



**GALLOWAY CATTLE SOCIETY  
OF NEW ZEALAND (INC.)**

**GALLOWAY CATTLE SOCIETY OF NEW ZEALAND**

**2018 Annual General Meeting Minutes**

**Held at the Orangerie Room, Grande Mercure Monaco, Stoke, Nelson  
Saturday 12<sup>th</sup> May 3.00pm**

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**Meeting Opened: 3.04pm**

**Present:** Richard Dyson, Angela McNaughton, Faye Ashmore, Barbara Fitchett, Roger Fraser, Roger Brownlee, Susan Nicol, Eric Box, Karen & John Futter, Graeme Clinton, Carolyn Dawson, Claudia Forsyth, Barry McAlley, Marie & Graeme Turner, Roger Fraser, Bob & Karen Curry, Peter Mans, Bruce Targett, Stuart Allan, Nicola Wilkins.

**Apologies:** Barbara Wickstead, Alan Brown, Judi & Mike Edridge, Neil McKerchar & Taieri Hore, Te Radar (Andrew Lumsden), Rob Hall.

R. Dyson moved that the apologies be accepted – All In favour Carried

**Obituaries:** John Cleland, Kate Bradly, Kevin Morrison.

**Minutes of the Previous AGM held April 2017 ~ circulated via email to all members**

Were moved as a true and correct record of previous meeting.

Moved: R. Dyson Seconded: S. Nicol - All in Favour Carried

**Matters Arising from Annual General Meeting Minutes: None**

**President's Report – circulated via email to all members (and attached)**

Was presented and moved to be accepted by R. Dyson

Seconded: B. McAlley - All in Favour Carried

**Registrars Report - (Attached)**

Was presented and moved to be accepted by S. Nicol

Seconded: B. Fitchett - All in Favour Carried

**Reviewed Financial Statements for year ended 31 December 2017 and Finance Report (attached)**

Were presented and moved to be accepted by A. McNaughton

Seconded: R. Dyson - All in Favour Carried

**Endorse the previous Council approved Budget for the 2018 financial year (attached)**

Was presented and moved to be accepted by A. McNaughton

Seconded: R. Dyson - All in Favour Carried

**Promotions and Marketing Sub Committee report (attached)**

Was presented and moved to be accepted by F. Ashmore

Seconded: R. Brownlee - All in Favour Carried

**Rules Sub Committee report** – No report as there were no changes from last year.

Moved: R. Dyson Seconded: A. McNaughton

**Membership Sub Committee report (attached)**

Was presented and moved to be accepted by A. McNaughton

Seconded: G. Turner - All in Favour Carried

**Breed Management Sub Committee report (attached)**

Was presented and moved to be accepted by A. McNaughton

Seconded: K. Curry - All in Favour Carried

**Election of Councillors**

Three (3) nominations have been received to fill the three (3) vacancies on council.

**Susan Nicol** - nominated by Angela McNaughton Seconded: K. Curry

**Faye Ashmore** - nominated by Angela McNaughton Seconded: M. Turner

**Tracy Wood** – nominated by Barbara Fitchett Seconded: R. Brownlee

In accordance with Rule 7.8, the above nominations were elected to council. - All in favour Carried

Call for nominations for 8<sup>th</sup> councillor: B. McAlley nominated G. Turner.

Graeme has accepted.

Seconded: J. Futter - All in favour Carried

**Election the President** – Richard Dyson – Nominated by G. Turner Seconded A. McNaughton - All in favour Carried

**Election of Vice President** – Barbara Fitchett – Nominated by F. Ashmore Seconded S. Nicol - All in favour Carried

**Election of Treasurer** - Angela McNaughton – Nominated by R. Dyson Seconded B. Fitchett - All in favour Carried

**Appointment of Secretary** – Angela McNaughton/Barbara Fitchett – Nominated by R. Dyson Seconded S. Nicol- All in favour Carried

**Appointment of Registrar** – Susan Nicol – Nominated by B. Curry Seconded C. Dawson - All in favour Carried

**Appointment of the Financial Reviewer for the 2018 year** – McIntyre Flannery Tait Ltd - All in favour Carried

**Appointment of Patron** – Te Radar (Andrew Lumsden) – Nominated by R. Dyson Seconded J. Futter All in favour Carried

**Appointment of RAS Delegate** – Angela McNaughton to confirm with Rob Hall and/or Bob Curry. Representation at Beef Breeds Council Meeting – no remits this year. Report back to members on outcome.- All in favour Carried

**Appointment of 2 Delegates World Congress** – Angela McNaughton & Barry McAlley. Angela to carry flag at World Congress in Melbourne. Seconded: A. McNaughton - All in favour Carried

**World Congress** - 2018 Melbourne, 2020 Kentucky, 2022 Switzerland, 2024 it's in NZ - Proposal for New Zealand to undertake hosting of 2024 World Congress by Southern Galloway Breeders Group – tourist destination Queenstown. Acceptance and date to be confirmed.

