



**NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529**

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2016**

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

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**NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529**

COMMITTEE'S REPORT

Your committee members submit the financial report of the National Cutting Horse Association of Australia Incorporated for the financial year ended 31 December 2016.

Committee Members

The name of each member of the committee during the year and if different, at the date of the report;

Wayne Baumann
James Dixon
Jamie Inglis
Fred Johnson
Nadean McKenna
Richard Prew
Peter Ryan
Peter Shumack
Phil Webb
Debera Wilson

Principal Activities

The principal activities of the association during the financial year were:

- To promote and administer the sport of cutting.

Significant Changes

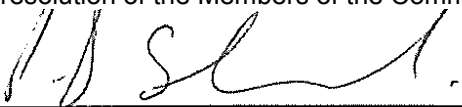
No significant change in the nature of these activities occurred during the year.

Operating Result

The loss of the association after providing for income tax amounted to \$114,887.16.

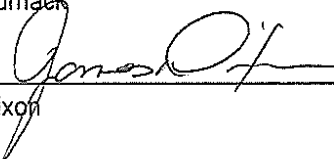
Signed in accordance with a resolution of the Members of the Committee.

Committee Member:



Peter Shumack

Committee Member:



James Dixon

Dated this day of 16th February 2017.

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
INCOME			
Cattle Hire		285,777.00	287,608.78
Day Fees		6,972.15	5,451.64
Diamond Deck		70,945.45	77,645.45
Entry Fees		702,081.90	728,246.54
Entry Penalty Fees		32,163.56	39,649.99
Equipment Hire		600.00	410.00
Funding - Equitana		20,000.00	-
Fundraising		19,054.53	19,307.29
Gate Takings		80,100.38	85,640.96
Interest Received		31,156.03	36,560.90
Levies		77,650.87	87,419.98
Mechanical Cow		17,176.82	16,440.00
Member Facility Fees		93,153.17	102,536.36
Membership Fees		241,763.92	229,020.08
Merchant Fees Recovered		13,284.76	10,853.23
NCHA Chatta		176,483.71	125,046.34
NCHA Merchandise		65,711.75	32,069.83
Nomination Fees		45,900.00	59,200.00
Office Fees		112,348.45	76,576.99
Practice Pen		50,931.81	53,565.41
Pre Works		29,659.40	39,433.04
Programmes		10,366.45	11,824.13
Protrainer Clinics		39,754.59	26,877.23
Public Liability Insurance Levy		51,720.00	51,444.07
Schools & Clinics		6,886.22	1,318.18
Show Affiliation Fees		2,622.00	3,012.91
Site Fees - Camping		67,403.73	68,931.89
Site Fees - Traders		65,474.56	69,269.10
Sponsorship - Cash		242,198.20	260,392.72
Sponsorship - In Kind		163,066.54	146,607.30
Stables		180,345.80	195,001.48
Stallions - Eligible and Non-Eligible		15,983.64	15,400.00
Sundry Income		18,310.95	14,122.47
Transfer Fees		1,710.91	1,741.82
Video		22,627.04	20,674.09
Webcast		5,754.55	-
Year Book		-	71.77
		3,044,122.67	2,999,371.97

The accompanying notes form part of these financial statements.

