

Annual Report

2018/2019



NZDFFA

NZ Deer Farmers Association

NOTICE OF MEETING

New Zealand Deer Farmers' Association: 44th Annual General Meeting

Notice is hereby given that the 44th Annual General Meeting of the New Zealand Deer Farmers' Association (Inc) will be held at Te Wharewaka O Pōneke, 2 Taranaki Street, Wellington, on Thursday 16 May, commencing at 8.30am. The Chair and Executive Committee of the NZDFA invite all NZDFA members and industry interested parties to attend.

CONTENTS

Agenda of the 44th NZDFA AGM	2
Minutes of the 43rd NZDFA AGM, 15 May 2018	3
NZDFA Executive Committee report from Chair and Committee Members.....	7
NZDFA 2018 branch remit update	10
NZDFA elections and DINZ Board appointments.....	11
NZDFA formal financial motions.....	12
NZDFA financial report	13
Budget 2019/20.....	13
Accountancy review report	14
Financial statements.....	15
44th AGM NZDFA AGM Proxy form	19

AGENDA

44th NZDFA AGM, Thursday, 16 May 2019,
commencing 8.30am.

1. Apologies
2. Appointment of scrutineers
3. Obituaries
4. Notification of further items of general business
5. Confirmation of agenda
6. Confirmation of the minutes of the 43rd AGM of the NZDFA (Inc)
7. Matters arising from the minutes
8. Executive Committee Chair's report
9. Financial report
 - a. Approval of the 2018/19 reviewed financial statements
 - b. 2019/20 Budget (motion of approval sought)
 - c. Motion of confirmation for Executive Committee honoraria
 - d. Motion of appointment of financial accounts Reviewer
10. Constitutional amendments (if any)
11. Executive Committee remits (if any)
12. NZDFA branch remits (if any)
13. DINZ Board producer appointment. Candidate addresses to the AGM
14. General business
 - a. Confirmation of NZDFA Executive Committee and SAP appointments
 - b. Any other business

*Front cover: Images from the 2018 post-conference tour of the Rangitata Valley and Mesopotamia Station.
Photos: Phil Stewart*

*Back cover: Young stock at Cathedral Peaks Station.
Photo: Lindsay Keats*

MINUTES OF THE NEW ZEALAND DEER FARMERS' ASSOCIATION



43RD ANNUAL GENERAL MEETING, TUESDAY
15 MAY 2017, AT 12:00 NOON, CAROLINE BAY
HALL, TIMARU

The NZDFA Chair David Morgan called the 43rd AGM to order at 12.05pm and called for notification of any apologies.

1. APOLOGIES

Branch Chairs

Dean Orsler, Adrian Moody (late apology, illness), Rex Cowley, Steve Borland, Paul Mucalo

Life members

John Burrowes, Don Gregson, Marie Spiers, Murray Powell, Tom and Gaye Williams, Jeff and Trish Pearse, Helen Parkes, Clive Jermy, Don Gregson, Sir Tim Wallis, Jeff and Trish Pearse

Members

Janet and Brychan Morgan, Mandy and Jerry Bell, Lorna Humm, Malcolm Gilbert, Craig and Chrissy Hocken, Andy Russell, Angela Blair, Hamish Orbell, Hamish Clarke, Graham and Vicky Paterson

Moved *"That the apologies as notified be accepted"*

Moved: David Morgan **Seconded:** John Travers **Carried**

2. SCRUTINEERS

Moved: *"That Phil Stewart and Cenwynn Philip are appointed as Scrutineers for the 43rd AGM of the NZDFA, 15 May, 2018"*

Moved: David Morgan **Seconded:** Graham Carr **Carried**

3. OBITUARIES AND REMEMBRANCE

Errol Croad	Central Regions
Russell Waite	Kaipara
Jim Steven	South Canterbury/North Otago
Tony Annand	Central Regions
Robbie Spiller	Central Regions
Warwick Gregory	Nelson

The meeting recognised the passing of these NZDFA members and industry notables with a minute of silence.

Moved: *"That the obituaries be recorded and acknowledged with a mark of respect."*

Moved: David Morgan **Seconded:** Kris Orange **Carried**

4. CALL FOR FURTHER ITEMS OF GENERAL BUSINESS

No further items were notified.

5. ACCEPTANCE OF MEETING AGENDA

No further items of general business were notified. It was moved that the agenda be accepted as presented:

Moved: David Morgan **Seconded:** Edmund Noonan **Carried**

6. CONFIRMATION OF MINUTES OF THE 42ND ANNUAL GENERAL MEETING

Confirmation of the minutes of the 42nd Annual General Meeting of the NZDFA, held at Te Wharewaka O Pōneke, Wellington on 27 May 2017 at 11.00am.

Minutes were and published and circulated in the NZDFA's 2017/18 Annual Report and posted in the NZDFA Annual Report on the www.deernz.org website.

Moved: *"That the 42nd AGM minutes as circulated be taken as read"*

Moved: David Morgan **Seconded:** David Stevens **Carried**

Discussion and matters arising: No amendments to the minutes were notified by the meeting and no further discussion on the minutes took place.

The Chair put the motion: *"That the Minutes of the 42nd Annual General Meeting of the NZDFA, as circulated, be accepted as a true and accurate record."*

Moved: David Morgan **Seconded:** Paddy Boyd **Carried**

7. CHAIR'S REPORT

Circulated in the Annual Report 2017/18 and posted as part of the NZDFA Annual Report on the www.deernz.org website.

David Morgan addressed the AGM and asked that his report taken as read. He addressed the AGM by way of presentation and a summary of key points as follows:

Key points:

- **Obituaries:** The Chair recorded his personal respect and deep sense of loss for all, and especially acknowledged the contributions, leadership and vision that so many of these great leaders and deer farmers have made to the DFA and the industry at so many levels.
- **Season:** David Morgan noted that we are farming in increasingly challenging climatic conditions that have significant local variability, so good planning and early decision making are needed in the face of climate extremes, and wet and dry cycles.
- **Venison:** Noting that competition and margins were increasingly being squeezed across all livestock sectors, the Chair observed that this past venison season, the positioning and pricing trends have been a game changer. He said establishing a fixed price for product from mid-November through to March, with this pattern looking set to continue and more contracts out for the autumn/winter season, is a confidence booster.
- **DINZ:** The NZDFA acknowledged the very strong performance of DINZ with the P2P initiatives over the past 5 years and he took time to especially acknowledge the input of retiring Chair, Andy Macfarlane for his enthusiasm, drive and ambition to lead and make this project work with buy-in from the Board. As farmers, we want more of the same with consistency and leadership

throughout, from farmers through to marketers, giving the industry the confidence required to grow market share.

