,975
Rental - Office Equipment	9,904	23,636
Repairs & Maintenance	19,988	25,687
Staff Amenities	2,096	2,234
Staff Training	919	4,154
Subscriptions	2,905	3,473
Sundry Expenses	1,507	5,121
Telephone & Internet	22,306	20,320
Travel Expenses	6,328	5,130
Wages & Superannuation	880,912	959,544
Work Cover Insurance	5,231	4,315
TOTAL ADMINISTRATION EXPENSES	1,339,368	1,495,291

Comparatives have been adjusted where necessary to reflect current management reporting and enhance readability.

*This schedule is unaudited

Notice of the Annual General Meeting

The Annual General Meeting of The Australian Stock Horse Society will be held on Saturday, 17th October 2020
Commencing at 1pm at the Powerhouse Hotel by Rydges, 248 Armidale Road, East Tamworth

**Members must Pre-Register by Wednesday 14th October 2020 due to number restrictions with COVID-19.
(Information on the process to Pre-Register will be sent to Members via separate communication)**

**Tea and Coffee on Arrival from 9.30am. Members Forum 10.00am to 12.00 noon.
Lunch 12.00 noon. AGM commencing at 1.00pm**

AGENDA

1. AGM Opening
2. Present
3. Apologies
4. Proxies
5. Confirmation of Minutes of the 2019 Annual General Meeting
Motion 1: *Previous Minutes*
6. Matters Arising from the Minutes
7. Chairman's Report
Motion 2: *Chairman's Report*
8. Treasurer's Report/Financial Report
Motion 3: *Audited Financial Report*
9. Appointment of Auditors for 2020/2021
Motion 4: *Appointment of Auditors*
10. Board of Directors' Election Results
11. Special Resolutions
Alterations to Constitution of the Society:
Motion 5: The Board recommends that Section 1.2 (a) Definitions of the Constitution of the Society be amended from the following:
(a) Subscription means the subscription fee payable by a Member pursuant to clause 9.1(d).
To:
(a) Subscription means the subscription fee payable by a Member pursuant to clause 10.2(d).
Motion 6: The Board recommends that Section 3.1 Number of Directors of the Constitution of the Society be amended from the following:
(a) The Society must have ten (10) Directors to be known as the Board, at least two of which must reside in Australia, unless the Society in general meeting otherwise determines.
(b) The said ten (10) Directors shall comprise Directors as follows:
(i) Four (4) Directors each residing in New South Wales;
(ii) Two (2) Directors each residing in South Queensland;
(iii) Two (2) Directors residing in South Australia and/or Victoria and/or Tasmania;
(iv) One (1) Director residing in Northern Queensland and/or Northern Territory; and
(v) One (1) Director residing in Western Australia.
(c) For the purposes of this clause 3.1(b) New South Wales shall be deemed to include the Australian Capital Territory.
(d) The Directors shall be resident within the States/Territories or part thereof they seek to represent and shall be elected by the Members within their respective States/Territories or part thereof.
To:
(a) The Society must have ten (10) Directors to be known as the Board, unless the Society in general meeting otherwise determines.
(b) The said ten (10) Directors shall comprise Directors as follows:
(i) Four (4) Directors each residing in New South Wales;
(ii) Two (2) Directors each residing in South Queensland;
(iii) Two (2) Directors residing in South Australia and/or Victoria and/or Tasmania;
(iv) One (1) Director residing in Northern Queensland and/or Northern Territory; and
(v) One (1) Director residing in Western Australia.
(c) For the purposes of this clause 3.1(b) New South Wales shall be deemed to include the Australian Capital Territory.
(d) The Directors shall be resident within the States/Territories they seek to represent and shall be elected by the Members within their respective States/Territories.
(e) Notwithstanding the foregoing, a member shall be eligible to seek election to the Board in a State or Territory other than where they reside if they have been an active member of a Branch and/or Management Council within the relevant State or Territory for not less than five (5) years preceding the election. An endorsement by the relevant Branch/Management Council to that effect must be included on the candidate's nomination and shall be conclusive evidence of that fact.

