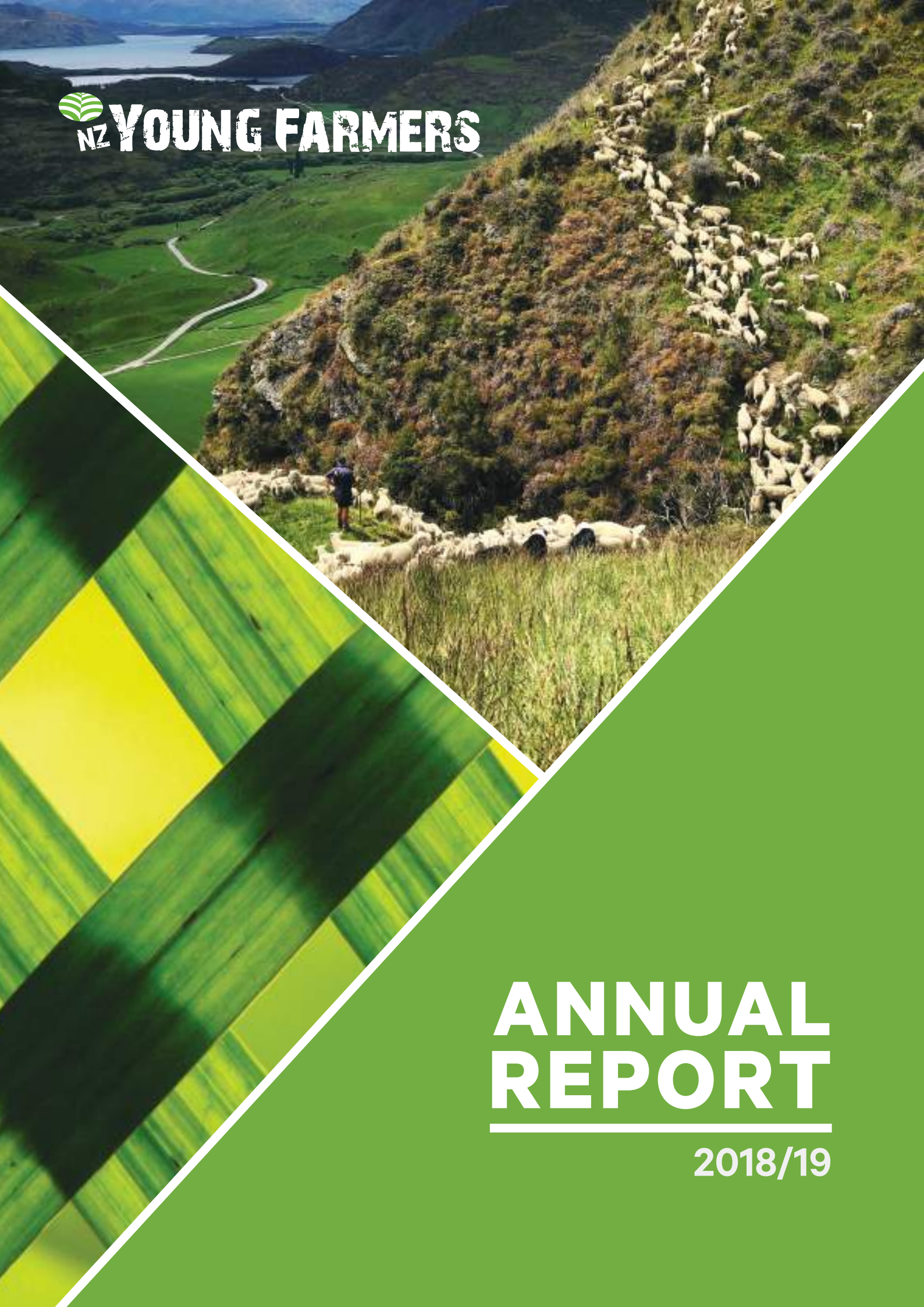




NZ YOUNG FARMERS



ANNUAL REPORT

2018/19



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Photo: Sarah Scott

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Photo: Ethan Morris

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Photo: Chelsea New

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ABOUT US

NZ Young Farmers (NZYF) is a non-profit organisation with a focus on connecting communities and helping to grow future leaders.

It operates a network of almost 80 NZYF clubs across the country, each with their own identity and community spirit. They are backed by a national organisation, which is governed by an eight-member board.

The clubs are progressive and provide a venue for young people to develop their leadership and personal skills. They're a place where members can network with like-minded individuals and make friends for life.

People don't need to be a farmer to join - all they need is a passion for the agriculture, food and fibre sectors.

NZYF is a participation-based organisation and all members are encouraged to be active in their clubs' activities and to take advantage of opportunities that come their way.

The organisation runs the iconic FMG Young Farmer of the Year contest, FMG Junior Young Farmer of the Year and AgriKids contests, along with stock judging, clay target shooting, fencing and debating competitions.

In 2017 NZYF took ownership of a 74-hectare dairy farm in Auckland. It was gifted to the organisation by the late Donald Pearson. The farm's location provides an unrivalled opportunity to get urban students excited about career prospects in the food and fibre sector. Its future as an educational farm is being mapped out.

NZYF has a well-respected national engagement team, who works with schools to get students and teachers excited about opportunities in the primary industries. We run popular Teachers' Day Out events, leadership camps and provide free cross-curricular teaching resources through www.agrication.co.nz while offering any needed support along the way.

NZYF also operates a growing network of TeenAg clubs in high schools across New Zealand. The clubs are designed to help attract students into the agri-food sector and hone their leadership skills.

Each year more than 1,000 students participate in regional and grand finals of FMG Junior Young Farmer of the Year and the AgriKids competitions.

NEW ZEALAND YOUNG FARMERS MEMBERSHIP

NZYF MEMBERS (BY REGION)

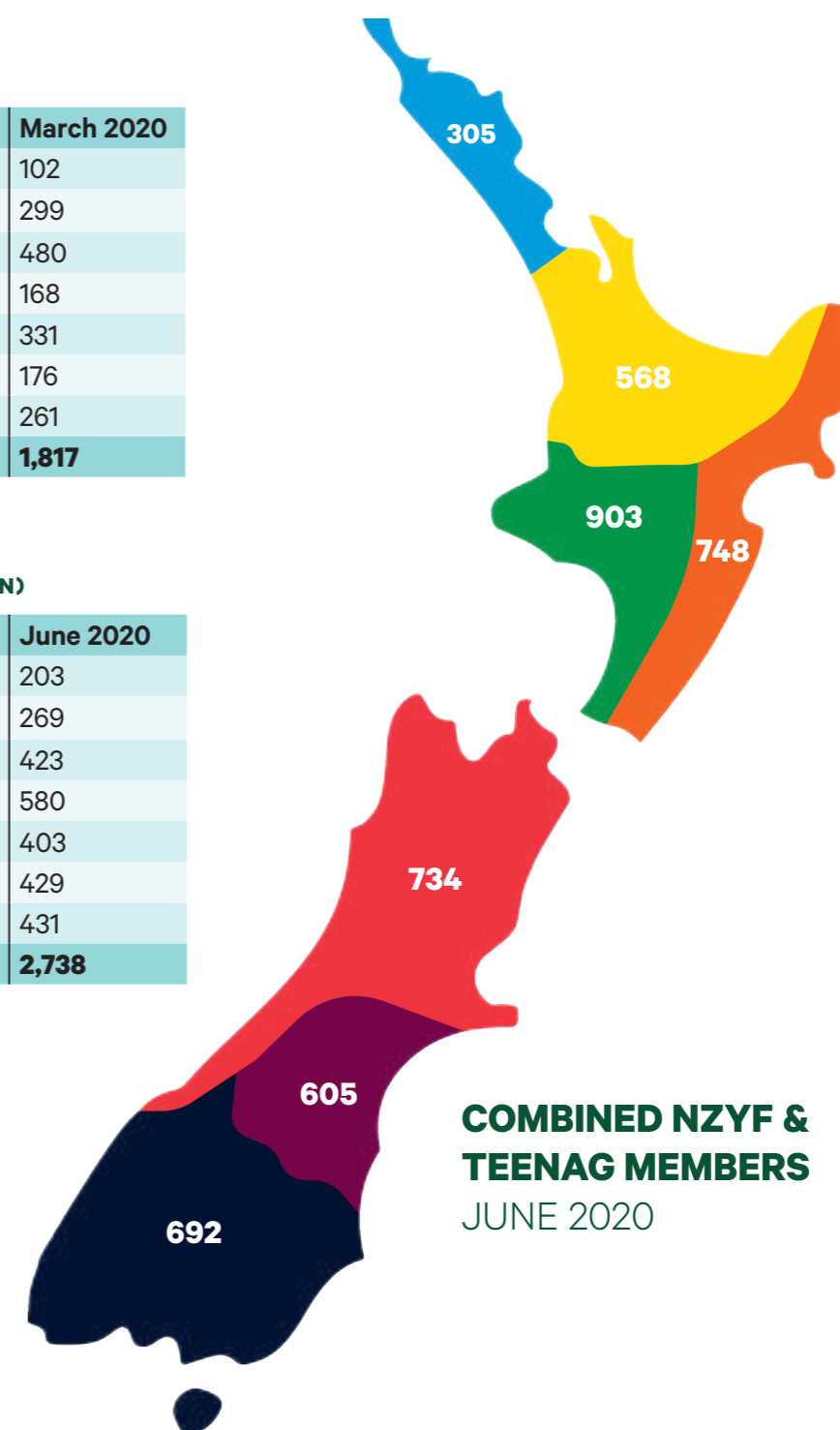
Region	June 2019	March 2020
Northern	94	102
Waikato / Bay of Plenty	239	299
Taranaki / Manawatu	468	480
East Coast	173	168
Tasman	292	331
Aorangi	203	176
Otago/ Southland	275	261
TOTAL	1,744	1,817