- **Velvet antler:** The Chair noted the frustrating start to the season and the uncertainty created by news of the Regulated Control Scheme (RCS), but was encouraged by the success of marketing the increased tonnage, and the ongoing rapid rise of the healthy functional food sector and its commitment to New Zealand velvet.
- **NZDFA:** Morgan said the Executive Committee had remained focused on the DFA mission, alongside succession within the NZDFA and branches, the deer farmer representatives on the DINZ Board and all the other representation within the industry and the value of good and frequent communication. He mentioned the value of Stagline-Online which has grown both in scope and quality, and the success of the dedicated annual Next Generation conference. He noted one of the more rewarding jobs as an Executive Committee is when it meets in Wellington. A big part of the day's business involves formal briefing from all the DINZ executives across their portfolios. He said the DFA fully supported the current DINZ Board policy of meeting out in the different branches associated with their scheduled Board meetings and appreciated the value gained in that.
- **P2P, Advance Parties and Communications:** The Chair covered this area in depth, noting how positive the on-farm contacts and Advance Party (AP) programme had become, with about 15 percent of the deer farming sector involved. Despite early fears that AP activity might impact negatively on DFA branch activity, its value is considerable and growing. He believed that the Regional Workshop concept was very good and urged all farmers to attend these. Part of the success was also in the excellent reporting by Phil Stewart in Deer Industry News.
- **Branch Chairs' meeting and DEEResearch:** The Chair believed it was a rare opportunity for any industry to have regional leaders, our New Faces and the DINZ Executive and Board members, along with DEEResearch, NVSB, the industry servicing sector plus outside deer industry key speakers on environment, health and safety, and the wider agriculture sector. The annual October event continued to grow in value. DFA appreciated the contribution of DINZ CEO, Dan Coup for his commitment and support of this event with his executive team and the DINZ Board, Chair and others.

More workshop projects had been introduced this year, especially in the wake of the AGM remits on DEEResearch projects, priorities, feedback and input into future planning. The Chair also thanked Catharine Sayer and her team and the Board of DEEResearch for their constructive response to the remit, and approach to communication and feedback and setting research priorities. He particularly welcomed the work being done to increase the understanding of parasitism and to address the lack of a good, effective commercial drench through the development new treatment options.

- **Next Generation:** This year's 4th Next Generation conference in Hanmer Springs attracted 67 attendees including 30 first timers. The Executive Committee asked a Next Generation steering group to put their ideas and interests first and organise the programme, which then was supported by the Committee and the Producer Engagement team at DINZ. That worked very well and will be the model for the future.
- **Relationships with venison companies:** David Morgan observed that the industry had never been better served than by its current excellent producer-processor relationship. Farmers are now more interested in long-

term relationships and aiming to secure seasonal stability, having a good appreciation of the needs for supply timing, and carcass presentation and quality, while enjoying sound and growing financial returns. The processors are confidently moving into new markets, knowing their needs for timing are understood, while appreciating the realities of farming deer in increasingly volatile climates against competition from other drystock species.

- **Velvet antler competitions:** The Chair noted that these provided a focal point for most branches and were tremendous value as showcases and fostering a sense of DFA community. He congratulated all three major national competitions: the Nationals in Southland, the Elk and Wapiti Society's annual competition and the Rising Stars Competition. These were extremely well run, popular and vital to showcase the velvet industry's genetic gains to the reach today's amazing performance levels. He noted some frustration that a remit about Rising Stars submitted two years earlier had made no headway but acknowledged that the DFA fully supported the event and its objectives, adding that it was a critical showcase for young stags.
- **Environment and policy:** David Morgan believed that across the country, there are many changes and positive aspects to Farm Environment Plans (FEPs), acknowledging people's understanding and commitment to risk management, waterways protection and soil conservation. However, the laborious and unforgiving nightmare for those now captured and encased in regional council regulations, while consent after consent process rolls on, causes huge difficulties and affects many. The one constancy is frequent change, complications entangled in regulations and a punitive approach to getting it wrong. He was amazed that it is still so difficult and expensive to work with councils using a resource consent approach when you've already completed Overseer® and FEPs and are living within those limitations. He said that the DFA hugely appreciates the support of DINZ through Lindsay Fung's input into the regional councils' regulatory and planning processes.
- **Acknowledgements:** The Chair acknowledged the input of the Executive Committee and Selection and Appointments Panel. He was also generous with thanks for DINZ staff and especially CEO Dan Coup for his availability, support and skills and for DFA through Tony Pearse and Cenwynn Philip for their effort and communications. He thanked all DINZ staff involved in marketing, science and policy, NVSB, environment and quality assurance, acknowledging them as people whose commitments help keep this industry at the forefront.

He thanked the Branch chairs for their continued support and efforts to keep the NZDFA as a positive, active and relevant Association to all the members, fighting for issues whether they be local or national. That involvement extends to societies and individuals on the Cervena Trust, Johne's Management Ltd, the Focus Farm farmers, Advance Party farmer members and the facilitators.

In conclusion, David Morgan suggested that this industry was in good shape and ready to grow with market development in both venison and velvet, and become the most profitable integrated livestock choice in drystock pastoral farming.

Morgan then **moved:** *"That the Chair's report for the year ending March 2018 is adopted"* and called for a seconder.

This was seconded by former DFA Chair and life member, **David Stevens**, Southland. In seconding the Chair's report, David Stevens noted that the industry is in a great position with excellent venison returns and an appearance of stability.

He noted the integrity and discipline of the marketers over the past year and hoped that the current pricing was sustainable for all. He said that while some of this can be attributed to supply, the processing companies working together is a vital part of current profitability. Other points made by David Stevens were:

- The past 12 months for velvet antler also produced excellent returns, although the task of balancing supply and demand was not easy. Buyer discipline has seen the development of a strong, stable platform as supply continues to grow but that discipline needs to be maintained. Velvet quality and the embracing of the RCS have been features of the season and the DFA at national and branch level are to be congratulated for their solid work with the NVSB and field days that walked people through the process. It will take commitment to maintain the highest possible standards for future industry integrity.
- The building of the relationship between the NZDFA and DINZ Board has been greatly beneficial and the annual meetings with the National Branch Chairs' conference and the Next Generation programme continue to be key highlights in the industry calendar. The Next Generation programme is a great initiative, but the real challenge will be to keep the more experienced people engaged and interested before they step up to leadership.
- There is a huge challenge ahead with regards to the environment and the Executive Committee is to be commended for engaging with DINZ to employ Lindsay Fung, a great advocate for the industry. With this presence, and based on Stevens' own experiences in Southland, DFA submissions and the support from DINZ is respected and valued by regional councils at all levels. This is typical of the leadership the industry has shown 2000.
- The development of the Environmental Code of Practice and the DINZ and DFA objectives for all deer farmers to have an FEP completed by 2020 is also commendable.
- There will always be challenges for the industry and the NZDFA, but Stevens is confident these will be overcome and the Executive Committee is to be congratulated on a job well done over the previous year.

The Chair thanked David Stevens for his kind words.

He also made special mention and thanks to DINZ Chair Ian Walker, for his role and commitment to the DFA, a relationship he suggested was the envy of other agricultural industries. In conclusion he thanked his family for their support.

The motion to adopt the Chair's Report was **carried unanimously**.

8. FINANCIAL REPORT

Prepared by Joanne Chan-Masun, Beef + Lamb NZ, NZDFA Accounts Manager.

Presented by Justin Stevens, Treasurer, NZDFA Executive Committee.