Agenda Continued

Motion 7: The Board recommends that Section 3.6 (a) of the Constitution of the Society be amended from the following:

- (a) Each Director shall hold office for a term of three (3) years.
- (b) Thereafter, any retiring Director, if eligible, may be reconsidered by the Society to be nominated and re-elected as a Director.

To:

- (a) Each Director shall hold office for a term of three (3) years. **A Director is eligible to hold office for 3 consecutive terms, nine (9) years after which they are ineligible to hold office for one term, three (3) years. Where circumstances arise that no nominations for vacancies are received the Board shall fill the number of vacancies in accordance with clause 4.10.**
- (b) Thereafter, any retiring Director, if eligible, may be reconsidered by the Society to be nominated and re-elected as a Director.

Motion 8: The Board recommends that Section 10.2 (f) of the Constitution of the Society be amended from the following:

Section 10.2 (f)

10.2 (f) Any person admitted as a new Member of Society, if he is admitted after 30th June of any one Membership year, shall only be required to pay to the Society one half of the annual subscription for membership of the Society.

To:

10.2 (f) Any person admitted as a new Member of the Society, if he/she is admitted **six months after the start of any one membership year**, shall only be required to pay to the Society one half of the annual subscription for membership of the Society.

Motion 9: The Board recommends that Section 10.2 (j) of the Constitution of the Society be amended from the following:

- (j) Address of Member
- (i) Each Member shall provide to the Secretary details of a postal address in Australia.
- (ii) If a Member fails to provide a postal address in Australia, the address of the Member is deemed to be the registered office of the Society.
- (iii) Notwithstanding clause 10.2(j)(ii) the Society will, for each Member that has provided a postal address outside Australia, forward correspondence by international mail to that Member.

To:

- (j) Address of Member
- (i) Each Member shall provide to the Secretary details of a postal **and email** address in Australia.
- (ii) If a Member fails to provide a postal address in Australia, the address of the Member is deemed to be the registered office of the Society.
- (iii) Notwithstanding clause 10.2(j)(ii) the Society will, for each Member that has provided a postal **and email** address outside Australia, forward correspondence by international mail **or email** to that Member.

Motion 10: The Board recommends that Clause 11 of the Constitution of the Society be removed in its entirety and be replaced with the following Clauses 11, 12 and 13:

11. HORSE REGISTRATION

- 11.1 The Board shall keep or cause to be kept a Stud Book Register and a General Register in which the registration records of all horses registered as Australian Stock Horses are kept. The Board may make regulations governing the keeping of the two registers and the contents thereof, the eligibility criteria for registration, registration fees and procedures. Such regulations must not be inconsistent with this Constitution.
- 11.2 Horses registered prior to 1st January 2021 will retain their registration status and category of registration and will continue to enjoy the privileges accruing to their registration status.
- 11.3 On and from 1st January 2021 horses shall be registered in one or other of the following registers:
 - (a) Stud Book Register, comprising the categories of registration and the minimum criteria of registration set out in Clause 12; or
 - (b) General Register, comprising the categories of registration and the minimum criteria of registration as set out in Clause 13.

12. STUD BOOK

- 12.1 The Stud Book Register shall comprise the following two (2) categories:
 - i. Heritage Stud Book; and
 - ii. Stud Book.
- 12.2 The HERITAGE STUD BOOK is recognised as the highest standard of breeding of the Australian Stock Horse. A horse shall be eligible for registration in this category if it is registered in the STUD BOOK category and if in addition it exhibits a minimum of 87.5% Australian Stock Horse heritage lineage. For the purpose of this category of registration, 'heritage lineage' shall mean that the horse is a descendant either of the same breeds of horses ridden by the Australian Light Horse in World War I or of the breeds existing in Australia prior to 1945.
- 12.3 A horse shall be eligible for registration in the STUD BOOK category if it shall have either:
 - (a) two Stud Book registered Australian Stock Horses as parents (and compliant with the sire registration rules); or
 - (b) one Stud Book registered Australian Stock Horse and one Second Cross registered Australian Stock Horse as parents (and compliant with the sire registration rules).