Number of Young Farmer Clubs: 75

TEENAG MEMBERS (BY REGION)

Region	June 2019	June 2020
Northern	209	203
Waikato / Bay of Plenty	241	269
Taranaki / Manawatu	372	423
East Coast	518	580
Tasman	347	403
Aorangi	382	429
Otago/ Southland	410	431
TOTAL	2,479	2,738

Number of TeenAg Clubs: 97



NEW CLUBS ESTABLISHED

Central Campus Young Farmers Club (Cromwell)

Kaikoura Young Farmers Club

MESSAGE FROM THE C.E.O

2018-20



LYNDA COPPERSMITH

My first full year as CEO was certainly an eventful one. More recently we, like other businesses across NZ have had to quickly respond to the requirements to stop the spread of Covid 19. I'm incredibly proud of how the NZ Young Farmers members and staff have adapted to changes we've had to make to how we operate. We've all had to embrace video conferencing tools and webinars as a way to connect and communicate. These changes have been forced upon us and I have no doubt that they will result in permanent changes to how we operate.

Financials

We continue to have an unrelenting focus on controlling and minimising costs while delivering value to our members. I'm pleased to report that this continued focus is paying off and we have managed to make further savings in the last financial year. Moving forward we are focused on building a financially sustainable business model that will deliver on our strategic objectives. AgMardt has supported us in recent months to research and design a sustainable business model that we can transition too over the coming years.

FMG Young Farmer of the Year

2019 FMG Young Farmer of the Year was a huge success. James Robertson has proven to be an excellent champion and has made the most of his role. We are very pleased that he agreed to continue in the role of current champion for a second year.

After four North Island Regional Finals were completed, we sadly had to cancel the remainder of the 2020 FMG Young Farmer of the Year contest. This was the first time in its 52 year history that this iconic event has been cancelled. It was a difficult decision to make but given the threat of COVID-19, we felt it was best to ensure the safety of all of our contestants, members, staff, sponsors and supporters. That said it has been wonderful to continue with the Grand Final of FMG Junior Young Farmer and AgriKids using a modified, online format with the help of our clubs across the country. I'd also like to give a massive thanks to our family of contest sponsors who have continued to support us despite the challenges that COVID-19 has put in front of us and the cancellation of this year's contest. We appreciate your commitment and look forward to working with you to deliver a successful 2021 season.

Membership

Membership numbers for NZ Young Farmers Clubs have stayed stable, with no mass growth over the last year. We're working to deliver all the answers to questions around the value of being a paid member and our continued focus on growing member benefits and working with partners is paying off. We will soon be announcing an exciting range of new benefits with partners such as FMG, Farmlands and Betacraft. There are some key benefits that membership fee's pay for that help each Club. First and foremost, without the charitable status of NZ Young Farmers overall, clubs would be unable to fundraise. Every year, National office has to reapply for charitable status for all clubs. We spend a lot of time working with partners and funders to get financial support. This support pays for the club resources and tools that our Membership Manager maintains and updates regularly. It also pays for leadership and governance training for NatCom and the NZ Young Farmers Board. Most recently, we were able to attain funding to scope and design a new digital website and app that will provide lots of benefits to clubs and members including efficient tools for running club meetings and events.

We want to continue to provide webinars and events that give our members the opportunity to learn and grow. Going forward, the wellbeing and success of all of our members will continue to drive everything we do.

DPFL

2018/2019 was a difficult year for the Donald Pearson Farm (DPFL). There were some management issues that needed to be resolved which unfortunately took the focus off delivering on the strategy that we had put together with your help.

I'm pleased to say that DPFL is back on track. NZYF members have really taken hold of the day to day management of the farm with Sam Waugh recently taking over as Farm Manager and Rachel Stewart taking over the accounts.

Sam is committed to delivering on the legacy of Donald Pearson and making DPFL a fantastic place for young people to visit to learn about farming. Of course his first challenge is recovering from the prolonged and severe drought that has affected the area recently. Thankfully some rain is starting to fall but we still need plenty more.

What are we working on now?

With the scope and design of the new digital platform complete, we are seeking funding to implement this. The digital platform will form part of a wider piece of work to transition to a financially sustainable business model over the next few years. One that delivers support to all of our members to be successful. Whether that be support for their education, careers, health and wellbeing, employment or just making new friends, we want our members to achieve success.

We will continue to focus on how we can keep improving the FMG Young Farmer of the Year contest so it can continue to showcase the excellent young people we have in our agriculture, food and fibre sectors.

Ngā Mihi,
Lynda Coppersmith

MESSAGE FROM THE CHAIR

2018-20



ASH-LEIGH CAMPBELL

Kia ora koutou,

The past year has certainly been a roller-coaster, bringing excitement, challenges and moments of reflection. Terms like unprecedented, pivot and a 'once in a century event', have been continuously used and as an organisation we too have had to respond to the realities of Covid-19.

At the 2019 Annual General Meeting in Napier we had two new elected board members join the National Board; Kent Weir from the Waikato/Bay of Plenty region, Robert Barry from the East Coast region, and new Independent Director Catherine McMillian.

Our key focus the past 12 months has been continuing to strengthen our financial position and defining the short-term and long-term objectives for the organisation, all whilst supporting our Chief Executive Officer Lynda Coppersmith to deliver the new strategy and key projects such as the digital platform and sustainable business model.

The National Board's primary focus over the past 12 months has been continuing to ensure a break-even budget position for the 2019/20 financial year. This is currently on track and we continue to seek additional revenue opportunities that align with the purpose and values of the organisation whilst enabling a sustainable future for our members and industry partners. The initial scope and design report of the digital platform has been completed and submitted to The Ministry of Primary Industries (MPI) and we are strongly placed to be a key player in the primary sectors bid to interact with younger people.

Earlier this year, the Donald Pearson Farm Board (DPFL) appointed Sam Waugh as its new Farm Manager. Sam is a veteran Young Farmers member who has served as Chairman of the Lincoln Club, Christchurch District, Tasman Region and was a previous National Board member. Many of you will be familiar with the drought that has affected large parts of the North Island and understand it has been a very hard season for farmers. Alongside a severe drought the DPFL board has had to persist with high capital costs to ensure compliance and management challenges are met. Creating an actionable strategy and a sustainable financial model continues to be the highest priority as we move into the 2020/21 season, as is to improve soil fertility and pasture management. Despite the tough environmental factors, with a new farm manager at the helm, both the DPFL and National Board are encouraged that we are closer to enacting Donald's wishes for the farms use, which included having a Young Farmers member sharpen their trade.



For the first time in its 52-year history, the FMG Young Farmer of the Year Grand Final was cancelled due to Covid-19. Like many other businesses, organisations and events across New Zealand and the world, we needed to respond quickly and implement safety measures to limit the spread of the virus. This contest is certainly an annual highlight for all involved and whilst we are disappointed not to be gathering this July in Christchurch, we see this as an opportunity to take stock and evaluate all aspects of the contest to ensure its success for the next 52 years. I'd like to congratulate the events team for quickly creating an online version for the Junior FMG Young Farmer of the Year contest which is set to be a very exciting challenge for the future leaders of our industry.

I would like to take this opportunity to thank Rebecca Brown (Bexx) and Alastair Neville (Ali) for their service to the organisation as they step down from the Contest

Board. Both Bexx and Ali have served on the board since its creation four years ago and were previously Contest Regional Managers. Bexx as Contest Chair has a wealth of knowledge and is a passionate ambassador for the Contest which has been integral in our journey to improve cohesion between the National Board and Contest Board. I wish both Bexx and Ali all the best in their future endeavours.

I would also like to take this opportunity to thank all our members and volunteers who are the backbone of Young Farmers. You put a significant amount of time into organising events, partaking in the competitions, and running the number of clubs we have throughout the country. You all exemplify everything Young Farmers stands for; connection, community, and nurturing the future success of the primary sector.

Thank-you to the many supporters of Young Farmers, including the sponsors and industry partners who continue to invest in the people and initiatives within our organisation. You are an integral part of our Young Farmers whanau and these relationships enable us to continue creating success for our young people.

Lastly, I would like to thank Lynda and the staff of Young Farmers who all dedicate vast amounts of their energy to making our organisation as successful as it can be. This has not been an easy year, yet you have acknowledged these realities with grace and risen to the challenge.