Circulated in the 2017/18 Annual Report and posted on the DINZ website as a formal Accountancy Review (Moore Stephens Markham) of the accounts and financial statements for the year ending 31 March 2018.

Statement of Financial Performance for the Year Ending 31 March 2018

Main features

- Surplus of income over expenditure of \$363 against a budget surplus of \$0 (made possible by savings in travel, electronic annual report, increase on membership compared to budget as well as contributions from DINZ Producer Manager and NZDFA branches towards

industry-good initiatives and research programmes and \$1.85k sponsorship from Rural Livestock Ltd and PGG Wrightson).

- Subscription income of \$112,671 from 1,238 members against a budgeted 1,200 subscriptions.
- Reserves carried forward decreased slightly after taxation on interest (\$1,217) from \$171,406 to \$170,552.
- Majority of expenditure items were on budget but there were considerable savings in travel, Executive Committee expenses and savings with no election costs. In reality, the outcome was that the unbudgeted \$11k increase in honoraria voted at the 42nd AGM was covered by operating savings and reserves were not required to meet any shortfall. The nationally funded project commitments were met by the accumulated NZDFA branch contribution that had been accrued.

Proposed Budget 2018/19

Recommended income and expenditure from Executive Committee

The Treasurer recommended that the Honoraria should remain at the same levels as the previous 2017/18 year (\$12,000 for Chair, \$8,000 for Members).

Income:

- Subscription level maintained at 1,200 members. The subscription fee remains the same at \$90 and \$25 capitation fee to branches (total \$132.50 including GST).

The 2018/19 budget approval and honoraria levels required motions from the floor following the discussion alongside the motion allowing the Executive Committee to appoint an accountant to conduct an accountancy review.

Budget features

1. Subscriptions level \$90 nationally plus capitation at \$25 plus GST (\$132.50) at a target 1,200 members.
2. Proposed expenditure generally maintained at 2017/18 levels
3. Branch capitation fees remain at \$25.00
4. Recommendations were that the Executive Committee honoraria remain at current levels (\$12,000 for Chair, and \$8,000 for Executive Committee members) subject to motion being supported.

The current net assets representing net equity at the end of the 2019 financial year increased by \$60 to \$170,612.

Justin Stevens put the following motions asked the Chair to put the four formal financial motions in turn as presented in the annual report.

Motion 1: Accounts 2017/18

"That the accountancy-reviewed NZDFA financial statements and accounts for the year ending 31 March 2018 be received and approved."

Moved: Justin Stevens **Seconded:** Kris Orange **Carried**

Motion 2: Honoraria

"That the Executive Committee honoraria for the 2018/19 financial year be fixed at \$12,000 for the elected Chair and \$8,000 for each other Executive Committee member."

Moved: Edmund Noonan **Seconded:** Leith Chick

Motion 3: Accountancy review process

"That the NZDFA Executive Committee be authorised to appoint a chartered accountant to review the accounts of the NZDFA for the ensuing year (2018/19)."

It was noted the intent was to reappoint Moore Stephens Markham.

Moved: Justin Stevens **Seconded:** Graham Peck **Carried**

Motion 4: NZDFA budget 2018/19

"That the NZDFA budget for the year ending 31 March 2019 be approved."

Moved: Kris Orange **Seconded:** Edmund Noonan **Carried**

9. NZDFA BRANCH REMITS 2018

Remit 1: Southland

"The Southland Branch NZDFA asks that DINZ seek a review of the deer-specific sections of Overseer which relate to deer wallowing and fence pacing. The review should consider whether there are better ways to input data around the scale, risks and impacts of wallowing and fence pacing and whether the associated nutrient losses are accurately reported."

Moved: Edmund Noonan **Seconded:** Janet Gregory

Discussion

Speaking in support of the remit, John Somerville (Southland DFA) said the Overseer questions about wallowing and fence pacing were "Yes/No", so it was either declared as a problem or not. He said the current system made no allowance for indicating the scale of the problem – whether it affected the whole farm or just a part of it. It didn't record the scale or context of the risks or acknowledge the impact of mitigation work.

Somerville advised that It is likely that Overseer overestimates [phosphorus] loss on deer farms, as a result of the current "one size fits all" approach.

David Stevens said that with the way the deer wallowing and fence pacing questions were framed at the moment, "whether you tick 'yes' or 'no', either way you're probably not telling the entire truth". He said it was an important remit in this respect.

Janet Gregory and Lindsay Fung added some clarity around the process for reviewing Overseer which was complex and could be quite costly. They also noted however that the government intentions in the 2018/19 budget were to allocate significant funding to improve the workability and effectiveness of Overseer in its increasing role as the basis of regulation.

A review process if conducted through a formal agency like Landcare Research had the potential to be expensive. Tony Pearse also had advised that DEEResearch had recently also commissioned a review of Overseer and its role and use and effectiveness or otherwise when used in a deer farming situation and there were some conclusions that would also inform the discussion and any direction that the remit might pursue.

Simon Vincent advised that there were no generic government regulations related to P loss, and N loss was the regulatory area, although limits for P were recognised. Farmers had simple practical options to prevent P from entering waterways, so in a review, context and management aspects were important.

David Stevens, speaking as a regional councillor advised that he believes P levels will be measured and used more in the future.

David Morgan thanked the branch and put the remit. It was **carried** without dissent.

10. GENERAL BUSINESS

a. DINZ Board candidates

David Morgan introduced the single nominee, incumbent William Oliver for the single vacancy created by retirement by rotation.

Oliver presented his overview of the work of the DINZ Board and its diversity as was printed in the 2017/18 Annual Report.

b. Confirmation of appointments to SAP and the Executive Committee

(Note: for the 2018/19 year no elections were required. Each of the four nominations received were for the four relevant vacancies created by retirement by rotation.)

c. NZDFA Executive Structure 2018/19

Executive Committee

- NI Executive Committee – **Grant Charteris** (Hawke's Bay) Appointed unopposed 2018
- At large – **David Morgan** (SCNO) Appointed unopposed 2017
- SI Executive Committee – **Justin Stevens** (Marlborough) Appointed unopposed 2017
- At large – **John Somerville** (Southland) Appointed unopposed 2018

Selection and Appointments Panel (SAP)

- At large – **Brian Russell** (Southland) Appointed unopposed 2017
- South Island – **Paddy Boyd** (SCNO) Appointed unopposed 2018
- North Island – **Donald Whyte** (SCNO) Appointed unopposed 2017
- At large – **Leith Chick** (Waipa) Appointed unopposed 2018

11. CONCLUSION

Executive Committee member John Somerville by leave of the meeting thanked David Morgan who was not seeking re-election to the 2018/19 DFA Executive Committee's Chair's role. He commented that there were few deer farmers more passionate about the deer industry than David Morgan and observed how hard he had worked on behalf of all deer farmers in the areas of DFA representation and particularly in the environment response and next generations, noting in particular Morgan's vision that all farmers should have a formal Farm Environment Plan.

David Morgan thanked members and guests and then closed the 43rd AGM of the NZDFA at 12.55pm.



To be signed as a true and accurate record
John Somerville 2018/19 Executive Committee, Chair

NZDFA EXECUTIVE COMMITTEE REPORTS: 2018/19

FROM THE CHAIR

Welcome to our 44th New Zealand Deer Farmers' Association AGM here in Wellington.