13. GENERAL REGISTER

13.1 The General Register shall comprise the following four (4) categories:

- i. Second Cross (including the sub-category of Special Merit which will continue to exist until 1st August 2022);
- ii. First Cross;
- iii. Base Registry; and
- iv. Breeding Purposes Only.

13.2 A horse shall be eligible for registration in the SECOND CROSS category if it shall have either:

- (a) one Stud Book registered Australian Stock Horse parent and one First Cross registered Australian Stock Horse parent (and compliant with the sire registration rules); or
 - (b) two Second Cross registered Australian Stock Horse parents (and compliant with the sire registration rules).
- (The eligibility criteria for the sub-category of Special Merit is an exception to the above and is set out in the regulations).

13.3 A mare or gelding shall be eligible for registration in the FIRST CROSS category if it shall have either:

- (a) one Stud Book registered Australian Stock Horse parent and one Base Registry registered Australian Stock Horse, or one unregistered or non- Australian Stock Horse parent (and compliant with the sire registration rules if the sire is an Australian Stock Horse); or
- (b) one Second Cross registered Australian Stock Horse parent and one First Cross registered Australian Stock Horse parent (and compliant with the sire registration rules); or
- (c) two First Cross registered Australian Stock Horse parents (and compliant with the sire registration rules).

13.4 A horse shall be eligible for registration in the BASE REGISTRY category if it shall have one parent, or one grandparent, or two great grandparents registered as an Australian Stock Horse and denoted as being a Heritage Stock Horse.

13.5 A horse shall be eligible for registration in the BREEDING PURPOSES ONLY category if it shall be a Thoroughbred registered in the Thoroughbred Stud Book.

13.6 A horse registered in any of the Second Cross, First Cross or Base Registry categories of the General Register may also be denoted as a 'Heritage Stock Horse' if it exhibits a minimum of 87.5% Australian Stock Horse heritage lineage.

13.7 For the purpose of this Clause 13, 'heritage lineage' shall have the meaning attributed to that term in Clause 12.2.

If this resolution is passed as a special resolution, there will also be the need for consequential amendments to clause numbering and references to numbered clauses throughout the Constitution. A vote in favour of the resolution shall be deemed also to authorise consequential amendments of this nature.

Explanatory Memorandum in relation to Motion 11

The proposed amendments relating to the exercise of disciplinary powers are intended to rationalise and improve the efficiency of the existing process, without curtailing the rights of members. In short, the amendments seek to establish a framework in which relatively minor matters can be dealt with expediently and inexpensively, without the need to convene the Disciplinary Committee.

In the first instance, the proposed procedure allows the Chief Executive Officer to assess any complaint and either dismiss it, reprimand the Member concerned or refer the matter to the Investigative Committee, a committee made up of the Chief Executive Officer, the Chairman and (if necessary) another Board member. The Investigative Committee has the power to investigate the matter and dismiss the complaint, if appropriate, exercise certain disciplinary powers (including the issue of fines not exceeding \$1,000.00, suspension for a period not exceeding 3 months or probation for a period not exceeding 6 months). If the Committee considers the conduct warrants investigation by the Disciplinary Committee and/or the imposition of harsher penalties, it may refer the complaint to that Committee for consideration.