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

Note	2016 \$	2015 \$
EXPENDITURE		
Accountancy and Audit Fees	18,554.00	18,400.00
Advertising	92,092.86	99,522.53
Arena Expenses	46,338.84	34,456.03
Bad Debts Written Off	120.00	1,500.00
Bank Charges	13,417.81	14,083.28
Camping Expenses	4,422.73	4,181.81
Cattle Committee Expenses	11,643.05	900.00
Cattle Hire	243,049.47	255,136.42
Cleaning	9,757.79	12,432.96
Computer Expenses	8,856.60	7,381.97
Contract Staff	41,931.10	59,832.50
Depreciation	36,528.00	30,856.62
Diamond Deck	63,200.97	58,089.08
Directors Expenses	34,975.84	31,135.27
Donations	-	1,724.55
Drug Testing	1,072.29	1,559.96
Electricity & Gas	7,715.22	8,193.78
Entertainment Expenses	45,719.80	19,557.70
Freight & Cartage	2,057.08	2,940.82
Fuel & Oil	4,212.92	4,851.34
Gate Expenses	11,093.53	13,914.37
Hire of Plant & Equipment	87,497.93	107,339.23
Hire of Sites	87,033.63	80,849.10
Insurance - General	5,865.34	7,769.58
Insurance - Public Liability	53,505.72	50,837.47
Insurance - Workers Compensation	3,532.80	3,362.71
Judges Clinics	798.67	2,588.71
Judges Expenses	48,357.08	40,088.51
Legal Costs	2,930.00	-
Marketing	27,834.67	26,209.42
Medical Expenses	4,485.00	6,390.00
Meeting Expenses and Staff Amenities	5,904.26	5,245.19
Members Expenses	1,818.12	3,525.45
Merchandise	52,024.42	25,521.10
Monitor Judges Expenses	17,299.17	20,924.73
Motor Vehicle Expenses	7,418.66	4,248.52
NCHA Levies /Affiliate Expenses	26,392.76	31,093.32
NCHA Newsletter	151,437.38	153,854.13

The accompanying notes form part of these financial statements.

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

Note	2016 \$	2015 \$
Printing, Postage & Stationery	29,623.70	29,739.61
Prizemoney	781,736.64	791,842.53
Program Expenses	20,398.24	20,280.00
Protrainer Clinic Expenses	48,424.13	23,463.02
Rates & Water	2,829.88	2,768.85
Repairs & Maintenance	1,004.00	4,033.01
Salaries, Wages & Superannuation	509,285.28	461,971.75
Sale Expenses	795.23	5,891.88
Sale Incentive	40,000.00	40,000.00
Security Costs	7,129.70	6,085.00
Sponsors	88,228.56	93,107.76
Stable Expenses	104,009.45	106,844.28
Staff Training	1,631.44	1,947.13
Subscriptions	1,688.83	845.77
Telephone	9,169.78	13,628.84
Travel & Accommodation	12,608.11	5,739.87
Trophies	156,071.53	140,909.02
Uniforms	-	1,834.55
Venue Hire	28,388.30	27,252.45
Video & Photography	22,500.44	21,346.36
Website Expenses	2,678.37	5,109.54
Youth Expenses	9,912.71	8,797.28
	3,159,009.83	3,063,936.66
Loss before income tax	(114,887.16)	(64,564.69)
Loss for the year	(114,887.16)	(64,564.69)
Retained earnings at the beginning of the financial year	1,161,574.09	1,226,138.78
Retained earnings at the end of the financial year	1,046,686.93	1,161,574.09

The accompanying notes form part of these financial statements.

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	1,396,794.83	1,431,054.03
Trade and other receivables	3	9,258.29	13,103.43
Inventories	4	34,251.16	22,098.30
Prepaid Expenses		31,051.84	26,192.17
TOTAL CURRENT ASSETS		<u>1,471,356.12</u>	<u>1,492,447.93</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	296,891.44	266,748.16
Intangible assets	6	9,605.36	9,605.36
TOTAL NON-CURRENT ASSETS		<u>306,496.80</u>	<u>276,353.52</u>
TOTAL ASSETS		<u>1,777,852.92</u>	<u>1,768,801.45</u>
LIABILITIES			
CURRENT LIABILITIES			
AUS/US Challenge		9,804.42	12,313.63
Trade Creditors		7,772.49	28,792.96
GST Payable		41,640.95	23,617.44
PAYG Withholding Payable		5,688.00	7,834.00
Superannuation Payable		10,955.58	9,132.65
Provision for Staff Leave		53,209.96	34,959.10
Income in Advance		495,527.52	386,557.54
TOTAL CURRENT LIABILITIES		<u>624,598.92</u>	<u>503,207.32</u>
NON-CURRENT LIABILITIES			
Provision for Staff Leave		9,504.07	6,957.04
NON-CURRENT LIABILITIES		<u>9,504.07</u>	<u>6,957.04</u>
TOTAL LIABILITIES		<u>634,102.99</u>	<u>510,164.36</u>
NET ASSETS		<u>1,143,749.93</u>	<u>1,258,637.09</u>
MEMBERS' FUNDS			
Reserves	7	97,063.00	97,063.00
Retained earnings	8	1,046,686.93	1,161,574.09
TOTAL MEMBERS' FUNDS		<u>1,143,749.93</u>	<u>1,258,637.09</u>