I have confidence in the future direction that Young Farmers is heading and look forward to another successful year ahead. Kia kaha, kia mārū, kia atawhai (be strong, be calm, be kind)

Nāhaku noa,

Nā Ash-Leigh Campbell

OUR VALUES



**WE
ARE**



ALL LEADERS



PROUD



PASSIONATE



**ONE
TEAM**



RESPECTFUL



WE ARE

OUR VISION:

**CREATING SUCCESS
FOR OUR YOUNG
PEOPLE IN THE
PRIMARY SECTOR**



OUR STRATEGIC PILLARS:

**EXCITING
YOUNG PEOPLE
ABOUT THE
OPPORTUNITIES
FROM Paddock
TO PLATE**



**DEVELOPING AND
NURTURING OUR
LEADERS OF THE
FUTURE**



**SUPPORTING
DIVERSE AND
THRIVING
NEW ZEALAND
YOUNG FARMER
CLUBS**



**SHOWCASING
THE TALENT,
ACHIEVEMENTS
AND INNOVATIONS
OF OUR YOUNG
PEOPLE**



**SUPPORTING
SUCCESSFUL
FOOD AND
FIBRE SECTOR
WORKPLACES
AND CAREERS**



**WELLBEING
WILL BE AT THE
CENTRE OF
EVERYTHING
WE DO**



OUR PURPOSE

**WE EXCITE, CONNECT
AND NURTURE
YOUNG PEOPLE IN
THE PRIMARY SECTOR**

 **NZ YOUNG FARMERS**



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PEOPLE




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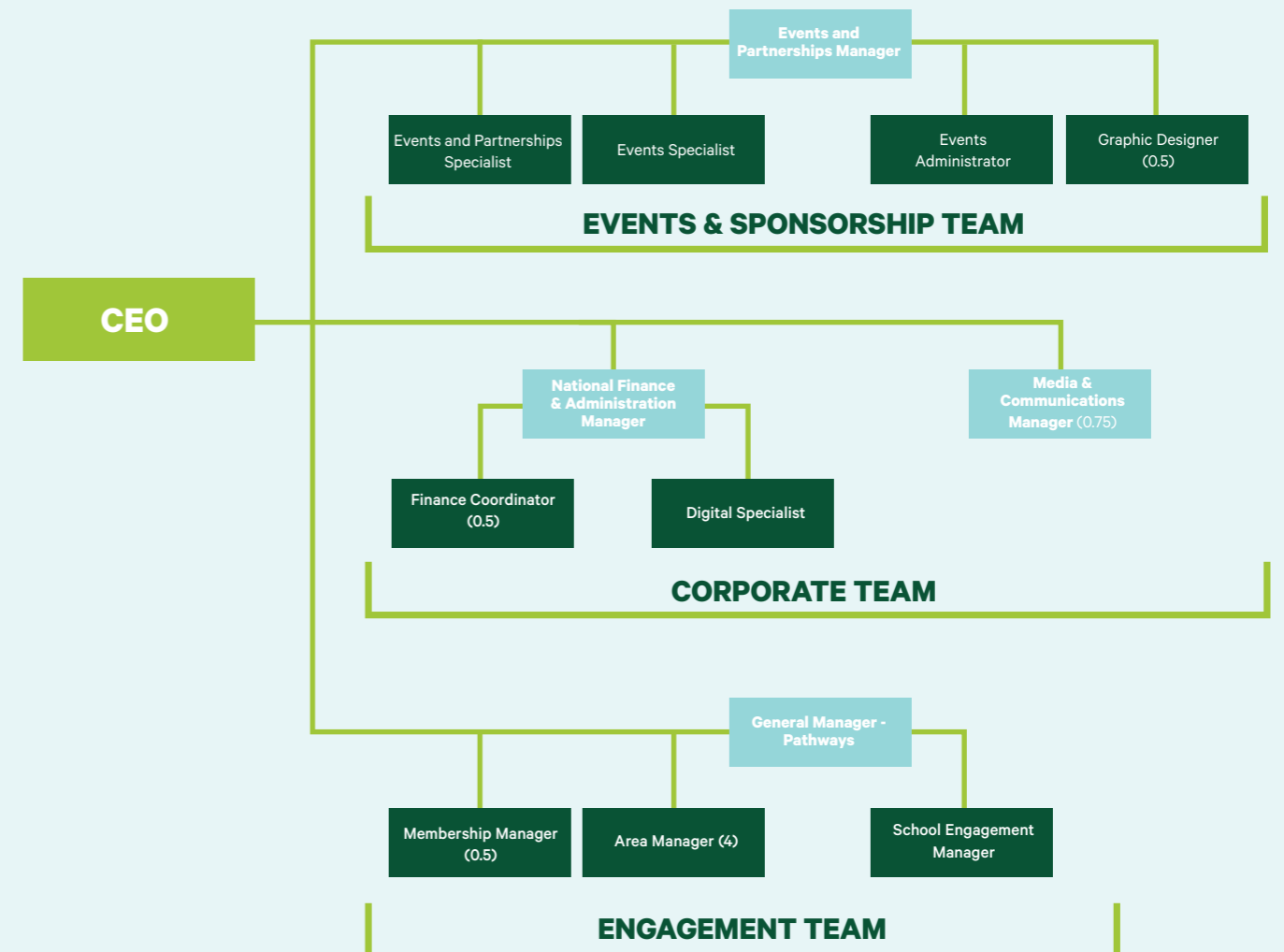


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YEAR IN REVIEW



Photo: Gabriel Maxwell

DONALD PEARSON FARM

The late Donald Pearson gifted his 74 hectare farm in Brookby, Manurewa to NZ Young Farmers for the purpose of encouraging young people into the agricultural sector.

The farm milks 100 jersey and 10 shorthorn cows, operating as a commercial dairy farm.

Under NZYF ownership, this farm continues to operate as a best-practice commercial dairy farm, with the future aim to utilise the farm and the way in which it is operated, as an outdoor classroom or learning centre for NZYF members and the wider community.

DONALD PEARSON FARM APPOINTS NEW FARM MANAGER

The Donald Pearson Farm, owned by New Zealand Young Farmers welcomed a new Manager on board after a lengthy search.

Sam Waugh, 27, took up the role on 20th April as the new Farm Manager, bringing a raft of experience in dairy farming as well as different farming systems.



Chair of the Donald Pearson Farm (DPF) Board, Julie Pirie, says it was a long process to find the right candidate for the role.

“This position is a sole charge one, with responsibility for managing the farm, reporting to the board and hosting visitors. The successful applicant needed to be well organised, a good communicator and enthusiastic because the role of farm manager is effectively our CEO,” she says.

Sam’s strengths, she believes, are communication, organisation and pragmatism as well as a willingness to seek help and advice, which she knows will improve his skills along the way.

The DPF Board was hoping to attract a Young Farmers member to the role - which Sam brings, with a long history involved in the organisation including as Chairman of the Lincoln Club, Christchurch District, Tasman Region and a previous NZYF Board member.

“The late Donald Pearson was hoping that his farm could be managed by a Young Farmer looking to learn skills of a dairy farmer and help the next generation. I think he would be proud to see Sam on his farm, fulfilling that wish,” Julie says.

Raised on a dairy farm and feed mill in the Manawatu, Sam holds a Bachelor of Agri-Commerce from Lincoln University.

Excited to start a new challenge with the Donald Pearson Farm, he says it’s a privilege to have been appointed.

“I have a broad range of skills that I bring to farm with knowledge from a wide variety of different farming systems, and I’m keen for a new challenge. I am also very excited to be involved with developing the farm both from a farming perspective, but also in its role of encouraging the younger generation into the agricultural sector. I really believe the Donald Pearson Farm can be a great asset to our industry, so I feel very privileged to have the chance to be involved with that,” he says.

He brings four years’ experience as a Dairy Farm Advisor with Farm Right in Canterbury as well as two years working in different farming systems in the United Kingdom with wife Liana.

“I worked on a 3,500 hectare cropping farm in the UK where the business was also developing a small beef unit. They operated a commercial grain store, did straw bale contracting where they bale about 100,000 bales per season and ran a large game bird shoot. During my time in the UK I learnt a lot about farming systems in the northern hemisphere, and gained a much greater appreciation for the way in which we farm in New Zealand,” he says.

Speaking of his involvement with Young Farmers, he says he first became a member when he moved from the Manawatu to Lincoln University on the day of the February Earthquake.

“All of the roles I have had within Young Farmers has provided a huge learning for me, and has helped me make great friendships across the country,” he says.

With two difficult seasons on the farm, the Donald Pearson Farm Board has had to persevere through high capital spending and management challenges as well as a severe drought, which is still impacting the farm.

Drought conditions forced the herd to be dried off on February 25th, with only 25mm of rain falling in the month following.

Milk production was initially up 25 percent until Christmas 2019 but with the early dry off, finished with a disappointing 26,144 kg MS.

Last season, the farm produced 26,370 kg MS.

The early dry off was done to preserve feed and cow condition. The drought meant the farm had got to a stage where costs were higher than the production achieved.

The departure of Manager Jess Thomson opened up the role for Sam Waugh, who took over the position in April.

The focus for the DPF Board for the coming season is to improve soil fertility and pasture composition.



Farm Manager Sam Waugh, shares the same vision.

“My priorities for the coming season are to improve pasture quality, increase pasture harvested helping to increase production efficiently, as well as improving the quality of fencing on the property,” he says.

Julie Pirie says the DPF Board is looking forward to helping Sam achieve Donald Pearson’s vision for the farm, including milking 10 Shorthorns – keeping Pearson’s favourite breed on the farm.

COVID-19 RESPONSE

Due to the COVID-19 outbreak, NZ Young Farmers was forced to cancel the remainder of the FMG Young Farmer of the Year 2020 Contest including Grand Final which was set to be held in Christchurch at the start of July.

The announcement to cancel the season was made on Wednesday the 1st of April.