At both the Investigative Committee and Disciplinary Committee levels there exists a right of appeal to the Board. The Chief Executive Officer and the Investigative Committee are given the power to determine, based on an assessment of the gravity of the conduct complained of, the appropriate level for dealing with the conduct. The proceedings conducted at both the Investigative Committee and Disciplinary Committee levels are intended to be informal and whilst the process is required at both levels to adhere to the requirements of procedural fairness and natural justice, it is not required to adhere to the technical rules of evidence more appropriate to a court of law. The proposed changes to the Constitution in this regard do not represent a departure from the existing regime.

The proposed removal of the requirement for a legal representative to sit on the Committee is intended to further the aim of maintaining informality, whilst ensuring that the Society's legal representative remains free from constraint to advise the Society in relation to disciplinary matters at all stages of the process.

Agenda Continued

Motion 11: The Board recommends that Clause 14 of the Constitution of the Society be removed in its entirety and be replaced with the following:

14 Disciplinary Action

- 14.1 For the purpose of this clause, 'disciplinary powers' means the power to do any one or more of the following in respect of a Member:
- (a) expel the Member;
 - (b) suspend the Member or any of the Member's privileges for any period;
 - (c) impose a fine on the Member;
 - (d) reprimand the Member;
 - (e) place the Member on probation for any period; or
 - (f) remove any horse of which the Member is registered as the owner or part owner from the Stud Book permanently or for any period; and includes the power to take no action if the circumstances so warrant.
- 14.2 The framework for the Society to exercise its disciplinary powers is a three-tier one, as follows:
- (a) the Chief Executive Officer, forming the first tier;
 - (b) an Investigative Committee, comprising the Chief Executive Officer, the Chairman and (should they deem appropriate in the circumstances another member of the Board, forming the second tier; and
 - (c) a Disciplinary Committee, comprising three (3) independent persons nominated by the Chief Executive Officer, forming the third tier. No Board member may sit as a member of the Disciplinary Committee.
- 14.3 A complaint that a Member may have engaged in conduct which may be:
- (a) unbecoming of a Member;
 - (b) prejudicial to the interests of the Society; or
 - (c) in breach of this Constitution or other regulations of the Society;
- Shall be made in writing to the Chief Executive Officer.
- 14.4 The Chief Executive Officer shall consider and assess any complaint made pursuant to Clause 14.3 and may:
- (a) if the complaint is deemed to be frivolous, vexatious or otherwise without merit, dismiss the complaint; or
 - (b) if the complaint is found to be of merit, but not of sufficient gravity to refer to the second tier, reprimand the Member; or
 - (c) refer the complaint to the Investigative Committee.
- 14.5 The Investigative Committee shall consider and investigate any complaint referred to it by the Chief Executive Officer and may exercise any of the following disciplinary powers as it shall deem appropriate:
- (a) dismiss the complaint;
 - (b) reprimand the Member;
 - (c) impose a fine on the Member, provided such fine does not exceed \$1,000.00;
 - (d) suspend the Member or any of the Member's privileges for any period not exceeding three (3) months;
 - (e) place the Member on probation for any period not exceeding six (6) months; or
 - (f) refer that conduct to the Disciplinary Committee.
- 14.6 In considering any complaint the Chief Executive Officer or the Investigative Committee may seek such further information as may be deemed appropriate from the complainant, the Member or any other person, and shall consider any submissions in writing that any such person may wish to make.
- 14.7 The determination of the Chief Executive Officer or the Investigative Committee shall be communicated to the Member and the complainant in writing within seven (7) days. The Chief Executive Officer and the Investigative Committee shall report all such determinations to the Board.
- 14.8 The Disciplinary Committee shall consider and investigate any complaint referred to it by the Investigative Committee and exercise such of the disciplinary powers as the Disciplinary Committee shall determine appropriate.
- 14.9 Committee may only exercise disciplinary powers in respect of the conduct of any Member if the Member is given at least four (4) weeks prior notice of the substance of the complaint and of the date, time and place at which the question of disciplinary action is to be considered.
- 14.10 Any member to whom notice is required to be sent under this clause is entitled to be heard by the Disciplinary Committee before it exercises disciplinary powers in respect of the conduct of that Member. The Disciplinary Committee shall not be bound by the rules of evidence and may consider such information and give such weight to information as it thinks fit.
- 14.11 If the Chief Executive Officer is satisfied that a member of the Disciplinary Committee is unable from time to time to act on the Committee (through illness, misadventure, conflict of interest or otherwise) the Chief Executive Officer may appoint a person to act in the place of that member for the period of the member's incapacity.