**General Business –**

**DNA testing of bulls for registration – Report from Roger Fraser (attached)**

**Stud Sire inspections** – discussion around how this process would look. Suggestion of a Society Approved inspector or Vet inspection – or in the form of a Virtual Inspection (like our Virtual Show criteria).

**Bylaw 19(2b) change to White Galloway Herd Book colour patterns for registration (attached)**

**2019 AGM and Herd Tour hosting – Waikato**

**Meeting Closed: 4.59pm**



**GALLOWAY CATTLE SOCIETY  
OF NEW ZEALAND (INC.)**

**GALLOWAY CATTLE SOCIETY OF NEW ZEALAND**

**2017 Annual General Meeting Minutes  
Murdoch James Winery, Martinborough, Sunday 23<sup>rd</sup> April 3.30pm**

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**Meeting Opened: 3.45pm**

**Present:** Richard Dyson, Eric Box & Susan Nicol, Karen & John Futter, Graeme Clinton, Sarah Pinfold, Roger Brownlee & Kate Bradly, Carolyn Dawson, Claudia Forsyth, Barbara Fitchett, Barry McAlley, Ray Cursons, Marie & Graeme Turner, Jill & Roger Fraser, Bob & Karen Curry, Angela McNaughton, Faye Ashmore & Peter Mans, Carolyn Dawson.

**Apologies:** Steve Hobson, Te Radar (Andrew Lumsden), Alison Lane & Eric Olsen, Tracy Wood, Michelle & Glenn Mackay, Graeme & Jenny Coles, Sally & Charlotte Gray, Mark Williams, Barbara & Brian Wickstead, Anita & Gus Smith, Kelvin & Juan Whittington, Stuart Allan, Kim Westmoreland, Bill Overgaauw, Kay Hende, Tracey Berkahn & Allan Boyle, Claire Harty, Jurie & Tui Snyman, John Berridge, Alan Brown & Diane Caufield, Peter and Susan Lawson.

G. Turner moved that the apologies be accepted – All In favour Carried

**Minutes of the Previous AGM held April 2016 ~ read by A. McNaughton**

Were moved as a true and correct record of previous meeting.

Moved: R. Dyson Secoded: C. Dawson - All in Favour Carried

**Matters Arising from Annual General Meeting Minutes: None**

**President's Report (Attached)**

Was presented and moved to be accepted by G. Turner

Secoded: A. McNaughton - All in Favour Carried

**Registrars Report (Attached)**

Was presented and moved to be accepted by S. Nicol

Secoded: R. Dyson - All in Favour Carried

**Reviewed Financial Statements for year ended 31 December 2016**

Was presented and moved to be accepted by A. McNaughton

Secoded: R. Fraser - All in Favour Carried

**Endorse the previous Council approved Budget for the 2017 financial year**

Was presented and moved to be accepted by A. McNaughton

Secoded: S. Pinfold - All in Favour Carried

**Promotions and Marketing Sub Committee report**

Was presented and moved to be accepted by F. Ashmore

Secoded: A. McNaughton - All in Favour Carried

**Rules Sub Committee report** – No report as there were no changes from last year.

**Membership Sub Committee report**

Was presented and moved to be accepted by A. McNaughton

Secoded: S. Nicol - All in Favour Carried

**Finance Sub Committee report**

Was presented and moved to be accepted by A. McNaughton

Secoded: B. Fitchett - All in Favour Carried

**Breed Management Sub Committee report**

Was presented and moved to be accepted by B. Fitchett

Seconded: A. McNaughton - All in Favour Carried

**Election of Councillors**

Two (2) nominations have been received to fill the two (2) vacancies on council.

**Angela McNaughton** - nominated by Barbara Fitchett

**Roger Fraser** - nominated by Kim Westmoreland.

In accordance with Rule 7.8, the above nominations were elected to council. - All in favour Carried

**Election the President** – Richard Dyson – Seconded A McNaughton - All in favour Carried

**Election of Vice President** – Faye Ashmore – Seconded S. Nicole - All in favour Carried

**Election of Treasurer** - Angela McNaughton – Seconded B. Fitchett - All in favour Carried

**Appointment of Secretary** – Barbara Fitchett – Seconded R. Dyson - All in favour Carried (Barbara and Angela to share this role for next 12 months)

**Appointment of Registrar** – Susan Nicol – Seconded A. McNaughton - All in favour Carried

**Appointment of the Financial Reviewer for the 2017 year** – McIntyre Flannery Tait Ltd, Alexandra - All in favour Carried