Like other businesses, organisations and sporting events, we needed to respond and do our part to limit the spread of the virus.

Four North Island Regional Finals were held before the COVID-19 outbreak, however Aorangi, Tasman and Otago Southland Regional Finals were postponed from the 16th of March as the Government started to introduce restrictions on mass gatherings and events.

The three remaining FMG Junior Young Farmer of the Year and AgriKids Regional Finals were moved to an online format which the team worked extremely hard to reformat.

Before the severity of the outbreak became clear NZYF had looked at the possibility of holding the South Island FMG Young Farmer of the Year Regional Finals at a later date or in a closed door format.

It became clear from the 21st of March when Government Alert Levels were announced, that holding any form of FMG Young Farmer of the Year Regional Final was off the cards as the country prepared to move to a full lockdown on March 26th.

NZYF CEO Lynda Coppersmith said it was the first time in the contest's 52-year history that the Grand Final and remaining Contest season had been cancelled.

"I appreciate this decision will be disappointing for everyone involved

with the FMG Young Farmer of the Year Contest, but for the safety of competitors, volunteers, spectators and sponsors it's the right thing to do," Coppersmith said on April 1st.

"I'd like to acknowledge all of our competitors this year and in particular highlight the efforts of our four Grand Finalists for 2020 who support the decision and appreciate the unique situation we're all in. We also want to thank our South Island Regional Finalists for their patience as we worked through the postponement of their Regional Finals," she said.



In the interests of being as fair as possible to the contest and the competitors affected, the Contest Board introduced a new set of rules for the 2021 contest season for the four 2020 North Island Grand Finalists and the 28 competitors who qualified for the cancelled Regional Finals.

All would need to requalify for Regional Finals for the 2021 contest season, a one year age extension was implemented and restrictions on the number of Grand Final and Regional Final qualifications was revoked.

The four Grand Finalists – Lisa Kendall, Northern, Mitchel Hoare, Waikato Bay of Plenty, James Lawn, Taranaki Manawatu and Joseph Watts, East Coast – have kept their regional FMG Young Farmer of the Year titles.

FMG Young Farmer of the Year 2019, James Robertson would continue as the reigning champion until the 2021 season.

Robertson supported the cancellation of the 2020 contest season, calling it a big decision but the right one to make.

"This will be disappointing news for everybody involved, two weeks ago we never thought we would be in the current situation, which has created uncertainty for NZFY members, staff,



contestants and the family of sponsors. But in these extraordinary times our community's health undoubtedly comes first," he said at the time.

Robertson said his thoughts were with those who qualified for Grand Final, as well as the South Island competitors who did not get to compete.

"Countless hours and even years of planning goes into preparing for the FMG Young Farmer of the Year Grand Final, but this time has not gone to waste. I have no doubt the contestants will demonstrate their resilience and begin thinking about the fast approaching 2021 contest season," he said.

As the principal sponsor of the Contest, FMG fully backed NZYF's decision.

FMG would continue to work with NZYF, its Board and the FMG Young Farmer of the Year Contest organising committee, along with other sponsors, to prepare for the 2021 season.

The 2021 FMG Young Farmer of the Year Grand Final would be held in Christchurch, as was planned for the 52nd season.

2020 FMG YOUNG FARMER OF THE YEAR REGIONAL WINNERS



LISA KENDALL,

Northern FMG Young Farmer of the Year 2020

Franklin Young Farmers

28 years old

Business owner Nurture Farming LTD, Farmlands Assistant Business Manager, part time Personal Trainer

Previous Grand Finalist 2017, 4th place

Lincoln University Alumni and Massey University Graduate



JAMES LAWN,

Taranaki Manawatu Young Farmer of the Year 2020

Inglewood Young Farmers

30 years old

Business Manager, Parininihi ki Waitotara Farms Taranaki

Previous Grand Finalist 2017, 5th place

Massey University Alumni



MITCHEL HOARE,

Waikato Bay of Plenty FMG Young Farmer of the Year 2020

North King Country Young Farmers

24 years old

Second in Charge, sheep and beef station, Te Kuiti

First time competitor

Waipaoa Cadet and Lincoln University Alumni



JOSEPH WATTS,

East Coast FMG Young Farmer of the Year 2020

Tikokino Young Farmers

29 years old

PGG Wrightson Technical Field Representative

Previous Grand Finalist 2019, Runner up FMG Young Farmer of the Year

Massey University Alumni



IN RECOGNITION OF 2020 FMG YOUNG FARMER OF THE YEAR **REGIONAL FINALISTS**

CELEBRATING SUCCESS

FMG JUNIOR YOUNG FARMER OF THE YEAR 2020



AORANGI 2020 REGIONAL FINALISTS



Adam Judd Campbell Somerville George Smith George Webster Hamish Holland James Hurst Jesse Wilde Scott Middleton

TASMAN 2020 REGIONAL FINALISTS



Becky Rickard Dean Gardiner George Gill Jack Taggart Jeremy Kilgour Jonny Brown Kendal Buchanan Scott Abrahamson

OTAGO/SOUTHLAND 2020 REGIONAL FINALISTS



Adam Callaghan Adam Dale Andrew Cowie Angel-Lee Woods Josh Johanson Lee Hodsell Peter Templeton Tom Blackmore



FMG JUNIOR YOUNG FARMER OF THE YEAR **GRAND FINALISTS 2020**

AORANGI GRAND FINALISTS



Hannah & Nicole Geraldine High School James & Robert Geraldine High School

EAST COAST GRAND FINALISTS



Guy & Tristin Napier Boys High School Jock & Thomas Rathkeale College

NORTHERN GRAND FINALISTS



Nick & Zoe Okaihau College Sean & Archer Whangarei Boys High School

TASMAN GRAND FINALISTS



Fergus & Marshall St Andrews College Mac & Jack St Bede's College

OTAGO/SOUTHLAND GRAND FINALISTS



Josh & Ollie Northern Southland College Millar & Ryan Tokomairiro High School

WAIKATO/BAY OF PLENTY GRAND FINALISTS



Alex & Alex Te Awamutu College Luke & Fergus Putaruru College

TARANAKI/MANAWATU GRAND FINALISTS



Phoebe & Anna Feilding High School Renee & Holly Feilding High School

CELEBRATING SUCCESS

AGRIKIDS 2020

HIGHLIGHTS



GRAND FINALISTS 2020

EAST COAST GRAND FINALISTS



Bush Boys – Kumeroa School
Tiko Top Dogs – Tikokino School/ Hereworth School
Farmyard Chickens – Ruahine School

TASMAN GRAND FINALISTS



Future Farmers – Oxford Area School
The Ramz – Seddon School
Clever Cows – Seddon School

WAIKATO/BAY OF PLENTY GRAND FINALISTS



Mixed Breed – St Mary's Putaruru
Cream of the Crop – Waikite Valley School
The Cow Girls – Bethlehem College, St Mary's Putaruru, Kuranui Primary

AORANGI GRAND FINALISTS



Farmwise – Longbeach School
Hinds 1 – Hinds School
AgriSeeds – Longbeach School

NORTHERN GRAND FINALISTS



Kamo Koolios – Kamo Intermediate
Kamo Dream – Kamo Intermediate
O.C Cuts – Okaihau College

OTAGO/ SOUTHLAND GRAND FINALISTS



Dipton Dynamites – Dipton School
West Otago Rams – Blue Mountain College
Funky Farmers – Winton Primary School

TARANAKI/MANAWATU GRAND FINALISTS



Carncot Green – Carncot Independent School
Mak Trappers – South Makirikiri School
The Three Little Biggs – Mount Biggs School





JAMES ROBERTSON 2019 FMG YOUNG FARMER OF THE YEAR

James Robertson made FMG Young Farmer of the Year history when he took out the 2019 title.

At just 22 years old, he became the youngest ever winner at the Hawke's Bay Grand Final in the contest's 51st season.

But it doesn't stop there - he became the first person ever to have taken out both FMG Young Farmer of the Year and the Teen Ag Grand Final in 2013 (now FMG Junior Young Farmer of the Year).

With the cancellation of the 52nd contest season due to COVID-19, he's also the only person to have carried the title for two consecutive years.

Robertson said in 2019, that becoming FMG Young Farmer of the Year was a dream come true and had always been a goal he wanted to achieve since watching the contest on TV as a child.

Based in Auckland, he is a Technical Assistant for Fonterra's Managing Director of Co-operative Affairs, and has ticked off many other achievements since his win as the reigning FMG Young Farmer of the Year.

As part of his \$75,000 prize package, Robertson travelled to Ireland where he attended the World Ploughing Championships and also managed to place 1st in an Irish Young Farmers tractor handling competition.

While in Ireland, he joined the Callaghan Innovation New Zealand Agritech Delegation, presented a session on Sustainability in New Zealand farming and attended a range of meetings at the New Zealand Embassy.

Closer to home, he has sat in on Primary Production Select Committee meetings at Parliament, met with Government Minister's to discuss a range of issues impacting the next generation of farmers and also presented and ran sessions in schools around Auckland about opportunities in the agriculture sector.

He's worked with WorkSafe on a number of initiatives and also been a popular interviewee in the media space, featuring in many newspaper articles, radio interviews for Rural Exchange, The Country and television interviews with The Project and TVNZ's Sunday programme.