It is an honour for me to bring you this report after my first year as chair. At this time of AGM, we take stock of where we are as an industry and organisation and where we plan to be in the future.

We also take a moment to remember our members past and present who have passed away in the past year and the contribution they made to our organisation and deer farming.

THE SEASON

The past 12 months saw most parts of the country having plenty of rain up until Christmas. In some cases, this was too much, causing issues with cultivation and flooding followed by dry conditions in late summer and autumn. The early-season rain has meant that plenty of winter feed has been made and is on hand for the dry areas and the winter.

VENISON

The venison season has again been exceptionally good but there has been a sense of reality with the summer-autumn pricing coming back to a seasonal pattern, although it's still above \$9 at the time of writing this report. After the previous season, many people believed we would receive the same price all year round, but with the high prices becoming uncompetitive with other proteins and with the same issues in the pet food market, we have seen a realignment to normal market price levels and seasonal trends. We are confident there will be a decent premium to be had in the spring chilled market, followed by still very strong, attractive prices for the rest of the season.

This shows why, as an industry, we have to continually invest in new markets development. These days that is directed through the P2P new markets programme to ensure that we have other options when existing markets soften. The time to increase this investment is now, when prices are high, not when they have dropped. The DFA Executive Committee supports the DINZ Board in its P2P new market development, in which they have very close cooperation with all venison processors. This is the envy of other red meat sectors.

VELVET ANTLER

The velvet season has been very strong with a slight increase on last year's average prices in spite of increasing volumes. Early-season contracts led the way with all participants buying at the same level and prices remaining stable and even increasing later in the season. Again, the percentage of velvet going to the healthy food market in South Korea increased and, looking to the future, it would be great to see this market get traction in China.

We have had the second year in the Regulated Control Scheme (RCS). Audits are going well and there is good buy-in from farmers as they realise the importance of the scheme and the changing face of our market. New Zealand velvet is now recognised as number one in quality so we have to back it up with how we harvest it, along with our farm-gate-to-market traceability. Our traceability is going to be enhanced with better tags that survive heat and cold, plus one that is easily recorded with UHF chips linked to a new database. Many DFA members have been involved in trialling tags over the past season which has been invaluable as DINZ Science and Policy Manager Catherine Sayer works with



farmers, processors and tag manufacturers to get the right tag to take us forward.

VELVET COMPETITIONS

As usual, the velvet competitions are a big part of the DFA social calendar from branch events to the nationals and rely on the many DFA volunteers to make them happen. This year the DFA executive

took on the responsibility of overseeing and underwriting the Xcell Rising Stars Hard Antler and Velvet Competition as the remit from South Canterbury branch, passed three years ago, required. It was held in mid-March at Outram, Otago at the Black Forest Park selling complex with a full house for the awards presentations. Antler entries were well supported, but more was needed on the velvet side. Well done to the organising committee led by Michelle Cowley, who did a great job.

NZDFA MEMBERSHIP AND BRANCH STRENGTH

This past year we unfortunately saw our paid-up membership drop by 58 from last year to 1,182. While disappointing, it is probably a reflection that most of the production increase in our industry is with existing farmers, so our membership model hasn't taken full advantage of that with capturing the next generation and farm staff. The Executive Committee will be actively campaigning with deer farming family members and staff, and also targeting the Next Generation programme attendees, these new faces to take an active interest in the branch and activities to ensure they are welcoming and inclusive for these important new entrants to the industry. We are initially considering an introductory one-year discount or, on first subscription you get two years on the proviso that new members step up to full or associate membership after that. We also offer a significant 33 percent discount for the annual full conference registration for the second or more registrations from the same farming entity as an incentive to add more farmers to the conference mix.

The Executive Committee has decided on a small increase to the full member subscription, which will bring it to \$120 plus GST for the year starting 1 April 2019. This is needed as costs rise and, as stated earlier, our membership model has its limitations. The branch capitation will stay the same at \$25. Overall our membership is strong with nearly 1200 farmers out of 1,500 in the industry which is 78 percent. This is very good for a voluntary subscription.

NEXT GENERATION

Keeping the branches strong with new potential leaders coming through is a big part of what the Executive Committee wants to see for future-proofing our organisation. An important part of that process is our Next Generation programme, which had its sixth conference last year in Hamilton. It has been a huge success in identifying young members in our industry and getting them together networking, seeing what our industry is about and learning



Participants at the 2018 Next Generation Workshop in Hamilton. Photo: Phil Stewart.

about the functions of DFA and DINZ. It is important that they are picked up at branch level to become involved in events and social activities. Some may go on to become our future leaders.

DFA AND ADVANCE PARTIES

Many DFA branches played an important part in setting up Advance Parties (APs) and are strongly represented in them. The APs have been a huge success in getting together many farmers and improving on-farm performance through small groups pointing out the strengths and weaknesses of each other's operations and group members collectively helping to improve one another's on-farm performance. The AP Regional Workshops have been well supported but have to some extent replaced DFA branch field days that may have been run in the past. The downside of this is that many branches have no plans to organise anything outside their supporting role in AP workshops. We strongly encourage branches to become more involved in the planning and running of them alongside the AP facilitator to increase support and attendance and to encourage the organising ability of branches.

ENVIRONMENTAL ISSUES

The environment is the number one issue we face as an industry and has become our top priority and the DFA has been heavily involved in this at the regional policy level. Our branches have been working with Lindsay Fung from DINZ giving us his professional help in supporting submissions to regional councils. This has worked very well, with local farmers fronting up to council supported by Lindsay's professional know how.

The DFA has set itself the aspirational goal of all its members having completed their own Farm Environment Plan (FEP) by the end of 2020. We might not get everyone across the line by then, but with the DFA branches working with DINZ in setting up the new P2P Deer Industry Environmental Groups and organising workshops, we will go a long way towards giving every deer farmer the option of getting a helping hand in completing their FEP. I encourage all branches to be very active in making contact with farmers in their area to encourage them to take up the offer of industry help. This could also be an avenue in making farmers not previously

involved in the branches aware of what we do as an organisation and might stimulate new interest at branch level.

FARM SUCCESSION

After the Next Generation conference in 2017, it was obvious there was demand for help on farm succession issues. In response, the DFA successfully applied to the Sustainable Farming Fund (SFF) for support in running workshops nationwide. There has been an overwhelming response, which shows just what an issue it is. Amy Wills has been doing a grand job of coordinating the workshops. While the workshops don't focus on individual situations, they get families talking and this gives them the confidence to "start the conversation" and continue with the process.

DFA AND DINZ

The DFA executive has a very good relationship with the DINZ board and executive, which makes our organisation and industry stronger. The DFA, through its branches, is the conduit between farmers and DINZ. As an organisation we greatly appreciate the open-door policy that DINZ has for us and for all farmers. That, and our smaller size, gives our farmers easy access right to the top. This is not so easily achieved in other industries.