The accompanying notes form part of these financial statements.

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
Cash Flows from Operating Activities			
Receipts from customers		3,142,841.02	2,891,173.50
Interest received		31,156.03	36,560.90
Payments to suppliers and employees		<u>(3,147,704.16)</u>	<u>(2,983,452.93)</u>
Net cash generated from (used in) operating activities		<u>26,292.89</u>	<u>(55,718.53)</u>
Cash Flows from Investing Activities			
Proceeds from sale of property, plant and equipment		10,000.00	7,796.55
Payment for property, plant and equipment		<u>(70,552.09)</u>	<u>(21,533.54)</u>
Net cash used in investing activities		<u>(60,552.09)</u>	<u>(13,736.99)</u>
Net decrease in cash held		(34,259.20)	(69,455.52)
Cash and cash equivalents at beginning of financial year		<u>1,431,054.03</u>	<u>1,500,509.55</u>
Cash and cash equivalents at end of financial year	2	<u>1,396,794.83</u>	<u>1,431,054.03</u>

The accompanying notes form part of these financial statements.

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

The financial statements cover National Cutting Horse Association of Australia Incorporated as an individual entity. National Cutting Horse Association of Australia Incorporated is a not for profit Association incorporated in New South Wales under the New South Wales Associations Incorporation Act 2009.

The functional and presentation currency of National Cutting Horse Association of Australia Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of the Committee, the Association is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements have been prepared on an accruals 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.

2 Summary of Significant Accounting Policies

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.

Inventories

Inventories are measured at the lower of cost and net realisable value.

Property

Freehold land and buildings are shown at fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations less subsequent depreciation.

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Plant and Equipment

Plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment of losses.

Depreciation

The depreciation method and useful life used for items of property, plant & equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the Association. Depreciation commences from the time the asset is held ready for use. The depreciation method and useful life of assets are reviewed annually to ensure they are still appropriate.

Impairment of Non-Financial Assets

At the end of each reporting period the Association determines whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over the recoverable amount is immediately recognised in the profit and loss.

Accounts Receivable and Other Debtors

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. 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.

At the end of each reporting period, the carrying amount of accounts receivable and other debtors are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the profit and loss.

Employee Benefits

Short-term Employee Benefits

Provision is made for the Association's liability for short term employee benefits arising from services rendered by employees to the end of the reporting period. Short-term employee benefits are benefits (other than termination benefits) that are expected to be wholly settled within one year after the end of the reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measure at the amounts expected to be paid when the obligation is settled.

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Other Long-term Employee Benefits

The Association classifies employees' long service leave and annual leave as other long-term employee benefits as they are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. Provision is made for the Association's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in the profit and loss.

The Association's obligations for long-term employee benefits are presented as non-current liabilities in its balance sheet, except where the Association, does not have an unconditional right to defer settlement for at least twelve months after the end of the reporting period, in which case obligations are presented as current liabilities.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, deposit at call with banks and other short term highly liquid investments with original maturities of four months or less.

Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue is recognised using the effective interest rate method.

