BROSIE MARTIN BARNETT
CHARTERED ACCOUNTANTS

Auditors Report for the year ended 31 December 2022

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The Financial Report has been audited by Brosie Martin Barnett Chartered Accountants and we have issued an unqualified audit report in regards to these financials.

Financial Results Overview:-

The final operating result for the year was a profit of $289,028. This continues the NCHA's profit trend for the previous two years being a profit in the 2021 year of $47,851 and $100,478 in the 2020 year.

For the members' information, we note the following areas:-

Income

- Sponsorship (both Cash and In-Kind) increased from the previous year due the Futurity being held again for the first time since 2019;
- Sundry income includes 50th Anniversary Auction and Legends Calcutta;
- Event income (inc. Entry Fees, Cattle Hire, Office Fees, Practice Pen and Public Liability) has increased due to the high number of entries received for the Futurity in addition to the Autumn Spectacular held in Scone.
- The substantial increase in income derived from Site Fees (inc. Camping, Trade and Stable Fees) is a direct result of the Futurity taking place in 2022 for the first time since the COVID-19 Pandemic;
- The reduction in Diamond Deck income was due to this facility not being on offer in the 2022 year.

Expenses

- Event related expense categories including Arena and Judges expenses, are generally higher due to the inclusion of the Futurity being brought back into the NCHA's annual event schedule. It should be noted that the expenses relating to the cancellation and subsequent refund of the 2021 Futurity have been reported separately in the 2021 year comparatives;
- The reduction in Diamond Deck income was due to this facility not being on offer in the 2022 year.
- Insurance expenses have remained relatively stable. This was a result of successful negotiations for a temporary reduction in premiums to assist with COVID pressures;
- The NCHA Newsletter expenses have increased significantly due to the fact that the Chatta magazine is now being printed as opposed to being distributed online to members in the previous year.
- Under the Australian Accounting Standards, the right to the use of the asset (head office) is amortised over the term of the lease. The net rental cost is included as depreciation in the detailed profit and loss (Office Rent – Depreciation). The cost for the 2021 and 2022 years were both $23,400;
- Salaries, Wages and Superannuation expenses have decreased compared to the 2021 year, due to staff departures;

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Liability limited by a scheme approved under Professional Standards Legislation.

- Contract Staff costs have increased this year to meet additional staffing requirements for events and office administration. This includes, but is not limited to the Online Sale, Autumn Spectacular, Futurity, Youth Clinics and general Head Office Administration.

Should any directors or members have specific queries or questions they would like answered from the Financial Reports and information provided, please don't hesitate to contact the NCHA head office who will liaise with our firm.

We once again wish to thank Gay, Tanya and the staff of NCHA Limited for their assistance and availability during the completion of the audit for the 2022 year.

Robert Studte
Partner
Brosie Martin Barnett