I would like to thank Tony Pearse and Cenwynn Philip, our DFA Producer management team, who make sure everything happens and runs smoothly – your support is greatly appreciated. Cenwynn is leaving us soon for maternity leave. I wish her and Daniel all the best for this exciting time. I have pleasure in welcoming Rebecca Norling, who is replacing Cenwynn while she is away.

ELECTION RESULTS

I also welcome Mark McCoard (chair, Taihape DFA) onto our Executive Committee, replacing David Morgan, who stood down after six years' dedicated service including two years as chair. I wish David well in his future involvement in the industry. Justin Stevens re-stood and was returned unopposed.

I particularly thank Grant Charteris, Justin Stevens and David Morgan for their great support over the past year. The Executive Committee is a team effort where everyone is frank in their opinions, but we all work to the common goal of representing our members in the best possible way.

For the SAP, I welcome new addition Steve Borland. Steve replaces Brian Russell, who has stood down. Many thanks to Brian for his great service over the past four years. Donald Whyte re-stood and was returned unopposed. Congratulations to all the successful nominees. Between the Executive Committee and the SAP we have a very strong team.

We all look forward to a further productive and busy year at a time when the outlook, while not without its challenges, looks positive across both product streams. While there's plenty to do on farm and to improve productivity, there is a wealth of knowledge, information and support to underpin the industry, its future and its farmers.

I now move for the adoption of my chair's report for the 2018/19 year and invite a seconder.

John Somerville

Chair, Executive Committee, 2018/19

VELVET ANTLER PERSPECTIVE

The 2018/19 velvet season has again been extremely positive. There has been great demand for our high-end product which has delivered a premium price over similar competing velvet from other countries.

As we grow our tonnage, we also need to grow the value-add side of the market and deliver more of the premium product that is sought after for the healthy functional foods sector. This by default shortens supply to the traditional commodity channels that have created so much volatility in the past.

The introduction by MPI of the Regulated Control Scheme (RCS) has played a big part in growing and strengthening our brand and premium positioning in these areas, with enhanced assurance around product hygiene and traceability. What we do on farm and how our product is farmed, harvested and delivered to markets is integral to the way our products are regarded as a high-end premium healthy food.

The NZDFA has played a huge role over the past two seasons, generating a better understanding of the massive contribution that systems like the RCS will make towards future-proofing our industry. Our branch structure allows us to be nimble enough to organise shed meetings at the drop of a hat and help the grass roots farmer.

The DFA is currently having a great amount of input into design ideas for new velvet labels that provide full traceability but are also durable. A couple of key branches have been involved in trials coordinated through DINZ and Catharine Sayer, who spearheads the project. This initiative will also strengthen our story and take us where we need to be for assured traceability and QA in the transport and handling of New Zealand velvet.

Another year has passed with many successful branch velvet competitions, which have flowed on to well-supported Island and National competitions. By well-supported, I mean not only the fantastic velvet and antler that is entered – it is getting bigger and better every year – but also the countless hours put in by volunteers from the branches, who help with the running of these great events.

These competitions are nothing without the support of the people who attend and enjoy this opportunity to network, share genetics or even just come along to say why they have such pride and passion for their velvet – and that they'll certainly enter next year! We have an amazing industry sector. Thanks for your ongoing support.

Grant Charteris, NZDFA Executive Committee



KEEPING ON TOP OF COSTS

The NZDFA is no different to many businesses and organisations within New Zealand, in that we are forever trying – more often than not successfully – to stretch our dollar further each year. To do this the NZDFA has obtained sponsorship for some of the programmes we run. This not only helps reduce costs but also gives suppliers to the industry an opportunity to showcase what they have to offer. Rising costs affect us all, even in our everyday lives, and the NZDFA is no different. Every avenue for



reducing costs and improving the service to the New Zealand deer farmer is kept front of mind.

I have enjoyed my first two years serving on the NZDFA Executive Committee and meeting many like-minded deer farmers around New Zealand. I would like to thank the other members of the Executive Committee and NZDFA and DINZ team. There are many more challenges ahead, but by working together we can overcome them all. I look forward to serving you on the NZDFA Executive for another two years.

Justin Stevens, NZDFA Executive Committee

LOOKING BACK ON SIX YEARS WITH COMMITTEE

In my time with the NZDFA Executive Committee, the relationship between DFA and DINZ at the Executive and Board level has continued to grow closer and provide a valuable source of information and feedback. That relationship between the DINZ executives, board members and DFA is a key feature of industry communication.



Over the past six years, it has been fantastic to see the development within the industry. A big part of that has been the Passion2Profit Programme, especially seen in the success of the Advance Parties. This is evidence that farmers learning from farmers is crucial and effective.

The progress in both venison and velvet markets has also been encouraging, even though there have been, and will still be, hurdles to overcome in meeting our customers' demands. I have enjoyed seeing the progress with Cervena® and the companies working together effectively. The changes with the NVSB and the Regulated Control Scheme have also been a great step forward for the industry.

The major ongoing issue we all face is the environmental challenges and the pressure that comes on to us from our public, our regional councils and our markets. We all have our part to play here and I strongly encourage everyone to support the efforts of not only the deer industry but also the wider agricultural sector.

I have really enjoyed my time on the DFA Executive Committee, but all good things have to come to an end. Thank you to all those I have served alongside, as well as Tony Pearse and Cenwynn Philip, especially for keeping us on track. Congratulations to Mark McCoard (Taihape) for stepping up and taking on this position on the Executive Committee. I wish him well.

David Morgan, NZDFA Executive Committee

NZDFA 2018 BRANCH REMITS: UPDATE

Southland Branch

"The Southland Branch NZDFA asks that DINZ seek a review of the deer-specific sections of Overseer that relate to deer wallowing and fence pacing. The review should consider whether there are better ways to input data around the scale, risks and impacts of wallowing and fence pacing, and whether the associated nutrient losses are accurately reported."

Moved: John Somerville **Seconded:** Janet Gregory **Carried Statement in support**

Deer have a higher risk of sediment and (consequently) P loss due to their habit of walking fence-lines and their natural behaviour of creating wallows. Overseer includes two deer-specific questions relating to fence pacing and wallowing and requires users to choose whether or not these issues are occurring on farm.

In effect they are required to say "Yes we have a problem [over the whole farm]" or "No, it doesn't happen [anywhere on this farm]". Overseer does not currently allow users to input any further information that might indicate the following:

- the scale of these issues (e.g. whether 10 percent of the farm has problem areas or 50 percent – this is the approach taken when entering data relating to artificial drainage)
- the scale and context of the risks (whether these issues are occurring in areas where they will cause accelerated sediment and P loss directly into waterways)
- whether effective mitigations have been implemented, e.g., riparian fencing, sediment traps (Overseer does allow users to enter data on wetlands but it is not clear if this impacts P loss calculations on a deer farm that has wallows).

It is likely that Overseer overestimates P loss on some deer farms as a consequence of the current "one size fits all" approach. It may also mean that Overseer cannot properly differentiate between problem areas of the farm (e.g. where there are wallows and waterways as well as wet soils) and blocks where deer behaviours have a low impact. In a regulatory environment where nutrient losses are being estimated via Overseer, it is vital that the deer industry has the ability to accurately model its environmental impact.