**Appointment of Patron** – Te Radar (Andrew Lumsden) – (Subject to his approval) - All in favour Carried

**Appointment of RSA Delegate** – Barry McAlley Seconded: A. McNaughton - All in favour Carried

**General Business –**

**DNA testing of bulls for registration**

**Proposal: The Society is proposing that all bulls to be registered, will require DNA testing before their registration can take place.**

Much discussion was had on this proposal re the pros and cons. Richard Dyson will research the merits of DNA testing in other breeds eg Angus, and overseas eg Canada, and will report back to council, who will in turn, pass this information on to members. Members feed back is welcomed – please email council on this matter.

**Stud sire inspections**

**Proposal: That stud sire inspections be a nationwide scheme.**

Southern Breeders Group have been running a pilot scheme for the past 18 months, in which all registered cattle for sale to new or existing breeders have been inspected prior to sale. We await their report on completion of this trial period on 30 June 2017. (Angela noted that the UK conduct physical animal inspections and DNA testing at the same time, to be able to register animals for breeding. It would be beneficial to New Zealand to have something similar in place).

**World Congress – 6 to 9 September 2018 Adelaide, 2020 Kentucky, 2022 Switzerland, 2024 it's in NZ – proposed that New Zealand Galloway Society host this in the Southern region possibly based in Queenstown (this will require help and support of a significant number of breeder members with about 100 overseas delegates expected to attend.) Queenstown with its idyllic sights to see and also has International Airport access.**

**Our Patron, Te Radar** is a highly respected New Zealand icon, we would like to involve him more with our promotion of galloway cattle in 2017/2018.

**Review of White Galloway patterns for registration** – due to time restraints today, this topic was not discussed.

**2018 AGM and Herd Tour hosting – to be advised**

**Meeting Closed: 5.37pm**



## President's Report

2018 AGM

Nelson

Hello and welcome to this year's AGM here in Nelson and our tour weekend around the Tasman district.

Over the past year our farmers have had to endure some challenging conditions as well as the worrying Mycoplasma bovis disease control.

The weather conditions throughout the country over the year went from a very wet winter and spring to clear blue skies with high temperatures and drying winds, that seem to happen overnight! Paddocks went from pugged mud to baked hard dry. Many areas had drought conditions before Christmas with others not long after, this has certainly resulted in some interesting land and animal management issues.

The extreme weather conditions have also played havoc with farm supplements, with poor spring grass growth that resulted in a huge reduction of the amount of silage that farmers could cut, and much of what should have been winter feed had to be used in late spring and early summer.

The Mycoplasma bovis outbreak is of worrying concern given MPI's major culling of all animals that have been infected by the disease. We can't be too careful in checking and monitoring our animals and demonstrates the importance of the NAIT movement control process.

On the Galloway Society front, the Society's financial year ended in December with the books in the Black, a modest profit which points to our fee structure being about correct with income meeting outgoings. Of course this is something that we continually monitor.

We are continuing to look at DNA testing of our bulls for registration purposes. This will be discussed further at the AGM. We consider that DNA testing is a progression that will see the Galloway society keeping up with other rare breed regimes.

On the Council front I would like to take this opportunity to thank all councilors for their hard work and continued support over the last year. I am, however, sad to see Roger Fraser depart after just one year, but as we know our personal circumstances continue to evolve and I would just like to thank Roger for his input and commitment over the last year.

And talking of changes in circumstances, on a personal note, Susan and I have decided to move back to England next year, so this will be my last year as a member of the Society. I joined the Society back in 2009 and have really enjoyed building my herd to the breeding lines that I now have and I hope over the next year I can move these on to hopefully some new White Galloway breeders. I will see my last year out on Council and look forward to continuing to promote the Galloway breed over this period.

For the AGM weekend, I would like to thank Angela McNaughton for organizing our weekend and to Graeme Turner for running the Virtual Show.

I would like to thank all our sponsors for this AGM weekend including AgriSea's donated products for the silent auction.

Upcoming events include the Galloway World Congress to be held in Melbourne, Australia in late September, to which I hope many of you can attend and we will be proposing for New Zealand to undertake hosting of the 2024 World Congress by Southern Galloway Breeders Group.

Enjoy the weekend, and I hope everyone has a successful breeding season and our Galloway's continue to prove to be a popular breed.

Take care and stay safe

Cheers

Richard

## Registrars Report May 2018

Another year has gone by so fast. I have had a good year keeping up with all the queries, transfers and other paperwork.