- 14.12 If the Investigative Committee or the Disciplinary Committee as the case may be determines to exercise disciplinary powers in respect of a Member such Member may, by notice lodged with the Chief Executive Officer within seven (7) days after having received notice of the Disciplinary Committee's determination, require the determination to be reconsidered by the Board. The determination does not take effect until the expiration of seven (7) days from the date of receipt by the Member of the said notice and if the determination is to be reconsidered by the Board ('the appeal'), the determination will not take effect. The Board shall conduct a fresh hearing into the matter and similarly shall not be bound by the rules of evidence and may consider such information and give such weight to information as it thinks fit. The Board must notify the Member of its decision on the appeal. The decision of the Board is at its discretion and shall be final and binding on the Member.
- 14.13 Where an appeal is brought from a determination of the Investigative Committee or the Disciplinary Committee as the case may be and where the Board is of the opinion that the Member in requesting that the matter be reconsidered was acting in a vexatious or frivolous manner, then the Board may award costs incurred by the Society in the preparation and conduct of the appeal proceedings against the Member.
- 14.14 Where the Member whose conduct is brought before the Disciplinary Committee is a Director of the Society, the Disciplinary Committee shall notify the Board not less than seven (7) days in advance of the time at which the question of disciplinary action is to be brought before the Disciplinary Committee. In addition to any of the disciplinary powers conferred on the Disciplinary Committee under this clause, the Disciplinary Committee may make a recommendation to the Board for the removal of the Director from the office of Director under clause 3.11.
- 14.15 In respect of the exercise of disciplinary powers by the Chief Executive Officer, the Investigative Committee or the Disciplinary Committee, the Board must not enquire into or be informed about any matter that is so referred until those proceedings have been concluded and a determination is made or, in the case of a determination of the Disciplinary Committee, until the time for any appeal against that determination has elapsed.
- 14.16 The Society shall be entitled in its discretion to publish lists in its Journal or other official publication of Members in respect of whom disciplinary powers have been exercised pursuant to this clause 14.

Motion 12: The Board recommends that Clause 1- Interpretation -1.2 Definitions – Chief Executive Officer in the Constitution of the Society be amended from the following:

Chief Executive Officer means the Chief Executive Officer appointed by the Board pursuant to clause 9 hereof and, where the context reasonably permits, shall include any Acting Chief Executive Officer or Assistant Chief Executive Officer appointed by the Board;

To

Chief Executive Officer or **General Manager** means the Chief Executive Officer or **General Manager** appointed by the Board pursuant to clause 9 hereof and, where the context reasonably permits, shall include any Acting Chief Executive Officer or **Acting General Manager** or Assistant Chief Executive Officer or **Assistant General Manager** appointed by the Board;

If this resolution is passed, there will be the need to make this change wherever the Chief Executive Officer is mentioned in the Constitution. A vote in favour of the resolution shall be deemed also to authorise these changes.

Motion 13: The Board recommends that Clause 4- Election of Directors – 4.9 in the Constitution of the Society be amended from the following:

If any question shall arise as to the validity or invalidity of any voting paper or whether any particular Member has or has not been as a Director a statement by the Returning Officer that the relative paper is or is not valid, or that a particular Member has not been elected as a director shall be conclusive.

To

If any question shall arise as to the validity or invalidity of any voting paper or whether any particular Member has or has not been **elected** as a Director a statement by the Returning Officer that the relative paper is or is not valid, or that a particular Member has not been elected as a director shall be conclusive.