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

**NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
2 Cash and Cash Equivalents		
Cash on Hand	500.00	500.00
Cash at Bank	1,396,294.83	1,430,554.03
	1,396,794.83	1,431,054.03
3 Trade and Other Receivables		
Current		
Trade Debtors	9,258.29	14,753.43
Less: Provision for Doubtful Debts	-	(1,650.00)
	9,258.29	13,103.43
	9,258.29	13,103.43
4 Inventories		
Current		
Stock on Hand	34,251.16	22,098.30
	34,251.16	22,098.30
5 Property, Plant and Equipment		
Land and Buildings		
Goonan Street, Tamworth	192,937.00	192,937.00
Less: Accumulated Depreciation	(27,786.00)	(26,379.00)
	165,151.00	166,558.00
Total Land and Buildings	165,151.00	166,558.00
Plant & Equipment	279,413.08	236,169.80
Less: Accumulated Depreciation	(147,672.64)	(135,979.64)
	131,740.44	100,190.16
Total Plant and Equipment	131,740.44	100,190.16
Total Property, Plant and Equipment	296,891.44	266,748.16
6 Intangible Assets		
Formation Expenses	9,605.36	9,605.36
Total	9,605.36	9,605.36

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
7 Reserves		
Asset Revaluation Reserve	<u>97,063.00</u>	<u>97,063.00</u>
8 Retained Earnings		
Retained earnings at the beginning of the financial year	1,161,574.09	1,226,138.78
Net loss attributable to the association	<u>(114,887.16)</u>	<u>(64,564.69)</u>
Retained earnings at the end of the financial year	<u>1,046,686.93</u>	<u>1,161,574.09</u>

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

STATEMENT BY MEMBERS OF THE COMMITTEE


The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 12:

1. Presents a true and fair view of the financial position of National Cutting Horse Association of Australia Incorporated as at 31 December 2016 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that National Cutting Horse Association of Australia Incorporated will be able to pay its debts as and when they fall due.

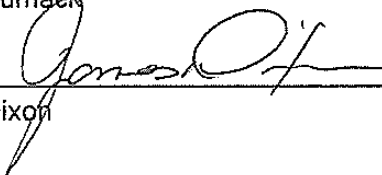
This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President:



Peter Shumaek

Treasurer:



James Dixon

Dated this day of 16th day of February 2017.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA
INCORPORATED
ABN 48 860 509 529

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of National Cutting Horse Association of Australia Incorporated (the association), which comprises the balance sheet as at 31 December 2016, the income and expenditure statement and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the National Cutting Horse Association of Australia Incorporated is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 2009 and for such internal control as the committee determines 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of members. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA
INCORPORATED
ABN 48 860 509 529**

Auditors' Opinion

In our opinion:

The financial report of National Cutting Horse Association of Australia Incorporated is in accordance with the Associations Incorporation Act 2009 including:

- (i) giving a true and fair view of the Association's financial position as at 31 December 2016 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with the Australian Accounting Standards.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of the Associations Incorporation Act 2009. As a result, the financial report may not be suitable for another purpose.

Name of Firm: Brosie Martin
Chartered Accountants

Name of Partner: 
Brian Brosie

Address: 131 Marius Street, Tamworth NSW 2340

Dated this day of 16th day of February 2017.

**COMPILATION REPORT
TO NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529**

We have compiled the accompanying special purpose financial statements of National Cutting Horse Association of Australia Incorporated which comprise the balance sheet as at 31 December 2016, profit and loss statement, statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the additional information contained in the detailed profit and loss.

The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Committee of Management

The Committee of Management of National Cutting Horse of Australia Incorporated is solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our responsibility

On the basis of the information provided by the committee of management we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting and APES 315: Compilation of Financial Information.

We have applied professional expertise in accounting and financial reporting to compile these financial statements on the basis of accounting described in the notes to the financial statements.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the committee of management. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Name of Firm: Brosie Martin Barnett
Chartered Accountants

Name of Partner:



Robert Studte

Address: 131 Marius Street, Tamworth NSW 2340

Dated this 16th day of February 2017.

**NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529**

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Peter Schumack of 217 Tullamore Road, Loomberah, NSW 2340, certify that:

- (a) I attended the annual general meeting of the association held on 15th March 2017.
- (b) The financial statements for the year ended 31 December 2016 were submitted to the members of the association at its annual general meeting.

Dated this 15th day of March 2017.

Committee Member: _____
Peter Schumack

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
GENERAL		
Day Fees	6,972.15	5,451.64
Entry Penalty Fees	454.55	-
Equipment Hire	600.00	410.00
Interest Received	31,098.49	36,499.34
Levies	68,781.87	78,762.98
Membership Fees	233,763.92	229,020.08
Merchant Fees Recovered	13,284.76	10,853.23
NCHA Merchandise	65,711.75	11,255.66
Office Fees	6,727.26	-
Public Liability Insurance Levy	51,720.00	51,444.07
Schools & Clinics	-	1,318.18
Show Affiliation Fees	2,622.00	3,012.91
Sponsorship - In Kind	14,400.00	14,400.00
Sundry Income	7,107.57	5,553.09
Transfer Fees	1,710.91	1,741.82
Year Book	-	71.77
	504,955.23	449,794.77
EXPENSES		
Accountancy and Audit Fees	18,554.00	18,400.00
Advertising	8,224.99	4,250.00
Bad Debts Written Off	-	1,500.00
Bank Charges	13,417.81	14,083.28
Cleaning	2,661.84	3,264.56
Computer Expenses	8,856.60	7,346.97
Depreciation	36,528.00	30,856.62
Directors Expenses	34,975.84	31,135.27
Donations	-	1,454.55
Electricity & Gas	3,122.95	3,291.96
Entertainment Expenses	-	175.00
Freight & Cartage	378.00	255.70
Fuel & Oil	4,212.92	4,639.13
Hire of Plant & Equipment	-	3,998.39
Insurance - General	5,865.34	7,769.58
Insurance - Public Liability	53,505.72	50,837.47
Insurance - Workers Compensation	3,180.31	3,362.71
Judges Clinics	798.67	2,588.71

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
Legal Costs	2,930.00	-
Marketing	3,164.63	75.00
Meeting Expenses and Staff Amenities	3,874.33	4,333.96
Members Expenses	1,818.12	1,525.45
Merchandise	52,024.42	24,046.90
Motor Vehicle Expenses	7,418.66	4,248.52
Printing, Postage & Stationery	28,080.00	26,520.11
Rates & Water	2,829.88	2,768.85
Repairs & Maintenance	1,004.00	2,551.69
Salaries, Wages & Superannuation	466,079.10	435,553.89
Security Costs	835.00	725.00
Staff Training	1,558.18	1,947.13
Subscriptions	1,688.83	845.77
Telephone	9,169.78	13,628.84
Travel & Accommodation	4,457.03	1,819.01
Trophies	18,198.42	14,400.00
Website Expenses	(200.45)	1,137.73
	<u>799,212.92</u>	<u>725,337.75</u>
NET LOSS	<u>(294,257.69)</u>	<u>(275,542.98)</u>