There is always a steady stream of transfers arriving in the mail box as registered animals get sold from Breeder to Breeder. Please do remember to keep up-to-date with your NAIT transfers, as we need to make sure the Mycoplasma Bovis (M.Bovis for short) is eradicated from NZ. Currently to my knowledge there is no reason you can't move stock between the North and South Islands if you are wishing to buy stock from around the country. BUT you must do your NAIT paperwork!

2017 Calf returns, I now have received back just over half of these. Remember I do need these return now ASAP, even if you have no calves to record. ADL's will be printed and sent out in the mail by the end of June.

I personally haven't had a lot of fed back about the DNA testing our Bull calves, but what I have heard is very positive and supportive of doing so. As far as the process for doing this is concerned it will be an easy one to do. Details to follow soon.

A BIG welcome to all our new members this year and should any of you have any questions please email, text or phone me. I am always here to help. Even if you think it might be a silly question, please just ask to make sure.

Kind regards

Susan Nicol

027 2317399 or 07 8252979

Beltie.susan@farmside.co.nz

**GALLOWAY CATTLE SOCIETY OF NEW ZEALAND  
INCORPORATED**

**FINANCIAL ACCOUNTS  
FOR THE YEAR ENDED  
31 DECEMBER 2017**

**Prepared by Angela McNaughton - Treasurer**

## **GALLOWAY CATTLE SOCIETY OF NEW ZEALAND INCORPORATED**

### **1. COUNCIL OFFICERS**

Richard Dyson – President  
Faye Ashmore – Vice President  
Angela McNaughton – Treasurer / Secretary

### **2. COUNCILLORS**

Susan Nicol – Registrar  
Barbara Fitchett – Gazette Editor  
Roger Brownlee  
Roger Fraser  
Graeme Turner

### **3. ADDRESS OF SOCIETY**

c/o Secretary – Angela McNaughton  
180 Blackman Road  
R D 1  
ALEXANDRA 9391

### **4. BANKERS**

Westpac - Papakura Branch  
191 Great South Road  
PO Box 545  
Papakura 2110

### **5. NATURE OF THE SOCIETY**

To actively preserve, develop and promote Galloway cattle, and support Galloway cattle owners in New Zealand.



# Statement of Financial Performance

GALLOWAY CATTLE SOCIETY OF NEW ZEALAND (Inc)  
1 January 2017 to 31 December 2017

	31 Dec 17	31 Dec 16
<b>Income</b>		
Active Dam Fees	12,924	11,449
AGM & Virtual Show Income	2,400	-
Associate Membership	570	673
Breeder Membership	9,515	10,163
Donations	1,166	1
Interest Income	275	205
Merchandise Sales	451	110
New Herd Fees	250	550
Transfer Fees	1,110	800
<b>Total Income</b>	<b>28,660</b>	<b>23,951</b>
<b>Gross Profit</b>	<b>28,660</b>	<b>23,951</b>
<b>Less Operating Expenses</b>		
<b>ADMINISTRATION</b>		
Accounting Software	660	660
Bank Fees	236	242
Financial Review	750	100
General Expenses	232	181
Insurance	739	741
Meeting expenses	2,686	3,192
Postage & Stationery	794	98
Subs & Licences	305	329
<b>Total ADMINISTRATION</b>	<b>6,402</b>	<b>5,543</b>
<b>PROMOTION</b>		
AGM & Virtual Show Expenses	2,399	-
Depreciation	78	86
Gazettes & bulletins	1,379	810
Membership Manuals	-	320
Merchandise purchases	419	-
Promotion/Advertising	735	1,164
<b>Total PROMOTION</b>	<b>5,010</b>	<b>2,380</b>
<b>REGISTRAR</b>		
Agricultural Business Research Institute	2,751	3,107
NZ Performance Beef Breeders Ltd	8,121	7,200
Registrar's Office Expenses	239	169
<b>Total REGISTRAR</b>	<b>11,111</b>	<b>10,476</b>
<b>Total Operating Expenses</b>	<b>22,523</b>	<b>18,399</b>
<b>Net Profit</b>	<b>6,138</b>	<b>5,551</b>