Honorary Life Membership

Motion 14: The Board recommends that Honorary Life Membership be awarded to Mr Ernest Bassingthwaighte

12. General Business

Announcement of Annual Award Recipients.
A tribute to the passing of Members.

13. Close of Meeting

2020 ASHS Annual General Meeting - Proxy Form

Saturday, 17th October 2020

ABN 35 001 440 437 I ACN 001 440 437

If you want to appoint a proxy, use this form and make sure that the Chief Executive Officer receives it by 10am Thursday, 15th October, 2020.

Step 1 - Your Details (please print)

Family Name

Given Names

ASHS Membership Number

Your Postal Address (please include postcode)

Step 2 - Proxy Details (Mark one box only, as shown here ☒)

For the Annual General Meeting of The Australian Stock Horse Society Limited on Saturday, 17th October 2020 and any adjournment of that meeting:

(a) ☐ I appoint the person I have named below as my proxy:

This person must be a Financial Member of The Australian Stock Horse Society Limited.

Your Proxy's Family Name

Their Initials

Their ASHS Membership Number or
if an ASHS Director write 'Director'

Their Postcode

OR

(b) ☐ I appoint the Chairman of the meeting (including any adjournment of the meeting) as my proxy vote for me on a poll in accordance with my instructions (if any) on this proxy form.

Step 3 - Voting Instructions

To direct your proxy how to vote on the resolutions set out in the Notice of Meeting, mark one box only for the items set out below. If you do not direct your proxy how to vote, your proxy may decide how to vote.

Where a person appointed as a proxy is not given instructions as to how to vote on this proxy form by you and the proxy chooses not to vote, the Chairman cannot vote as your alternative proxy.

1. I authorise my proxy to vote

Motion 1	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Previous Minutes)
Motion 2	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Chairperson's Report)
Motion 3	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Audited Financial Report)
Motion 4	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Appointment of Auditors)
Motion 5	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of Subscription Fee reference number change)
Motion 6	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of changes to Clause 3 Directors, 3.1 (a) Number of Directors and add paragraph (e))
Motion 7	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of changes to Clause 3 Directors, 3.6 (a) Period of Appointment of Directors)
Motion 8	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of changes to Clause 10 Members, Section 10.2 Admission of Members (f))
Motion 9	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of Clause 10 Members, Section 10.2 Admission of Members (j) (i) (ii) (iii))
Motion 10	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of the changes to Clause 11 Stud Book)
Motion 11	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of the changes to Clause 14 Disciplinary Action)
Motion 12	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of change to Clause 1 - Interpretation - 1.2 Definitions - Chief Executive Officer)
Motion 13	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Adoption of changes to Clause 4 Election of Directors, 4.9)
Motion 14	<input type="checkbox"/> For	<input type="checkbox"/> Against	(Mr Ernest Bassingthwaite Qld - Honorary Life Membership)

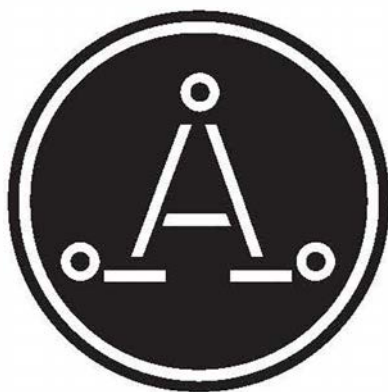
the resolutions contained in the Notice to Members for the Annual General Meeting on Saturday, 17th October 2020.

Step 4 - Your Signature

Member's Signature - For Full Membership only the Nominee may sign the Proxy Form.

Please return Proxy Form to: Australian Stock Horse Society, Chief Executive Officer - AGM, PO Box 288, Scone NSW 2337 Australia

NOTES



Australian Stock Horse

View the current Financial Report online at

www.ashs.com.au

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