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
FUTURITY		
INCOME		
Cattle Hire	154,909.32	165,110.10
Diamond Deck	70,945.45	77,645.45
Entry Fees	571,927.16	620,029.93
Entry Penalty Fees	31,709.01	39,231.81
Gate Takings	78,553.10	83,527.32
Mechanical Cow	11,820.00	11,500.00
Member Facility Fees	93,153.17	102,536.36
NCHA Merchandise	-	19,414.16
Office Fees	54,854.53	37,526.79
Practice Pen	31,165.00	32,220.00
Pre Works	12,613.95	18,636.92
Programmes	7,995.45	10,095.01
Schools & Clinics	6,886.22	-
Site Fees - Camping	46,804.65	47,331.80
Site Fees - Traders	60,854.56	61,889.10
Sponsorship – Cash	170,824.99	189,513.05
Sponsorship - In Kind	116,697.00	120,792.30
Stables	100,280.60	111,278.01
Sundry Income	2,284.64	500.00
Video	10,640.00	14,305.14
Webcast	5,754.55	-
	1,640,673.35	1,763,083.25
EXPENSES		
Advertising	51,458.51	64,769.45
Arena Expenses	37,304.77	20,570.15
Cattle Committee Expenses	7,947.05	900.00
Cattle Hire	131,397.30	145,578.11
Cleaning	7,095.95	9,168.40
Computer Expenses	-	35.00
Contract Staff	28,505.10	45,002.25
Diamond Deck	61,662.61	57,117.92
Drug Testing	1,072.29	1,386.46
Electricity & Gas	4,592.27	4,901.82
Entertainment Expenses	38,547.07	14,115.43
Freight & Cartage	354.67	978.49
Fuel & Oil	-	212.21
Gate Expenses	11,093.53	13,814.82
Hire of Plant & Equipment	79,734.73	95,399.31

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 \$	2015 \$
Hire of Sites	82,279.09	80,849.10
Insurance - Workers Compensation	352.49	-
Judges Expenses	34,889.84	26,284.83
Marketing	17,760.00	23,580.18
Medical Expenses	4,485.00	4,290.00
Meeting Expenses and Staff Amenities	2,029.93	821.65
Members Expenses	-	2,000.00
Merchandise	-	962.83
Monitor Judges Expenses	11,949.78	4,400.00
NCHA Levies /Affiliate Expenses	26,245.76	30,091.27
Printing, Postage & Stationery	463.22	2,784.86
Prizemoney	561,775.52	616,688.14
Program Expenses	14,194.24	13,846.00
Repairs & Maintenance	-	317.55
Salaries, Wages & Superannuation	33,714.46	22,969.74
Security Costs	6,294.70	5,360.00
Sponsors	83,464.92	89,307.76
Stable Expenses	40,560.36	50,009.00
Travel & Accommodation	3,385.46	2,003.27
Trophies	110,149.15	99,914.35
Uniforms	-	1,834.55
Video & Photography	11,345.45	12,252.27
Website Expenses	2,481.82	2,431.81
	<u>1,508,587.04</u>	<u>1,566,948.98</u>
NET PROFIT	<u>132,086.31</u>	<u>196,134.27</u>

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
NATIONAL FINALS		
INCOME		
Cattle Hire	61,432.79	55,994.91
Entry Fees	42,545.94	40,196.62
Levies	8,869.00	8,657.00
Mechanical Cow	3,520.00	3,500.00
NCHA Merchandise	-	309.10
Office Fees	21,059.00	14,295.15
Practice Pen	11,980.00	12,200.00
Pre Works	17,045.45	20,796.12
Programmes	15.46	94.55
Site Fees - Camping	14,917.28	16,504.55
Site Fees - Traders	1,620.00	4,380.00
Sponsorship – Cash	7,145.94	7,306.94
Sponsorship - In Kind	1,031.82	1,600.00
Stables	51,212.73	61,409.09
Sundry Income	2,594.25	2,885.72
Video	5,184.79	-
	250,174.45	250,129.75
EXPENSES		
Advertising	11,884.00	8,759.09
Arena Expenses	4,022.99	3,100.14
Cattle Committee Expenses	3,696.00	-
Cattle Hire	47,482.50	47,986.31
Contract Staff	12,926.00	10,830.25
Drug Testing	-	173.50
Entertainment Expenses	7,172.73	5,267.27
Freight & Cartage	119.59	311.39
Hire of Plant & Equipment	5,173.70	4,350.25
Judges Expenses	6,483.91	7,623.18
Marketing	1,554.55	1,137.88
Medical Expenses	-	2,100.00
Meeting Expenses and Staff Amenities	-	89.58
Monitor Judges Expenses	2,440.91	2,400.00
Printing, Postage & Stationery	313.30	141.82
Prizemoney	71,136.03	65,616.39
Program Expenses	440.00	550.00
Repairs & Maintenance	-	530.55
Salaries, Wages & Superannuation	9,491.72	2,118.17
Stable Expenses	20,951.00	24,528.00