# Statement of Financial Position

## GALLOWAY CATTLE SOCIETY OF NEW ZEALAND (Inc) As at 31 December 2017

	31 Dec 2017	31 Dec 2016
<b>Assets</b>		
<b>Bank</b>		
Cheque Account	7,787	3,283
Insurance Bonus Saver	2,574	2,060
Online Bonus Saver	16,588	16,227
<b>Total Bank</b>	<b>26,949</b>	<b>21,570</b>
<b>Current Assets</b>		
Accounts Receivable	660	-
<b>Total Current Assets</b>	<b>660</b>	<b>-</b>
<b>Fixed Assets</b>		
Plant & Equipment	4,269	4,269
Less Accumulated Depreciation on Plant & Equipment	(3,569)	(3,491)
<b>Total Fixed Assets</b>	<b>700</b>	<b>778</b>
<b>Total Assets</b>	<b>28,308</b>	<b>22,348</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable	1,448	1,544
GST	868	952
Overpayments	20	18
<b>Total Current Liabilities</b>	<b>2,336</b>	<b>2,514</b>
<b>Total Liabilities</b>	<b>2,336</b>	<b>2,514</b>
<b>Net Assets</b>	<b>25,972</b>	<b>19,834</b>
<b>Equity</b>		
Accumulated Fund	19,834	14,283
Current Year Earnings	6,138	5,551
<b>Total Equity</b>	<b>25,972</b>	<b>19,834</b>

**GALLOWAY CATTLE SOCIETY 2017 DEPRECIATION SCHEDULE**

Note 1

**PLANT AND EQUIPMENT ON HAND 31/12/2017**

	TENT	SIGNS	TOTAL
COST	2769	1500	4269
less accumulated depreciation	2769	722	3491
Opening book value	0	778	778
less depreciation	0	78	78
Closing book value	0	700	700

Tent was depreciated at 48% DV, has no value, but is still in use.

Signs are depreciated at 10% DV.

Signed on this day 11 May 2018:

Angela McNaughton- Treasurer



Richard Dyson - President



Faye Ashmore - Vice President



## **GALLOWAY CATTLE SOCIETY OF NEW ZEALAND INCORPORATED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDING 31 DECEMBER 2017**

**1. Reporting Entity**

The Galloway Cattle Society of New Zealand Incorporated is an Incorporated Society registered on 9 February 1949 under the Incorporated Societies Act 1908 and is engaged in the business of the development and promotion of the Galloway Cattle breeds in New Zealand.

**2. Statement of Accounting Policies**

**Basis of Preparation**

These are special purpose financial statements. They have been specifically prepared for the members of the Society.

The measurement base adopted is historical cost, unless otherwise disclosed below.

Accrual accounting is used to match expenses and revenues and reliance is placed on the fact the business is a going concern.

**Changes in Accounting Policies**

There were no changes in accounting policies during the year.

**Fixed Assets**

Fixed assets are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

**Depreciation**

Depreciation of the assets has been calculated at the maximum rates permitted by the Income Tax Act 2007. The rates used are shown on the Depreciation Schedule attached.

**Income Tax**

There is no Income Tax expense as the Society is exempt from income tax under the Income Tax Act 2007, as it meets the definition of a Herd Improvement Association.

**Goods and Services Tax (GST)**

The Society registered for GST on 1 January 2016.

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

The comparative figures also exclude GST.

**3. Related Parties**

There have been no material related party transactions during the financial year for which these financial statements have been prepared.

**4. Contingent Liabilities**

There are no contingent liabilities at balance date. (Last Year: \$Nil)

**INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT****To the Members of Galloway Cattle Society of New Zealand Incorporated****Report on Financial Statements**

We have reviewed the financial statements of Galloway Cattle Society of New Zealand Inc. (*the Society*) for the year ended 31 December 2017, which comprise the statement of financial position as at 31 December 2017, the statement of financial performance for the year then ended, and a summary of significant accounting policies and other explanatory information.

**The Committee's Responsibility for the Financial Statements**

The committee are responsible for the preparation and fair presentation of these financial statements and for such internal control as they deem necessary to enable the presentation 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.

McIntyre Flannery Tait Ltd has no relationship with or interests in Galloway Cattle Society of New Zealand Inc.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe the accompanying financial statements do not fairly present, in all material respects, the financial position of Galloway Cattle Society of New Zealand Inc as at 31 December 2017, and its financial performance for the year then ended.

McIntyre Flannery Tait

McIntyre Flannery Tait Ltd

23 April 2018



## FINANCE REPORT FOR GCSNZ AGM 12 May 2018

The 2017 Reviewed Annual Financial Accounts have been circulated to all members, together with the 2018 Budget. I would like to make the comment that although the Budget shows a proposed small deficit, this is due to my conservative estimate of income for the year as it is impossible to predict the income from new members, transfers and ADL fees that will be received during the coming year, at best it is an educated guess!

The 2017 financial year ended with a surplus of more than \$6000, a substantial improvement from the losses of several years ago.

The Society has healthy bank balances with more than \$16,000 in a Bonus Saver account and more than \$2500 in the Bonus Insurance Saver account. We have not had to transfer funds from our Bonus Saver to our Current account in the last year.

The Council have again made significant savings on Meeting expenses, by continuing to hold meetings at Graeme Turner's workplace in Hamilton (at no cost), which is a central location for 5 Councillors, and this has resulted in only 3 Councillors claiming travel expenses to attend these meetings. Of course this situation can change depending on the make up of the Council.