He was also recognised as a 2020 Finalist for the incredibly prestigious Australasian Zanda McDonald award, where he will attend the Platinum Primary Producer Conference at the end of the year.

He's become the Chairman of the Auckland Club for 2020, convened a District Final and unfortunately had a busy calendar with many other opportunities, cleared due to COVID-19.

Some of those opportunities included being a guest speaker for the Massey University Graduation in May and a trip to Rotterdam, Holland, to attend and compete at the International Food and Agribusiness Management Association case study competition.

Robertson said having won FMG Young Farmer of the Year opened a myriad of doors and opportunities.

"The past twelve months have been mind-blowing, things haven't stopped. The more you say yes, the more frequent opportunities arise and since the Grand Final in 2019 this has certainly been the case," Robertson said.

"Having the chance to travel and represent the contest, NZ Young Farmers and the sector has been really humbling and created an amazing learning environment for my longer-term ambitions. The FMG Young Farmer of the Year Contest has accelerated my journey and career, which I'm truly grateful for."



2019 FMG JUNIOR YOUNG FARMER OF THE YEAR WINNERS

Finn Beamish, 17, and Matthew Halford, 17, took out the 2019 title for FMG Junior Young Farmer of the Year.

The pair from Napier Boys' High School came second in the 2018 grand final in Invercargill and credited that experience to their victory.

"It was awesome to get another crack at the competition, we're both rapt that we won. It was great to have been

through the process before, it meant we knew where we needed to improve," said Finn at the time.

The pair enjoyed the New Holland police tractor the most, with other modules including the installation of a farm water system using Hansen products, spotting safety faults on a piece of agricultural machinery and sitting an agri-business exam.

"We had to drive a tractor towing a trailer loaded with silage bales and a police officer pulled us over to question us about road rules."

The overall prize pool for the FMG Junior Young Farmer of the Year was more than \$9,000, which was the largest ever.

2nd place - Guy von Dadelszen, 16, and Macabe King, 16, Napier Boys' High School

3rd place - Jacob Price, 17, and Patrick Foley-Smith, 17, Geraldine High School

Competitor of the Year - Alex Fitzgerald from Te Awamutu College.



2019 AGRIKIDS WINNERS

Shamus Young, 13, Archie Chittock, 12, and Flynn Hill 12, from Blue Mountain College were named the AgriKids Champions.

The talented trio from Tapanui in West Otago met at lunchtime three days' a

week to grow their skills and knowledge of the agri-food sector.

"We're so excited. It's an awesome result. We've been doing a lot of study in the lead-up to the final," said Archie at the time.

Modules included livestock breeding and genetics, farm safety, fuel storage, healthy soils, an agri-sector quiz and a race-off.

"Our favourite module involved checking the sprockets and fitting the chain onto a two-wheeler Honda farm bike," said Shamus.

2nd Place - Seth Jones, Zane Brown and Sam Henwood, from Kamo Intermediate, Northland.

3rd Place - Ruby Giera, Lachlan Rooney and James Clark, from Mt Somers Springburn School, Ashburton.

Competitor of the Year - Ben Cairns from Limehills School in Southland.



NZ YOUNG FARMERS HIGHLIGHTS

TEENAG HIGHLIGHTS



George Gill travels to China on second Prime Minister's Scholarship



James and Chloe Davidson start Roan Farm, selling glass bottle A2 milk door to door



Marton Young Farmers' Celebrates 80th Anniversary



14 lower North Island teenagers attend three-day Raising the Standards leadership programme



130 Teenagers attend TeenAg skills day in Feilding



Alex Argyle, 16, accepted for Cadetship at Pukemiro Station



Megan Hands sworn in as Environment Canterbury Councillor



Nigel Woodhead launches new vision as part of Primary Sector Council



NZYF Board Chair Ash-Leigh Campbell named Dairy Woman of the Year



Phoebe Smails' highly praised by Minister of Agriculture, Damien O'Connor



Six Teen Ag members head to USA as part of sought after exchange.



Teen Ag Clubs go head to head at the Allflex Clash of the Colleges as part of the Ford Ranger New Zealand Rural Games



Phoebe Topp awarded Prime Minister's Scholarship and Silver Fern Farms' Scholarship



Samantha Tennant visits the USA as part of the International Federation of Agricultural Journalists Alltech Young Leaders programme



Te Puke Young Farmers send feed to drought stricken Hawke's Bay farmers



Te Awamutu students learn about the role of robotics in the agri-food sector



Georgia Whitworth, represents New Zealand at the Agricultural Australia Show, winning the Beef Judging section.



Urban schools visit farms nationwide, to learn the about the agricultural sector.

2019 NZ YOUNG FARMERS EXCELLENCE AWARDS WINNERS



LISA KENDALL,
FRANKLIN YOUNG FARMERS

Was recognised for her outstanding leadership and contribution to the agriculture, food and fibre sectors.

She started her agri contracting and sheep milking business, Nurture Farming in 2016 and uses it to positively promote the food and fibre industry.

She is at the forefront of on-farm innovation with sheep milking – developing sheep milk soap and hoping to expand into cheese and produce manufacturing.



WILLIAM ROBERTSON,
MASSEY YOUNG FARMERS

Was nominated for his impressive ability to excel in anything he puts his mind to – particularly academically.

He studied in China on a Prime Minister's Scholarship for a semester and also travelled to Thailand as part of a second Prime Minister's Scholarship.

He's currently studying a Bachelor of AgriCommerce, majoring in international AgriBusiness under scholarships from DairyNZ, FMG and Massey University.



KAHLIA FRYER,
TIKOKINO YOUNG FARMERS

Convened the 2019 FMG Young Farmer of the Year Grand Final and also sat on the governing board of Hawke's Bay Netball.

She said it was awesome to be recognised by her peers who nominated her for the award.

"It's a way of me expanding my governance skills and contributing as a youth and a woman in leadership."

2020 WORLD CONGRESS CHARITABLE TRUST SCHOLARSHIP WINNERS

The World Congress Charitable Trust awards cash scholarships worth \$1,500 each to two Young Farmer's members who are studying or intending to study agriculture or related topics.

Now in it's 47th year, there was a record amount of entries for the 2020 World Congress Charitable Trust Scholarship which have contributed to more than 100 member's educations.



RACHEL GOODIN

The former Hauraki Plains College Student started studying at Victoria University of Wellington at the start of 2020 with the aim to focus on mental health and the wellbeing of rural communities through a conjoint Bachelor of Health Science and Arts.

Rachel grew up on a dairy farm near Te Kauwhata and is a big believer in change through holistic health.

"I want to be the beginning for change in reducing the stigma surrounding mental health and consequently, influence the next generation to become an accepting community," she said.

"With all the stigma and stereotypes around depression in rural communities, it's really hard for people who live in rural communities to be themselves sometimes and I feel like it's a responsibility of mine, because of my passion, to address that issue."

The high achiever wanted to see where her double degree majoring in Health Promotion and Psychology and Education would take her, but also planned to study her Masters and PHD.



OLIVIA BUICK

Fielding High School graduate Olivia Buick headed to Massey University to study a Bachelor of Agri Commerce majoring in farm management and international agribusiness at the start of 2020.

The 17 year old grew up on a small farm where her parents also ran their own agricultural contracting business. She plans to graduate and get into rural banking before moving into consultancy.

"Through school assignments I've always enjoyed looking at numbers, altering budgets and cash flows to make things a bit more profitable, it just really

appealed to me and I thoroughly enjoyed it," Olivia said.

Interested in niche markets, she also aims to get into farm ownership in the future to develop her own niche such as growing quinoa or hemp.

"It's a point of difference it's something that appeals to me, niche markets are quite resourceful in a way," she said.



OUTREACH

Photo: Gabriel Maxwell

SOCIAL MEDIA PAGES



FACEBOOK

2,200+
FOLLOWERS

2,000+
LIKES

TEEN AG



INSTAGRAM

700
FOLLOWERS



FACEBOOK

13,500+
FOLLOWERS

12,500+
LIKES

**NZ
YOUNG
FARMERS**



INSTAGRAM

2,000+
FOLLOWERS



FACEBOOK

7,500+
FOLLOWERS

7,000+
LIKES

**FMG
YOUNG
FARMER
OF THE
YEAR**



INSTAGRAM

1,700+
FOLLOWERS

OUR SPONSORS



NEW ZEALAND YOUNG FARMERS ARE PROUDLY SUPPORTED BY:

STRATEGIC PARTNERS



FMG YOUNG FARMER OF THE YEAR FAMILY OF SPONSORS



BENEFITS



Photo: Bella Marshall

PRACTICAL/PERSONAL BENEFITS

- STOCK JUDGING
- SKILLS/LEARNING EVENTS
- EVENT MANAGEMENT
- FARM/EVENT HEALTH & SAFETY
- NETWORK OF INDUSTRY CONTACTS/FRIENDS
- SOCIAL INTERACTION
- ENTRY INTO NZ YOUNG FARMERS COMPETITIONS
- ENTRY INTO FMG YOUNG FARMER OF THE YEAR
- SUBSIDISED CLUB, REGION AND NATIONAL EVENTS
- NZ YOUNG FARMERS EXCELLENCE AWARDS



TECHNICAL/AGRIBUSINESS BENEFITS

- PUBLIC SPEAKING
- INTERVIEW EXPERIENCE
- EXCHANGE OPPORTUNITIES
- EXCLUSIVE SCHOLARSHIP OPPORTUNITIES
- LEADERSHIP TRAINING
- INTERPERSONAL MANAGEMENT
- FINANCIAL MANAGEMENT
- MEETING PROCEDURE TRAINING
- STRATEGIC PLANNING
- GOVERNANCE TRAINING AND OPPORTUNITIES
- NETWORK OF CONTACTS THROUGH THE NZ YOUNG FARMERS BRAND
- 12 MONTH COMPLIMENTARY SUBSCRIPTION TO MYOB/AGRIMAPS





THE NEW ZEALAND FEDERATION
OF YOUNG FARMERS CLUBS (INC.)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

FINANCIAL REPORT FROM THE CHAIR

New Zealand Young Farmers recorded an overall surplus of \$32,360 for the year ending 30 September 2019. However, after the share revaluation largely due to a reduction in value of the Donald Pearson Farm Ltd.'s Fonterra Shares and after adding in the non-recurring revenue from the Donald Pearson Legacy the result is a loss of \$10,134 for the year ending 30 September 2019. This has caused the organisations equity to immaterially fall from \$5.760 million to \$5.748 million as at 30 September 2019.