Action and current situation

DINZ Environmental Stewardship Manager, Lindsay Fung, and more recently the P2P Environmental Stewardship Theme Group (chair, Simon Vincent) have been working with both Alastair Taylor Overseer Business Development Manager and Carly Sluys, Overseer Customer services.

Alastair Taylor advised on 20 August, 2018 that in relation to the Southland Branch NZDFA remit: *"We believe that Over-*

seerFM [a new, more farmer-centric version launched in 2018] should have resolved many of their concerns.

"The new software allows definition of 'wallows visible' and/or 'pace fence line' either individually or separately for each block which deer are allocated to (see below).

"Regarding the specific queries:

1. *The scale of the issue – addressed by the ability to define at a block level.*
2. *The scale and context of the risks – this is addressed in the Review of the Phosphorous loss sub-model in Overseer, published in September 2016 (Page 19). This utilised the information published in Sharpley (1980), McDowell and Paton (2004), McDowell et al (2004), McDowell and Stevens (2006), McDowell (2007), McDowell et al (2008). As result of this work, a P loss value of 1kg P/ha/year was added for deer farming systems taking place on land categorised as 'non-flat' topography.*
3. *If mitigations are present, then the modelling guidance is that the "Wallows visible" and "Pace Fence line" boxes should be unchecked and a note made that they have been removed due to the presence of mitigations.*

"Taking these software updates and the science review as a whole, we believe that Overseer reasonably models deer systems, including the ability to make allowance for the differences between problem areas and those areas which have mitigations in place.

"Consideration should also be given to ensuring that the model is being used in a consistent manner by experienced and competent users."

The Environmental Stewardship Theme Group met on 3 April 2019 with Carly Sluys, who confirmed that the updated model is still not capable of dealing with subtle variability with wallows or fence pacing if they are temporary seasonal issues and not connected to waterways or have just intermittent risk and activity. The pragmatic approach is to group paddocks into "blocks" that have permanent wallows or pace lines that are connected to waterways or become critical source areas (CSAs) and check the appropriate box. Paddocks that do not have permanent wallows or pace lines connected to waterways should be blocked separately (with the boxes unchecked).

The Environmental Stewardship Theme Group agreed that it is not the natural activity that is the issue, but the degree and longevity of the damage and its implication for CSAs that prompts the reporting. It was agreed that the model will look unusual if "fake news" (short-duration pacing lines or disconnected wallows) is used as part of the calculation and the wallow or fence pacing is not contributing soil or E.coli loss to water.

Tony Pearse and Lindsay Fung, DINZ



Fairlight Station, Southland. Photo: Phil Stewart

NZDFA ELECTIONS AND APPOINTMENTS

NZDFA Executive Committee Appointments

Members of the NZDFA Executive Committee (one member representing the North Island, one representing the South Island and the two "Members at Large" positions created by the Constitutional change in 2012) are elected for a two-year term. Members retire by rotation and are eligible for re-election. According to the NZDFA constitution rules, the Executive Committee elects a Chair from among the four members, for a term that is also decided annually. This has been traditionally a 12-month term.

Nominations have been called for the two vacancies created by retirement by rotation.

Executive Committee Member at Large (1 position)

For the vacancy created by retirement by rotation of David Morgan SCNO, who has announced his retirement, the single nomination **Mark McCoard**, Taihape, (nominated Andrew Peters, seconded Tania Taylor) was received and he is declared appointed for the 2019–2021 term..

Executive Committee South Island (1 position)

For the vacancy created by retirement by rotation, a single nomination of sitting member **Justin Stevens**, Marlborough, (nominated Tahi Doonan, seconded James Cameron) was received and he is declared appointed for the 2019–2021 term.

The successful candidates will join sitting members **John Somerville**, Southland, and **Grant Charteris**, Hawke's Bay, as the 2019–20 Executive Committee of the NZDFA following the conclusion of the 44th NZDFA AGM on 16 May 2019.

NZDFA Selection and Appointments Panel (SAP)

The SAP consists of the four-man Executive Committee and four non-Executive Committee elected members. Two of the non-Executive Committee elected members of the Panel retire annually by rotation.

SAP North Island (1 position)

A single nomination has been received for the vacancy created by the retirement by rotation policy, that of the former Waikato Branch Chair, **Steve Borland**, (nominated Albert Cooper, seconded Mike Oxley) who is eligible for nomination and is declared appointed unopposed for a two-year term.

SAP At Large (1 Position)

A single nomination has been received for the vacancy created by the retirement by rotation policy (Brian Russell, who has retired), that of **Donald Whyte**, (nominated Brian Russell, seconded Ian Bristow) who is eligible for re-nomination and is declared appointed unopposed.

Steve Borland and **Donald Whyte** will join current non-Executive Committee elected members **Paddy Boyd** and **Leith Chick** on the 2019–20 NZDFA Selection and Appointments Panel.

NZDFA appointments to the Board of Deer Industry New Zealand

Producer-appointed Board members are appointed directly to the DINZ Board for a three-year term and that appointment is advised to the Minister for Primary Industries as a formality.

There two vacancies for the 2019–2022, Board term, created by the retirement by rotation of sitting member, Ian Walker and the vacancy created at the conclusion of the two-year extraordinary appointment created by the early retirement of former Chair Andy Macfarlane in 2017.

A single nomination for each position has been received, those of current members, **Ian Walker, Hawke's Bay** (nominated Frances (Ponty) von Dadelszen, seconded Richard Hilson) and **Mark Harris, Waikato** (nominated Catherine Morrow, seconded Barry Mackintosh).

They are invited under the NZDFA constitution to present a short overview of their candidatures at the 44th AGM in Wellington on 16 May 2019 before the meeting's general business session. Brief written statements from the candidates are also presented below. The Selection and Appointments Panel will carry out its processes and make the appointments before 1 July 2019, as required.

Deer Industry New Zealand Board Nominee: Ian Walker



I have been a DINZ board member for three years, of which the past two years have been as chair.

My background includes:

- Qualified veterinarian; retired from Veterinary Services (HB) Ltd three years ago after 38 years in practice.
- Involved with the deer industry since first going into veterinary practice in 1978.

- Industry involvement over that period includes:
 - NZ Veterinary Association Deer Branch executive for 6 years from 1984.
 - Hawke's Bay DFA branch member from mid 1980s.
 - Member of group that originally established the On-Farm Quality Assurance scheme.
 - Hawke's Bay representative on the Regional Animal Health Advisory Committee for 14 years.
 - Member of the Technical Advisory Group to the Animal Health Board for five years.
 - Auditor of the NVSB for about 25 years.
 - Key contributor to the Richmond/Wrightson Deer Performance Scheme in the late 1990s.
- Deer Industry Award (2002).
- Ian Spiers Memorial award (1996).

Other governance experience includes:

- Director of DEERresearch.
- Director of a local utility company, Centralines.
- Supervisor or advisory role in five farming entities.
- Former director of Vet Services (HB) Ltd and an associated company for more than 25 years.
- Sheep, beef and deer farming as a family business for 40 years.