The council are not considering any increase in fees in the coming year, and propose to spend a portion of our accumulated reserves on improvements to the electronic herd book, by adding historical registered animals for better display of ancestry of the current herd, as well as improvements to the white Galloway herd book with greater colour options.

Despite reduced ADL fee revenue due to inactive females in a few larger herds, and reduced numbers of calves being recorded/registered as a result, the Society remains in good heart with a continuous stream of enquiries from potential new breeders, both lifestyles and career farmers. Our current breeder members do an excellent job of spreading the word about Society membership when they sell their registered animals to potential new members. Often the demand for stock outstrips the supply of quality registered animals, so this has a positive effect on the prices of animals.

Angela McNaughton

Treasurer GCSNZ

28<sup>th</sup> April 2018.

**Overall Budget**  
**GALLOWAY CATTLE SOCIETY OF NEW ZEALAND (Inc)**  
 January 2018 to December 2018

Account	Jan-2018	Feb-2018	Mar-2018	Apr-2018	May-2018	Jun-2018	Jul-2018	Aug-2018	Sep-2018	Oct-2018	Nov-2018	Dec-2018	Total
<b>Income</b>													
Active Dam Fees (240)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$10,000.00
AGM & Virtual Show Income (28)	\$0.00	\$0.00	\$0.00	\$2,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500.00
Associate Membership (220)	\$0.00	\$600.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$600.00
Breeder Membership (210)	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00
Donations (265)	\$0.00	\$0.00	\$0.00	\$0.00	\$800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$800.00
Herd book fees (235)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Income (270)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Late registrations (255)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Merchandise Sales (250)	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00
New Herd Fees (230)	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$1,100.00
Transfer Fees (245)	\$5,100.00	\$5,700.00	\$6,500.00	\$2,100.00	\$1,100.00	\$1,100.00	\$150.00	\$100.00	\$5,100.00	\$100.00	\$100.00	\$100.00	\$25,400.00
<b>Total Income</b>	<b>\$5,100.00</b>	<b>\$5,700.00</b>	<b>\$6,500.00</b>	<b>\$2,100.00</b>	<b>\$1,100.00</b>	<b>\$1,100.00</b>	<b>\$150.00</b>	<b>\$100.00</b>	<b>\$5,100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$25,400.00</b>
<b>Gross Profit</b>	<b>\$5,100.00</b>	<b>\$5,700.00</b>	<b>\$6,500.00</b>	<b>\$2,100.00</b>	<b>\$1,100.00</b>	<b>\$1,100.00</b>	<b>\$150.00</b>	<b>\$100.00</b>	<b>\$5,100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$25,400.00</b>
<b>Other Income</b>													
Sponsorship (252)	\$0.00	\$0.00	\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00
<b>Total Other Income</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,000.00</b>
<b>Less Operating Expenses</b>													
AGM & Virtual Show Expenses (	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500.00
Bad Debts (475)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Operating Expenses</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,500.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,500.00</b>
<b>Less Overheads</b>													
Accounting Software (440)	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$660.00
Agricultural Business Research (	\$0.00	\$0.00	\$750.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$750.00
Bank Fees (415)	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$240.00
Depreciation (465)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Financial Review (445)	\$0.00	\$0.00	\$0.00	\$0.00	\$750.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$750.00
Gazettes & bulletins (405)	\$0.00	\$0.00	\$0.00	\$0.00	\$600.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$600.00
General Expenses (423)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Insurance (430)	\$0.00	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00
Interest Expense (437)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Meeting expenses (410)	\$890.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$890.00
Membership Manuals (402)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Merchandise purchases (408)	\$250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$250.00
NZ Performance Beef Breeders (	\$680.00	\$0.00	\$680.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$680.00
Postage & Stationery (455)	\$100.00	\$0.00	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00
Promotion/Advertising (400)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Registrar's Office Expenses (45C	\$0.00	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00
Subs & Licences (460)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Telephone & Internet (470)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Overheads</b>	<b>\$1,955.00</b>	<b>\$1,155.00</b>	<b>\$2,205.00</b>	<b>\$755.00</b>	<b>\$5,205.00</b>	<b>\$2,205.00</b>	<b>\$2,955.00</b>	<b>\$965.00</b>	<b>\$2,205.00</b>	<b>\$755.00</b>	<b>\$2,955.00</b>	<b>\$2,205.00</b>	<b>\$26,860.00</b>
<b>Total Expenses</b>	<b>\$1,955.00</b>	<b>\$1,155.00</b>	<b>\$2,205.00</b>	<b>\$755.00</b>	<b>\$5,205.00</b>	<b>\$2,205.00</b>	<b>\$2,955.00</b>	<b>\$965.00</b>	<b>\$2,205.00</b>	<b>\$755.00</b>	<b>\$2,955.00</b>	<b>\$2,205.00</b>	<b>\$28,060.00</b>
<b>Net Profit</b>	<b>\$3,145.00</b>	<b>\$4,545.00</b>	<b>\$4,295.00</b>	<b>\$1,345.00</b>	<b>-\$6,605.00</b>	<b>-\$6,605.00</b>	<b>-\$2,805.00</b>	<b>-\$865.00</b>	<b>\$2,945.00</b>	<b>-\$655.00</b>	<b>-\$2,865.00</b>	<b>-\$2,165.00</b>	<b>-\$2,660.00</b>