Whilst the organisation recorded a loss of \$10k it is important to note that the cash reserves of the organisation have grown from \$247k to \$300k, largely on the back of the final distribution from the Estate of Donald Pearson.

The turn-around from the 2018 financial year to the 2019 financial year is a result of the CEO Lynda Coppersmith and her team working tirelessly on cost control as well as strengthening and gaining new partnerships to take New Zealand Young Farmers school engagement, events and corporate departments from a loss of \$722k to a loss of \$164k with a cash loss of only \$9.5k for the 12 months.

It is important to note that New Zealand Young Farmers recorded a \$722k loss in the 2018 financial year, largely as a result of income from the Primary Growth Partnerships concluding. While this reduction in income had been foreseen, a conscious decision was made to keep the human capital associated with this programme in place, while a serious opportunity was pursued with another industry partner, to replace this income stream. Unfortunately, after eight months these discussions drew an unsuccessful conclusion and New Zealand Young Farmers was left exposed, with a cost structure that was greater than the funding stream for these programmes.

The Donald Pearson Farm recorded a loss of \$201k. This was the second year of trading for the Donald Pearson Farm under New Zealand Young Farmers, having 100% ownership interest since 2018. This small scale 74ha farm has had challenges which includes challenging climatic conditions, increasing compliance costs, poor soil fertility, the devaluation of Fonterra shares and aging infrastructure with costly deferred repairs and maintenance still required. Significant expenditure was undertaken on the effluent pond to ensure compliance with relevant regulations. We acknowledge the management structure has not been ideal, subsequently the Donald Pearson Farm Board have removed the Farm Supervisors.

While the 2019 result is a significant improvement from the previous year's loss the New Zealand Young Farmers Board and management are focused on returning New Zealand Young Farmers a breakeven return for the 2020 financial year. With the support of and underwriting from AGMARDT, there is a conservative budget delivering a break even result for the 2020 financial year.

With further support from AGMARDT we are undertaking a research project to help set the future direction of New Zealand Young Farmers with a long-term sustainable business model. Alongside this the New Zealand Young Farmers Board is looking closely at how the Donald Pearson Farm transitions to be a viable standalone business. This also includes the commissioning of a report to look at the best long-term use of this property which honours the vision of the late Donald Pearson.

The breakdown of financial results between New Zealand Young Farmers, The Donald Pearson Farm and the Fonterra shares is detailed in the below tables. The inclusion of the previous year's summary of financial performance table is included also.



Ash-Leigh Campbell
Chair – New Zealand Young Farmers Board

Summary of Financial Performance Year ended 30 September 2019

	NZ Young Farmers (\$000's)	Donald Person Farm (\$000's)	Receipt of Donald Person Farm (\$000's)	Consolidated (\$000's)
Revenue	2,612	207	355	3,174
Expenditure	(2,776)	(366)	-	(3,142)
Net surplus/(deficit)	(164)	(123)	5,504	32
Other comprehensive revenue	-	(47)	-	(42)
Total comprehensive revenue and expense	(164)	(201)	355	(10)

	2019 \$	2018 \$
Fonterra Shares	108,238	151,223

Summary of Financial Performance Year ended 30 September 2018

	NZ Young Farmers (\$000's)	Donald Person Farm (\$000's)	Receipt of Donald Person Farm (\$000's)	Consolidated (\$000's)
Revenue	2,757	206	5,504	8,467
Expenditure	(3,479)	(303)	-	(3,808)
Net surplus/(deficit)	(722)	(123)	5,504	4,659
Other comprehensive revenue	-	(47)	-	(47)
Total comprehensive revenue and expense	(722)	(170)	5,504	4,612

The New Zealand Federation of Young Farmers Clubs (Inc.)

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The New Zealand Federation of Young Farmers Clubs (Inc.)

Statutory information

As at 30 September 2019

Date of establishment	20 March 1934
Nature of the Incorporated Society	Meeting the needs of rural youth
Address of the Incorporated Society	Innovation Park, 185 Kirk Road, Sycamore Street, Templeton 7678
Registered Office	Innovation Park, 185 Kirk Road, Sycamore Street, Templeton 7678
Board chairman	Ash-Leigh Campbell
Board members	Robert Barry Kent Weir Sam Robinson Hannah Cameron Sharon Angus Rebecca Brown Ash-Leigh Campbell
Chief Executive Officer	Lynda Coppersmith
Banker	ANZ Bank Limited
Auditor	PKF Goldsmith Fox Audit

INDEPENDENT AUDITOR'S REPORT

To the members of The New Zealand Federation of Young Farmers Clubs (Inc.)

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements The New Zealand Federation of Young Farmers Clubs (Inc.) (the Society), which comprise the consolidated statement of financial position as at 30 September 2019, the consolidated statement of comprehensive revenue and expenses, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of The New Zealand Federation of Young Farmers Clubs (Inc.) as at 30 September 2019, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime Standards (PBE IPSAS RDR).

This report is made solely to the members, as a body. Our audit work has been undertaken so that we might state to the members those matters which we are required to state to them in the auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members, as a body, for our audit procedures, for this report, or for the conclusion we have formed.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Board in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, The New Zealand Federation of Young Farmers Clubs (Inc.).

Board' Responsibilities for the Financial Statements

The Board is are responsible on behalf of the Society for the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime Standards (PBE IPSAS RDR), and for such internal control as the Board determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board is responsible, on behalf of the Society, for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Society or cease operations, or have no realistic alternative but to do so.

The Board is responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate to the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Dawn Alexander.

PKF Goldsmith Fox Audit

Christchurch, New Zealand

25 February 2020

The New Zealand Federation of Young Farmers Clubs (Inc.)
Statement of Compliance and Responsibility

The Board accepts responsibility for the preparation of The New Zealand Federation of Young Farmers Clubs (Inc.) annual consolidated financial statements and judgements used in them, and hereby adopt the financial statements as presented.

They also accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Board, the Group financial statements presented for the year ended 30 September 2019 fairly reflect the financial position and performance of The New Zealand Federation of Young Farmers Clubs (Inc.).

Signed on behalf of the Board:


 Ash-Leigh Campbell
 Chairman

25 February 2020


 Robert Barry
 Chair of Audit and Risk Committee

25 February 2020

The New Zealand Federation of Young Farmers Clubs (Inc.)
Consolidated Statement of Comprehensive Revenue and Expense
 For the year ended 30 September 2019

	2019	2018
Note	\$	\$
Revenue		
<i>Revenue from exchange transactions</i>		
Industry funding	1,033,947	1,259,510
Principal sponsorship	525,000	546,100
Other sponsorship	528,272	521,489
Ticket sales	104,120	187,880
Membership subscriptions	85,240	87,539
Farming revenue	207,284	206,311
Other revenue	319,587	102,160
<i>Revenue from non-exchange transactions</i>		
Grants received	10,000	52,000
Bequests	355,037	5,503,841
Total revenue	3,168,487	8,466,830
Expenditure		
Personnel costs	3 1,423,362	1,576,505
Vehicle operating costs	4 136,767	156,237
Business development projects	85,192	149,182
Contest and other events	518,010	711,045
Members benefits	61,775	67,772
Office and administration expenditure	137,948	153,490
Other operating expenditure	5 423,085	656,702
Farming expenses	179,215	174,248
Depreciation and amortisation expense	176,261	174,222
Total expenditure	3,141,616	3,819,403
Surplus before net financing costs	26,871	4,647,427
Finance income	5,687	11,290
Finance costs	(197)	(203)
Net finance income/(costs)	5,490	11,087
Surplus/(deficit) for the year from continuing operations	32,360	4,658,514
Other comprehensive revenue and expense		
Gain/(Loss) on revaluation of shares	(42,495)	(46,697)
Total other comprehensive revenue and expense	(42,495)	(46,697)
Total comprehensive revenue and expense	(10,134)	4,611,817

The New Zealand Federation of Young Farmers Clubs (Inc.)
Consolidated Statement of Changes in Equity
For the year ended 30 September 2019