I have really enjoyed my involvement with the DINZ board over the past three years at a time when the industry has been experiencing unprecedented returns. The balance of the DINZ board between industry and producers is a strength not enjoyed by other livestock boards, and is reflected in the overall strategy that drives the industry today. I look forward to another term to be associated with the DINZ board and make a contribution to the industry which I have always had a passion for and am committed to.

Ian Walker, 25 March 2019

(Continued on page 12)

NZDFA Elections and Appointments: Continued

Deer Industry New Zealand Board Nominee: Mark Harris



I am Global Marketing Manager, Animal Management, Gallagher Group in Hamilton. My role at Gallagher involves regular overseas travel to talk with farmer and reseller customers, to identify product development strategies. I am also responsible for brand marketing. This role has taught

me the importance of truly understanding your customers and the supply chains that serve them, to ensure successful outcomes are achieved for all parties creating a brand embraced by customers, staff and stakeholders.

My wife and I live on our farm west of Huntly with our three teenaged children. Strictly my weekend job, the farm is a 400-cow split-calving dairy unit with a nearby dairy beef block.

My professional training was in Mechanical Engineering at the University of Auckland, culminating in a PhD applied to steel making. After roles at NZ Steel and the water industry in the UK, I spent five years working for AgResearch in the meat processing sector (formerly MIRINZ) developing chilling processes for meat products.

I currently hold a board position for a start-up company associated with Gallagher, in addition to the producer-appointed DINZ role, whose term expires June 2018. I have enjoyed learning about the successes, opportunities and issues the deer industry faces, and contributing to the governance of DINZ, whose support of the industry from paddock to plate remains incredibly important.

Mark Harris, 2 April 2019

MOTIONS AND REMITS

NZDFA FORMAL FINANCIAL MOTIONS: 44TH AGM 16 MAY 2019

MOTION 1: Financial accounts and statements for the year ending 31 March 2018

"That the NZDFA financial statements and NZDFA Financial Report for the year ending 31 March 2019 be received and approved."

Moved: **Seconded:**

MOTION 2: Honoraria

"That the Executive Committee honoraria for the 2019/20 financial year be fixed at \$12,000 for the elected Chairman and \$8,000 for each other Executive Committee member."

Moved: **Seconded:**

MOTION 3: Review of accounts

"That the NZDFA Executive Committee be authorised to appoint a Chartered Accountant to review the accounts of the NZDFA for the ensuing year (2019/20)."

Moved: **Seconded:**

MOTION 4: Budget to year ending 31 March 2020

"That the NZDFA budget of expenditure for the year ending 31 March 2020 be approved."

Moved: **Seconded:**

NZDFA FINANCIAL REPORT

NEW ZEALAND DEER FARMERS' ASSOCIATION INCORPORATED

INCOME AND EXPENDITURE

	Year to March 2019 ACTUAL \$	Year to March 2019 BUDGET \$	Year to March 2020 BUDGET \$
Income			
Subscriptions	107,804	108,000	112,100
Interest income	5,080	5,000	4,000
Sundry income	10,565	0	0
Sponsorships	2,978	1,000	2,000
Sustainable Farming Fund income	13,000		
Total income	139,427	114,000	118,100
Less: expenditure			
General expenses			
Conference	5,202	3,500	4,000
Election costs	0	2,000	2,000
General expenses	7,306	1,000	1,500
Postage	2,544	2,000	2,500
PR support and sponsorship	500	3,000	3,000
Printing and stationery	2,034	3,500	3,500
Promotions/Awards	0	2,000	2,500
Publications/Annual report	2,651	3,200	3,000
Telecommunications	970	1,000	1,000
	21,207	21,200	23,000
Travel/Accommodation	44,133	42,000	41,500
Professional fees			
Audit review fees	3,200	3,120	3,120
Insurance	2,089	2,000	2,400
Legal/professional fees	0	1,000	1,000
Returning officer fees (SAP Process)	0	500	500
	5,289	6,620	7,020
Honoraria/directors' fees			
NZDFA Executive Committee	36,000	36,000	36,000
	36,000	36,000	36,000
Nationally funded projects			
Contract research	0	0	0
Leadership development (Next Generation)	8,943	10,000	10,000
SFF project – succession workshops	21,696	0	0
	30,639	10,000	10,000
Total expenses	137,268	115,820	117,520
Operating (deficit)/surplus before taxation	2,159	(1,820)	580
Taxation	(130)	0	
Operating (deficit)/surplus after taxation	2,029	(1,820)	580

Independent assurance practitioner's review report

To the Members of New Zealand Deer Farmers Association Incorporated

We have reviewed the accompanying financial statements of New Zealand Deer Farmers Association Incorporated, which comprise the statement of financial position as at 31 March 2019, and the statement of financial performance and statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

The responsibility of the Executive Committee for the financial statements

The Executive Committee are responsible on behalf of the entity for the preparation and fair presentation of these financial statements in accordance with the Tax Administration (Financial Statement) Order 2014 and for such internal control as the Executive Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400, "Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity". ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE (NZ) 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these financial statements.

Other than in our capacity as assurance practitioner we have no relationship with, or interests in, New Zealand Deer Farmers Association Incorporated.

Emphasis of Matter

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are special purpose financial statements prepared in accordance with the Tax Administration (Financial Statement) Order 2014. As a result, the financial statements may not be suitable for another purpose. Our conclusion is not modified in respect of this matter.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of New Zealand Deer Farmers Association Incorporated as at 31 March 2019, and its financial performance for the year then ended, in accordance with the Tax Administration (Financial Statement) Order 2014.

Moore Stephens Wellington Audit

Moore Stephens Wellington Audit | Chartered Accountants, Wellington, New Zealand
30 April 2019

Moore Stephens Wellington Audit is a partnership of MK Rania and AJ Steel. Moore Stephens Wellington Audit is an independent member firm of Moore Stephens International Limited - an association of independent member firms in principal cities throughout the world. Moore Stephens independent member firms in New Zealand are located in Auckland - Christchurch - Dunedin - Hawke's Bay - Wairarapa - Wanganui - Wellington.

New Zealand Deer Farmers' Association Incorporated
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 31 March 2019

	Note	2019	2018
		Actual \$	Actual \$
Income			
Subscriptions		107,804	112,671
Interest income		5,080	5,325
Sundry Income		10,565	0
Sponsorships		2,978	1,850
Sustainable Farming Fund Income		13,000	0
Total Income		139,427	119,846
Expenditure			
Audit review fees		3,200	3,120
Conference	10	5,202	904
General Expenses		7,306	1,423
Honoraria	4	36,000	35,667
Insurance		2,089	2,000
Leadership Development (Next Generation)		8,943	5,417
Legal/Professional fees		0	980
Nationally Funded Projects		21,696	23,906
Postage		2,544	1,391
PR Support and Sponsorship		500	2,242
Printing & stationery		2,034	2,963
Promotion & Awards		0	2,162
Publications/Annual Report		2,651	3,210
Returning Officer fees (SAP Process)		0	300
Telecommunications		970	994
Travel and Accommodation		44,133	32,804
		137,268	119,483
Total Expenses		137,268	119,483
Operating Surplus Before Taxation		2,159	363
Taxation	5	(130)	(1,217)
Operating Surplus / (Deficit) After Taxation		2,029	(854)

The accompanying notes on page 17 form part of these financial statements.