## **Promotion & Marketing through 2017**

### **Galloway Gazette & Email Tree – Barbara Fitchett**

There have been many favourable comments throughout the year regarding the publishing of the Gazette and the articles and information being printed. Much of the content during 2017 centred around the DNA Testing of bulls being used for breeding, with some information also being sent out as a flyer on the Email Tree.

The advertising of Stock appears to have increased throughout the year with several pages of animals in each Gazette. Owners of cattle are sent a draft of the ad before it is published asking if they would like it to be edited. If not, it is then published on the Email Tree, which has been busy sending out the ads in advance of the Gazette.

The Galloway Gazette was asked for an advertisement for the Galloways Australia Magazine to be published this year (2018). The ad was sent over to them late in 2017 and we await the published version in their magazine.

The Galloway Gazette has also been asked to publicise an ad for a little known website which is advertising, 'for free', all things farm related. If members would like further information please email Galloway gazette.

### **Fieldays and Exhibitions**

#### **Southern Districts Fieldays – Roger Fraser**

Early in the piece I did contact several shows (e.g. AMP Show in Masterton) and there is certainly interest there from the show organisers, but we need halter trained cattle and when I went out to members to see if anyone could help, most did not answer and those that did had no trained cattle. Seems to me that is the key bit of info we need: i.e. who in our membership has cattle ready for showing, and then what shows are conveniently located to make use of that resource?

We also had suggestions from folk to show animals at field days on third party sites (like Sarah suggested with her neighbour's company) but in the end the complexities and OSH issues tends to put those companies off, once they look into the practicalities of what's involved.

#### **Mystery Creek Fieldays – Graeme Turner**

After many phone calls and enquiries for an entry into Mystery Creek with our cattle at two potential stands has once again hit OSH issues. These are tight at Fieldays. No site available. This option to have cattle at the Fieldays is no longer an option – suggestions of a stall/site at A&P shows or smaller events possible.

### **Merchandise and Facebook – Faye Ashmore**

The Galloway Cattle Society of New Zealand Inc. Facebook page has 356 likes and has been visited on a regular basis in 2017 from both New Zealand and internationally. Great place to put photos up of our stock and publicise our gatherings here in NZ.

Merchandise is available any time of the year through our Gazette and website. Badges, note pads, calving books, bumper stickers and monogrammed hand towels, all are able to be posted anywhere in the world.



## 2018 MEMBERSHIP REPORT

Since the last AGM we have welcomed the following members:

### WHITE – 3

118W Raman Johal, Rangiora

119W Delphine Eastes, Whangarei

120W Joanna Johnson, Darfield

### BELTED – 2

288B Nathan Smith, Te Awamutu

289B Kevin & Prassanee Murphy, Taumarunui

### GALLOWAY – 1

89G Bruce & Pauline Targett, Tasman

### ASSOCIATE – 4

Katrina Faulkner, Drury

Bjorke Scheerder, Greytown

Janina Slee, Oamaru

Stephanie McConnochie & Paddy Berry, Leeston

### NUMBERS OF HERDS – 85

BELTED – 42, WHITE – 38, GALLOWAY – 5

### ASSOCIATES – 21

RESIGNATIONS – 11, half of these were very small herds of 1 or 2 cows. One Associate member resigned.

### CHANGES FROM BREEDER TO ASSOCIATE - 2

During the year, there have been many enquiries from people interested in purchasing cattle, but in the South Island at least there are not enough Whites to satisfy the demand. Some of the Associate members are waiting to purchase and become Breeder members. It is only in the last month or so that we have had larger numbers of cattle available for sale. This should mean an increase in breeder membership, however we are still finding a few breeders selling unregistered cattle to unwary purchasers, which is a concern.

Angela McNaughton.

## BREED MANAGEMENT REPORT – AGM 2018

For the past year council has been reviewing the Society Bylaws which set down the regulations for breeding and registration of our Galloway breeds, and considering the introduction of mandatory DNA testing and inspections of bulls used as Stud Sires.