		2019	2018
	Note	\$	\$
Balance at 1 October		5,760,580	1,148,763
Surplus for the year		32,360	4,658,514
Other comprehensive revenue and expense		(42,495)	(46,697)
Total comprehensive revenue and expense for the year		(10,134)	4,611,817
Less transfers to reserves	14	(355,037)	(5,503,841)
Accumulated surpluses		5,395,409	256,739
Reserves			
Transfer to Reserve - Livestock Revaluation Reserve		(2,688)	-
Transfer to Reserve - Legacy - D F Pearson		355,037	5,503,841
Total Reserves		352,349	5,503,841
Balance at 30 September	14	5,747,758	5,760,580

The New Zealand Federation of Young Farmers Clubs (Inc.)
Consolidated Statement of Financial Position
As at 30 September 2019

		2019	2018
	Note	\$	\$
Assets			
Current assets			
Cash and cash equivalents	6	299,926	247,004
Receivables	7	64,973	246,911
Prepayments		17,948	21,089
Biological Assets	10	247,578	204,424
Total current assets		630,425	719,428
Non-current assets			
Property, plant and equipment	8	5,136,890	5,070,582
Investments	9	113,729	152,423
Intangible assets	11	107,869	206,813
Total non-current assets		5,358,488	5,429,818
Total assets		5,988,913	6,149,244
Liabilities			
Current liabilities			
Payables	12	130,092	292,717
Employee entitlements	13	109,648	93,195
Lease Liabilities		1,417	2,754
Total current liabilities		241,156	388,666
Total liabilities		241,156	388,666
Net assets		5,747,758	5,760,580
Equity			
Accumulated surplus/(deficit)		(108,432)	256,739
Reserves		5,856,190	5,503,841
Total equity	14	5,747,758	5,760,580

The New Zealand Federation of Young Farmers Clubs (Inc.)

Consolidated Statement of Cash Flows

For the year ended 30 September 2019

	2019	2018
Note	\$	\$
Cash flows from operating activities		
Receipts from customers	3,228,833	3,187,528
Payments to suppliers	(1,625,728)	(2,141,476)
Payments to employees	(1,406,910)	(1,658,038)
Interest received	5,687	11,290
Interest paid	(197)	(203)
Net cash flow from operating activities	201,685	(600,899)
Cash flows from investing activities		
Receipts from sale of property, plant and equipment	-	6,226
Purchase of property, plant and equipment	(143,627)	(100,435)
Purchase of intangible assets	-	(100,851)
Net cash flow from investing activities	(143,627)	(195,060)
Cash flows from financing activities		
Receipts from investments	(3,800)	
Repayments of finance leases	(1,337)	(1,136)
Net cash flow from financing activities	(5,137)	(1,136)
Net increase/(decrease) in cash and cash equivalents	52,921	(797,094)
Cash and cash equivalents at the beginning of the year	247,004	1,044,097
Cash and cash equivalents at the end of the year	6	247,004

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

1. Statement of accounting policies

Reporting entity

The New Zealand Federation of Young Farmers Clubs (Inc.) ("the Society") is an incorporated society under the Incorporated Societies Act 1908, incorporated in New Zealand on 20 March 1934.

The Society is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013.

The Group financial statements for the year ended 30 September 2019 incorporate the activities of the following subsidiary (hereafter referred to as "the Group"):

• Donald Pearson Farm Limited - Subsidiary

The Society is primarily involved in meeting the needs of rural youth.

These financial statements were authorised for issue by the Board on 25 February 2020.

Basis of preparation

Statement of compliance

The consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted.

The Group qualifies as a Tier 2 reporting entity as it is not publicly accountable, and for the two most recent reporting periods it has had between \$2m and \$30m operating expenditure.

Measurement basis

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position, which are measured at fair value:

- Available for sale financial instruments
- Biological assets classified as inventory
- Certain financial assets & liabilities are detailed in the accounting policy

Functional and presentation currency

The financial statements are presented in New Zealand dollars (\$) which is the controlling entity's functional and Group's presentation currency, rounded to the nearest dollar.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

Critical accounting estimates and assumptions

In preparing these consolidated financial statements the Group has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual events. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

Critical judgements in applying accounting policies

Grants received

The Group must exercise judgement when recognising grants received to determine if conditions of the grant contract have been satisfied. This judgement will be based on the facts and circumstances that are evidence for each grant contract.

Estimated useful life of assets

Biological assets - fair value	refer to policy (f)
Property, plant and equipment	refer to policy (g)
Intangible assets - useful life	refer to policy (i)

Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group.

a) Basis of consolidation

i. Controlled entities

Controlled entities are those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from that entity's activities. The financial statements of the Group's controlled entities are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Subsequent changes in a controlled entity that do not result in a loss of control are accounted for as transactions with owners of the controlling entity in their capacity as owners, within net assets/equity.

The financial statements of the controlled entity have been prepared for the same reporting period as the controlling entity, using consistent accounting policies.

ii. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

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The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

b) Revenue

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the Group, and measured at the fair value of consideration received or receivable.

The following specific recognition criteria in relation to the Group's revenue streams must also be met before revenue is recognised.

i. Revenue from exchange transactions

Revenue received from exchange transactions for services rendered is recognised in the period it relates to. Amounts received in advance for services to be provided in future periods are recognised as a liability until such time as the service is provided. Revenue received from exchange transactions include:

- Industry funding
- Sponsorship
- Membership fees and subscriptions
- Ticket sales
- Farm revenue
- Other revenue

ii. Revenue from non-exchange transactions

Non-exchange transactions are those where the Group receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

The following specific recognition criteria in relation to the Group's non-exchange transaction revenue streams must also be met before revenue is recognised.

Grants and Bequests

The recognition of non-exchange revenue from Grants and Bequests depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue.

Stipulations that are 'conditions' specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the 'conditions' are satisfied.

Stipulations that are 'restrictions' do not specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, and therefore there is no recognition of a non-exchange liability. As a result, this type of non-exchange revenue is recognised immediately.

c) Finance income

Finance income comprises interest income on cash and cash equivalents and dividend income on share investments. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method. Income from dividends is recognised when the Group's right to receive payment is established and the amount can be reliably measured.

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The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

d) Financial Instruments

The Group initially recognises financial instruments when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The Group also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The classifications of the financial assets are determined at initial recognition. The categorisation determines the subsequent measurement.

The financial liabilities are classified as amortised cost. Financial liabilities are initially measured at fair value net of directly attributable transaction costs and subsequently measured at amortised cost.

The financial instruments comprise:

i. Trade and other receivables

Trade and other receivables are initially recognised at fair value plus directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

ii. Cash and Cash Equivalents

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

iii. Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives, principally equity securities, that are either designated in this category or not classified in any other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of reporting date.

The Group's available-for-sale financial assets comprise investments in shares (classified as investments in the statement of financial position).

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

iii. Available-for-sale financial assets (continued)

Purchases and sales of investments are recognised on trade date - the date at which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus directly attributable transaction costs. Investments in equity instruments that do not have a quoted market price in an active market and whose fair values cannot be reliably measured are recognised and subsequently carried at cost.

Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognised in other comprehensive revenue and expense. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in surplus or deficit as gains and losses from investments.

The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of investments classified as available-for-sale, a significant or prolonged decline in the fair value of the investment below its cost is considered in determining whether the investments are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in surplus or deficit - is removed from other comprehensive revenue and expenses and recognised in surplus or deficit.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improvements in the debtor's credit rating), the previously recognised impairment loss is reversed in other comprehensive revenue and expenses.

iv. Employee Benefits

Short-term employee benefits

Short-term employee benefit liabilities are recognised when the Group has a legal or constructive obligation to remunerate employees for services provided within 12 months of the reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided.

v. Trade and other Payables

These amounts represent unsecured liabilities for goods and services provided to the Group prior to the end of the financial year, which are unpaid. Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method. As trade and other payables are usually paid within 30 days, they are not discounted.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

e) Income tax

The Society is exempt from income tax as it has obtained charitable status and is a registered charity with the Charities Services.

The controlled entity has not yet obtained charitable status and is therefore a taxable entity. Current tax assets and liabilities for the current period is measured at the amount expected to be recovered from or paid to Inland Revenue based on the current period's taxable income. The tax rates used to compute the amount are those that are enacted or substantively enacted at balance date. There is no deferred tax asset recognised for current unused tax losses, as at present the recognition criteria under PBE IAS 12 has not been met.

f) Biological assets

Biological assets comprise of dairy cattle and are initially measured at fair value less costs to sell, which equates to cost.

The dairy cattle are subsequently measured at fair value using the national average market values of specified livestock provided by Inland Revenue, with any change therein recognised in surplus or deficit.

g) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

ii. Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefit or service potential associated with the item will flow to the Group and the cost of the item can be measured reliably.

iii. Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the Statement of Comprehensive Revenue and Expense.

iv. Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefit or service potential associated with the item will flow to the Group and the cost of the item can be measured reliably.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

h) Property, plant and equipment (continued)

v. Depreciation

Depreciation is provided on property, plant and equipment at rates that will write off the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Land	nil
Buildings	0.00% - 8.50% diminishing value
Motor vehicles	13.00% - 30.00% diminishing value
Plant and equipment	8.00% - 67.00% straight line depreciation rate
Plant and equipment - Farm	10.00% - 67.00% diminishing value
Office equipment	12.00% - 67.00% straight line depreciation rate
Furnishings	12.00% - 16.00% straight line depreciation rate
Furnishings - Farm	13.00% - 25.00% diminishing value
Agrikids signage and trailer	9.50% - 50.00% straight line depreciation rate

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

i) Intangible assets

i. Recognition and measurement

Items of intangible assets are measured at cost, less accumulated amortisation and impairment losses.

ii. Software

Costs that are directly associated with the development and acquisition of software for internal use are recognised as an intangible asset.