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
Staff Training	73.26	-
Travel & Accommodation	695.46	618.18
Trophies	12,623.35	8,966.72
Venue Hire	28,388.30	27,252.45
Video & Photography	6,157.72	3,981.82
Website Expenses	-	1,200.00
	<u>253,227.02</u>	<u>229,632.94</u>
NET PROFIT (LOSS)	<u>(3,052.57)</u>	<u>20,496.81</u>

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
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NYCHA		
INCOME		
Fundraising	19,054.53	19,307.29
Interest Received	57.54	61.56
	<u>19,112.07</u>	<u>19,368.85</u>
EXPENSES		
Advertising	1,118.18	1,844.54
Freight & Cartage	498.00	45.64
Hire of Plant & Equipment	136.36	231.78
Merchandise	-	511.37
Trophies	360.00	1,080.00
Youth Expenses	9,912.71	8,797.28
	<u>12,025.25</u>	<u>12,510.61</u>
NET PROFIT	<u>7,086.82</u>	<u>6,858.24</u>

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
EQUITANA CUTTING		
OTHER INCOME		
Cattle Hire	2,181.80	-
Entry Fees	20,000.00	-
Funding - Equitana	20,000.00	-
Office Fees	5,400.00	-
Stables	160.00	-
Video	400.00	-
	<u>48,141.80</u>	<u>-</u>
EXPENSES		
Cattle Hire	3,600.00	-
Hire of Plant & Equipment	703.14	-
Judges Expenses	400.00	-
Marketing	1,600.00	-
Prizemoney	40,000.00	-
Travel & Accommodation	2,103.80	-
Website Expenses	45.00	-
	<u>48,451.94</u>	<u>-</u>
NET PROFIT (LOSS)	<u>(310.14)</u>	<u>-</u>

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
VICTORIAN FUTURITY		
INCOME		
Cattle Hire	52,815.00	52,990.00
Entry Fees	51,544.99	53,410.76
Entry Penalty Fees	-	145.46
Gate Takings	1,547.28	2,113.64
Mechanical Cow	1,836.82	1,440.00
NCHA Merchandise	-	1,027.27
Office Fees	16,363.60	17,172.75
Practice Pen	7,786.81	9,145.41
Programmes	105.46	16.37
Site Fees - Camping	5,681.80	5,095.54
Site Fees - Traders	3,000.00	3,000.00
Sponsorship - Cash	29,227.27	28,572.73
Sponsorship - In Kind	7,919.55	9,815.00
Stables	25,113.84	21,078.03
Sundry Income	5,292.49	5,183.66
Video	5,434.21	5,523.55
	213,669.12	215,730.17
EXPENSES		
Advertising	11,982.91	12,076.72
Arena Expenses	4,452.67	10,158.26
Bad Debts Written Off	120.00	-
Camping Expenses	4,422.73	4,181.81
Cattle Hire	47,657.67	47,220.00
Contract Staff	500.00	3,750.00
Diamond Deck	1,538.36	971.16
Donations	-	270.00
Freight & Cartage	101.46	621.78
Gate Expenses	-	99.55
Hire of Plant & Equipment	1,000.00	2,905.00
Hire of Sites	4,754.54	-
Judges Expenses	6,583.33	6,180.50
Marketing	1,915.03	196.36
Monitor Judges Expenses	2,908.48	2,318.18
Printing, Postage & Stationery	739.91	292.82
Prizemoney	69,452.37	71,165.26
Program Expenses	1,000.00	525.00
Repairs & Maintenance	-	633.22
Sponsors	4,763.64	3,800.00
Stable Expenses	23,174.09	21,557.28