Members feedback has been sought over the past year with particular reference to DNA testing and sire inspections, since it was previously discussed at last years AGM.

The Southern Galloway Breeders Group completed a two year Pilot Scheme last June whereby all registered cattle were required to undergo an inspection prior to sale. The council appreciates this group's undertaking of the Pilot Scheme and the recommendations they were able to make as a result. Some difficulties were recognised, but in general they concluded that inspections were valuable for both the purchaser and the seller.

We have also received constructive feedback from several breeders over the past year, which Councillors have taken into consideration when making decisions about the continuing management of the 3 breeds of Galloways.

The breed management committee identified a need to simplify the Bylaws particularly in relation to the registration of White Galloways and Appendix White Galloways, as confusion is evident in how PBB records these animals.

During the year Council decided to cease the Upgrading programme as described in Bylaw 22 & 19.4, as at 31 August 2017. This bylaw facilitated White Galloway Appendix females with 50% or more Standard Galloway in their 5 generation pedigree, if mated to a Standard Galloway sire, to have their female progeny (if of solid black, red or dun colour pattern) to be registered in the Standard Galloway Appendix herd book, with the letter W added to their herd book number. Most breeders found this Bylaw confusing by it's description, and research showed that only 7 females had been registered under this Bylaw in 2008 and 2009, and no progeny from these 7 females had been registered since that time.

Due to the limited gene pool available in the breeding of White Galloways, the Council also amended Bylaw 19.2(b) to once again permit Standard Galloway sires or semen to be used to breed White Galloways. This change brings NZ in line with all other countries where White Galloways are bred, as we can see no reason to be different in this respect.

In the year ahead, we will be continuing to review the Bylaws and the Members Manual in tandem to simplify and clarify the information available for breeders.

Comments are always welcome, so contact any councillor with any questions or comments that you may have.

Angela McNaughton

May 2018.

### Genetic Testing: The pro's and Con's

For those requiring more background information on this matter, please see the more detailed material circulated by Council seeking member inputs on the proposal to introduce DNA testing as part of the continuing development and protection of the Galloway breed. Likewise, if you want more detailed technical information on the generation and use of genetic information, please see Ray Curson's articles in issues 2 and 3 of the 2017 Gazette. There is also a great deal of material online on the practicalities of how to conduct testing. A good place to start is the check out the Genomnz site: [www.genomnz.co.nz](http://www.genomnz.co.nz)

Council recommends to the membership that members start collecting DNA material, on their sires initially, for the following reasons:

- **In the short term:**
  1. It is a means of confirming accuracy of parentage. We propose starting just with sires, but there is nothing to stop members testing their dams as well
  2. In a legal context, having this information protects a breeder in any dispute over parentage after selling an animal
  3. When negotiating a sale, having this test information confirms the animal, or his offspring, are who they are claimed to be, and gives confidence to a buyer
  4. A DNA profile only needs to be done once in the lifetime of the animal. Genetic material and profiles are kept on file on a permanent basis by the Company that has done the testing. Therefore an owner of an animal (which they have purchased) can access the information for historical data if they need to prove parentage of their calves
- **In the longer term:**
  1. Breeders, or their association, can start to build a history of genetic indicators for their bulls that would be positive indicators of birth weights, weight gain and put in place a structure to be able to trace desirable genetics or genetic problems.
  2. It will help us build a story for the use of Galloway bulls over dairy cattle. See this link for an idea of where the Angus Association is heading on this matter: <https://gallery.mailchimp.com/9c245920f0d0bedc002fb8945/files/ProgenyTests2016.pdf>
  3. Other breed associations are much more advanced on this matter than NZ Galloways. These breeds are using genetic information to justify higher pricing for their pedigree animals (check out the Hereford, Simental and Angus websites). We should be concerned about them starting to use genetic information to challenge our dairy market
  4. Costs differ by testing company but are around \$40 per animal for the basic test, ranging to \$70+ for more detailed reports.
  5. Tests can also indicate any genetic disorders a breeder needs to be aware of
  6. For a small extra charge DNA from key animals can be stored long term allowing new tests as the technology advances

As with all new initiatives, there a few other factors to consider. Namely:

- A little paperwork, but straight-forward after one does their first sampling and submission
- Clarity is needed around the test to be used as not all tests cover all present and possible future requirements for a breed
- There is a financial cost, and smaller breeders may not see the ROI on the spend
- And someone has to do it; that's another thing in a busy day.

#### Next steps:

Council will develop the process and procedures to implement DNA testing and inspection of all sires By January 2019. Note that this does not affect the normal registration process for bull calves