New Zealand Deer Farmers' Association Inc
STATEMENT OF FINANCIAL POSITION
As at 31 March 2019

As at:	2019	2018
	\$	\$
Current Assets		
Cash at Bank	27,654	37,736
Short Term Bank Deposits	150,523	135,949
Accounts Receivable	6,562	3,138
Resident Withholding Tax	692	730
	<u>185,432</u>	<u>177,553</u>
Current Liabilities		
Accounts Payable	12,851	6,892
Income in Advance	0	109
Total Liabilities	<u>12,851</u>	<u>7,001</u>
Net Current Assets representing Net Equity	<u>172,581</u>	<u>170,552</u>
Net Equity comprises:		
Opening Balance	170,552	171,406
Result for the period	2,029	(854)
Total Equity	<u>172,581</u>	<u>170,552</u>



John Somerville
 Chairman of Executive Committee
 Date: 30/4/2019

NEW ZEALAND DEER FARMERS' ASSOCIATION
INCORPORATED STATEMENT OF MOVEMENTS IN EQUITY
For the year ended 31 March 2019

	2019	2018
	\$	\$
Opening Balance	170,552	171,406
Net Surplus/(Deficit) for the Year	7 2,029	(854)
Closing Balance	<u>172,581</u>	<u>170,552</u>

The accompanying notes on page 17 form part of these financial statements.

NEW ZEALAND DEER FARMERS' ASSOCIATION INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

1. REPORTING ENTITY

The New Zealand Deer Farmers' Association Inc ("NZDFA") is an Incorporated Society established to encourage, promote and advance New Zealand's deer farming industry. NZDFA is a 100% shareholder in two non trading subsidiaries, NZDFA Holdings Ltd and Deer International Ltd.

These special purpose financial statements have been prepared for the members of the New Zealand Deer Farmers' Association Incorporated and in accordance with the Tax Administration (Financial Statement) Order 2014 and should not be relied upon for any other purpose.

2. BASIS FOR PREPARATION

NZDFA is an incorporated society under the Incorporated Societies Act 1908. The financial statements are special purpose financial statements prepared under the accounting policies and the minimum requirements of the Tax Administration (Financial Statement) Order 2014 for the year ending 31 March 2019 and have been prepared for the purpose of meeting the constitutional obligations.

The financial statements have been prepared on the going concern basis, and the accounting policies have been consistently applied throughout the period.

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy. These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

3. STATEMENT OF ACCOUNTING POLICIES

General Accounting Policies

a. Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position are on a historical cost and going concern basis.

Specific Accounting Policies

a. Changes in Accounting Policies

There have been no changes in accounting policies during the year.

b. Subscription Income

Subscriptions are measured at the fair value of the consideration received or receivable from the NZDFA's members through membership fees. This is set at \$115.00 (excluding GST) per full membership per annum (includes the \$25 per member capitation fee collected on behalf of the NZDFA Branches and remitted directly to them in December of each financial year). This year a special subscription of \$43.48 (excluding GST) was offered to members who attend the Next Generation Programme and has been taken up by 2 members.

c. Goods and Services Tax (GST)

These financial statements are prepared exclusive of GST except for accounts receivable and payable.

4. HONORARIA

The following fees were paid by the NZDFA to Executive Committee members:

		2019	2018
		\$	\$
Honoraria	Chairman	12,000	11,500
	Executive Committee	24,000	24,167
	DEEResearch Directors Fees	0	0
		<u>36,000</u>	<u>35,667</u>

There were no changes to the Executive Committee members during the year ending 31 March 2019.

NEW ZEALAND DEER FARMERS' ASSOCIATION INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

5. TAXATION

	2019	2018
	\$	\$
Taxable Income	4,711	5,347
Less IRD Allowance	<u>(1,000)</u>	<u>(1,000)</u>
	3,711	4,347
Tax Expense 2019	1,038	1,217
Prior Year Adjustment Refunded	<u>(908)</u>	<u>0</u>
Total Tax Expense	<u><u>130</u></u>	<u><u>1,217</u></u>

6. RELATED PARTIES

All transactions with related parties were conducted at arms length. There is a service agreement between DINZ and NZDFA. Administration costs of NZDFA and staff time is covered by DINZ. No payments are made from DINZ to NZDFA. Capitation payments are collected by NZDFA and this is paid to the branches in December based on member numbers.

7. TOTAL EQUITY

Total equity is held in general funds as follows:

	2019	2018
	\$	\$
General Funds		
Opening balance	170,552	171,406
Net Surplus/(Deficit) for the Year	<u>2,029</u>	<u>(854)</u>
Closing General Funds	<u><u>172,581</u></u>	<u><u>170,552</u></u>

8. COMMITMENTS

NZDFA has committed \$10k towards the Sustainable Farming Fund Next Generation Succession planning and upskilling project during the financial year ending 31 March 2019. This included co-funding from DINZ \$6,000 and MPI's SFF \$21,000 for the year ending 31 March 2019. The net cost of this project for DFA is \$3,796. The project has been extended to 30 September 2019 with additional demand for workshops and will be covered by DFA on completion (2018: \$10k to the Sustainable Farming Fund Next Generation Succession planning and upskilling project).

9. CONTINGENCIES

As at the 31 March 2019 there are no contingencies (2018: Nil)

10. CONFERENCE COST

The cost to NZDFA of the 2018 conference was \$5,202 (2017: \$904)

11. SUBSEQUENT EVENTS

There are no subsequent events noted.

PROXY FORM 2019



To: New Zealand Deer Farmers' Association
P O Box 10702
WELLINGTON
Fax 04 472 5549
Email info@deernz.org

I/We, (name in full)

of..... (address)

being a member of the New Zealand Deer Farmers' Association entitled to attend and vote at meetings of the NZDFA, hereby appoint (**Either**)

..... (name)

of (address)

Or

the Chair of the Branch (or Affiliated Society)
of the New Zealand Deer Farmers' Association as at 16 May 2019

Or failing him/her, the Chair of the Annual General Meeting,
as my/our proxy to vote for me/us at the Annual General Meeting of the Association to be held on Thursday 16 May 2019, in Wellington (Te Wharewaka O Pōneke) and at any adjournment thereof (*rule 29.2*)

Signed this day of 2019

..... NZDFA member.

<p>Please provide a phone number and email contact if applicable, to assist in any proxy verification</p> <p>Farm trading name</p> <p>Phone (.....)..... Email.....</p>
--

NOTE: To be valid, proxy forms must be signed and either faxed/emailed/hand delivered or posted to be received by the NZDFA office by **4.00pm Tuesday 14 May 2019 (rule 29.4 (b))**

NEW ZEALAND DEER FARMERS' ASSOCIATION
LEVEL 5, WELLINGTON CHAMBERS, 154 FEATHERSTON STREET, PO BOX 10702, WELLINGTON
PHONE 04 473 4500, FAX 04 472 5549, EMAIL INFO@DEERNZ.ORG



 **NZDFA**
NZ Deer Farmers Association