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
Travel & Accommodation	1,966.36	1,299.41
Trophies	7,881.55	10,396.82
Video & Photography	4,997.27	5,112.27
Website Expenses	275.00	340.00
	<u>202,187.37</u>	<u>206,071.40</u>
NET PROFIT	<u>11,481.75</u>	<u>9,658.77</u>

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
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CHATTA		
OTHER INCOME		
NCHA Chatta	<u>176,483.71</u>	<u>125,046.34</u>
EXPENSES		
NCHA Newsletter	<u>151,437.38</u>	<u>153,854.13</u>
NET PROFIT(LOSS)	<u>25,046.33</u>	<u>(28,807.79)</u>

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
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SELECT SALE		
INCOME		
Nomination Fees	45,900.00	59,200.00
Programmes	2,250.08	1,618.20
Sponsorship - Cash	30,000.00	30,000.00
Stables	3,509.09	1,236.35
	<u>81,659.17</u>	<u>92,054.55</u>
EXPENSES		
Advertising	4,333.36	3,090.91
Arena Expenses	558.41	627.48
Cattle Hire	-	352.00
Contract Staff	-	250.00
Freight & Cartage	80.00	80.00
Hire of Plant & Equipment	-	454.50
Marketing	807.28	230.00
Program Expenses	4,764.00	5,359.00
Salaries, Wages & Superannuation	-	1,329.95
Sale Expenses	795.23	5,891.88
Sale Incentive	40,000.00	40,000.00
Stable Expenses	19,324.00	10,750.00
	<u>70,662.28</u>	<u>68,415.72</u>
NET PROFIT	<u>10,996.89</u>	<u>23,638.83</u>

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
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AFFILIATES		
INCOME		
Sundry Income	<u>1,032.00</u>	<u>-</u>
EXPENSES		
Freight & Cartage	525.36	593.27
Monitor Judges Expenses	-	11,806.55
NCHA Levies /Affiliate Expenses	147.00	1,002.05
Printing, Postage & Stationery	27.27	-
Trophies	<u>4,059.45</u>	<u>4,054.85</u>
	<u>4,759.08</u>	<u>17,456.72</u>
NET LOSS	<u>(3,727.08)</u>	<u>(17,456.72)</u>

NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
BREEDERS INCENTIVE		
INCOME		
Cattle Hire	14,438.09	13,513.77
Entry Fees	16,063.81	14,609.23
Entry Penalty Fees	-	272.72
NCHA Merchandise	-	63.64
Office Fees	7,944.06	7,582.30
Sponsorship - Cash	5,000.00	5,000.00
Stallions - Eligible and Non-Eligible	15,983.64	15,400.00
Video	968.04	845.40
	<u>60,397.64</u>	<u>57,287.06</u>
EXPENSES		
Advertising	3,090.91	4,731.82
Cattle Hire	12,912.00	14,000.00
Freight & Cartage	-	54.55
Hire of Plant & Equipment	750.00	-
Marketing	1,033.18	990.00
Prizemoney	39,372.72	38,372.74
Trophies	2,799.61	2,096.28
Website Expenses	77.00	-
	<u>60,035.42</u>	<u>60,245.39</u>
NET PROFIT (LOSS)	<u>362.22</u>	<u>(2,958.33)</u>

**NATIONAL CUTTING HORSE ASSOCIATION OF AUSTRALIA INCORPORATED
ABN 48 860 509 529**

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	\$	\$
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PROTRAINER CLINIC		
INCOME		
Membership Fees	8,000.00	-
Schools & Clinics	39,754.59	26,877.23
Stables	69.54	-
	<u>47,824.13</u>	<u>26,877.23</u>
EXPENSES		
Protrainer Clinic Expenses	<u>48,424.13</u>	<u>23,463.02</u>
NET PROFIT (LOSS)	<u>(600.00)</u>	<u>3,414.21</u>