Staff training costs and costs associated with the maintenance of computer software and website are recognised as an expense in surplus and deficit when occurred.

iii. Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Software	2 years	50.0%
Website	7 years	14.3%

ii) Impairment of property, plant and equipment and intangible assets

Assets with a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount of which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

k) Impairment of property, plant and equipment and intangible assets (continued)

Value in use is determined using the depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Group would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment is recognised in the Statement of Comprehensive Revenue and Expense.

l) Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as expenses on a straight line basis in surplus or deficit.

m) Goods and services tax (GST)

All items in the financial statements are stated exclusive of GST, except for Receivables and Payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position.

Commitments and contingencies are disclosed exclusive of GST.

n) Changes in accounting policy

The accounting policies adopted by the Group in these financial statements are consistent with those adopted by the Society in the previous financial year.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

2. Divisional trading statements

Business development	2019	2018
	\$	\$
Operating revenue		
Industry funding	-	574,689
Other sponsorship	-	2,330
Other revenue	-	266
Total revenue	-	577,285
Expenditure		
Personnel costs	-	290,150
Vehicle operating costs	-	11,745
Business development projects		
Red Meat Profit Partnership	-	8,638
Get Ahead	-	47,835
Rural Business Network	-	8,897
TeenAg leadership	-	36,128
Rural Mentor	-	45
Youth development	-	47,639
Other operating and administration expenditure	-	59,130
Total expenditure	-	510,206
Net surplus/(deficit)	-	67,079

The organisation has elected to combine the Operations unit and Business Development unit into a combined unit known as the Engagement Team. This was effective 1 October 2018 hence there being no comparative data for the Engagement unit. Both the Corporate and Events and Marketing units remain unchanged.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

Events and marketing

	2019	2018
	\$	\$
Operating revenue		
Principal sponsorship	500,000	500,000
Other sponsorship	528,272	519,160
Ticket sales	104,120	187,880
Grants received	10,000	52,000
Other revenue	205,230	54,935
Total revenue	1,347,622	1,313,974
Expenditure		
Personnel costs	185,321	224,058
Vehicle operating costs	5,452	13,031
Contest and other events		
Grand final	341,599	502,385
Regional and district final	137,177	149,872
Agrikids regionals and grand final	15,419	27,787
TeenAg regionals and grand final	21,452	27,929
Competitions	2,364	3,072
Other operating and administration expenditure	116,907	91,617
Total expenditure	825,691	1,039,750
Net surplus/(deficit)	521,931	274,224

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

Engagement Team

	2019	2018
	\$	\$
Operating revenue		
Industry funding	1,033,947	-
Principal sponsorship	25,000	-
Membership subscriptions	85,240	-
Other revenue	62,436	-
Total revenue	1,206,623	-
Expenditure		
Personnel costs	625,248	-
Vehicle operating costs	104,116	-
Project Expenses		
Red Meat Profit Partnership	2,650	-
Get Ahead	16,743	-
TeenAg leadership	15,393	-
Youth development	50,406	-
Member benefits		
Membership disbursement	41,040	-
Other members benefits	20,735	-
Other operating and administration expenditure	38,988	-
Total expenditure	915,319	-
Net surplus/(deficit)	291,304	-

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

Operations

	2019	2018
	\$	\$
Operating revenue		
Industry funding	-	684,821
Principal sponsorship	-	461,000
Membership subscriptions	-	87,539
Other revenue	-	6,000
Total revenue	-	1,239,360
Expenditure		
Personnel costs	-	507,295
Vehicle operating costs	-	90,616
Members benefits		
Membership disbursement	-	50,089
Other members benefits	-	17,684
Other operating and administration expenditure	-	78,929
Total expenditure	-	744,614
Net surplus/(deficit)	-	494,746

Corporate

	2019	2018
	\$	\$
Revenue		
Other revenue	16,013	27,490
Total revenue	16,013	27,490
Expenditure		
Personnel costs	524,085	485,766
Vehicle operating costs	27,200	40,846
Office and administration expenditure	137,948	153,490
Other expenditure	168,507	363,015
Total expenditure	857,740	1,043,117
Net surplus/(deficit)	(841,727)	(1,015,627)



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

3. Personnel costs

	2019	2018
	\$	\$
Salaries and wages	1,406,910	1,658,038
Increase/(decrease) in employee entitlements liability	16,453	(81,533)
Personnel costs	1,423,362	1,576,505

4. Vehicle operating costs

	2019	2018
	\$	\$
Operating lease expense - vehicle	81,267	97,721
Other vehicle operating expenditure	55,501	58,516
Vehicle operating costs	136,768	156,237

5. Other operating expenditure

	2019	2018
	\$	\$
Fees to auditor		
- For audit of financial statements	15,700	12,000
Operating lease expense - office	72,718	71,379
Communication expenses	68,296	47,380
IT maintenance/development	60,662	50,782
Non salary staff related expenses	106,380	198,544
Other expenses	99,329	276,618
Other operating expenditure	423,085	656,704



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

6. Cash and cash equivalents

	2019	2018
	\$	\$
Bank account balances		
ANZ - Current account	94,343	17,409
ANZ - Serious saver account 1	148	41
ANZ - Serious saver account 2	243	23,807
ANZ - Serious saver account 3	101,739	164,793
ANZ - Contest account	194	194
ANZ - Donald Pearson Farm Ltd	103,261	40,761
Cash and cash equivalents	299,926	247,004

The carrying value of the Bank account balances represents their fair value.

Interest is earned on the ANZ - Serious saver accounts (0, 1 & 2) at a standard rate of 0.05% and a bonus rate of 2.20% where a minimum of \$20 is deposited each month and no withdrawals are made during the month.

Interest is earned on the ANZ - Current account at a standard rate of 0.10% and on the Call account at a rate of 0.10%.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

7. Receivables

	2019	2018
	\$	\$
Trade receivables from exchange transactions	64,973	246,911
Receivables	64,973	246,911

Fair value

Receivables are non-interest bearing and receipt is normally on 30 day terms. Therefore the carrying value of receivables approximates their fair value.

Impairment

The carrying amount of receivable that would otherwise be past due or impaired whose terms have been renegotiated is \$0 (2018: \$0).

The status of receivables as at 30 September 2019 and 2018 is as follows:

	2019	2018
	\$	\$
Not past due		
Gross	40,490	225,109
Impairment	-	-
Net	40,490	225,109
Past due 1 - 30 days		
Gross	23,000	9,417
Impairment	-	-
Net	23,000	9,417
Past due 31 + days		
Gross	1,483	12,386
Impairment	-	-
Net	1,483	12,386
Total	64,973	246,911

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

8. Property, plant and equipment

	Freehold Land	Buildings	Plant and equipment	Motor Vehicles	Office equipment	Furnishings	Agritids signage and trailer	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost or valuation								
Balance as at 1 October 2017	-	-	139,678	-	58,490	15,836	21,007	235,011
Additions	4,111,000	629,000	155,189	80,000	65,595	4,138	2,477	5,047,399
Disposals	-	-	(12,135)	-	(1,825)	-	-	(13,960)
Balance as at 30 September 2018	4,111,000	629,000	282,732	80,000	122,260	19,974	23,484	5,268,450
Balance as at 1 October 2018	4,111,000	629,000	282,732	80,000	122,260	19,974	23,484	5,268,450
Additions	-	140,439	2,255	-	931	-	-	143,625
Revaluation gain/(loss)	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance as at 30 September 2019	4,111,000	769,439	284,987	80,000	123,191	19,974	23,484	5,412,075
Accumulated depreciation and impairment								
Balance as at 1 October 2017	-	-	63,661	-	43,843	6,940	16,871	131,315
Depreciation	-	5,100	30,614	13,032	24,493	1,913	1,457	76,609
Disposals	-	-	(9,104)	-	(951)	-	-	(10,055)
Balance as at 30 September 2018	-	5,100	85,171	13,032	67,385	8,853	18,328	197,869
Balance as at 1 October 2018	-	5,100	85,171	13,032	67,385	8,853	18,328	197,869
Depreciation	-	9,979	27,807	10,717	25,636	1,914	1,264	77,317
Disposals	-	-	-	-	-	-	-	-
Balance as at 30 September 2019	-	15,079	112,978	23,749	93,021	10,767	19,592	275,186
Net book value								
As at 1 October 2017	-	-	76,017	-	14,647	8,896	4,136	103,696
As at 30 September 2018	4,111,000	623,900	197,561	66,968	54,875	11,121	5,156	5,070,582
As at 30 September 2019	4,111,000	754,360	172,009	56,251	30,170	9,207	3,892	5,136,890

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The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

8. Property, plant and equipment (continued)

Additions through non-exchange transactions

No items were received through non-exchange transactions in the year under review. Last year Land and Buildings were received through non exchange transactions.

Impairment

There is no impairment provision for property, plant and equipment (2018:\$0).

9. Investments

	2019	2018
	\$	\$
Farmlands shares	200	200
Bonds Received	-	900
Shares - Livestock Investment Corporation	5,191	-
Shares - Fonterra Co-Op Group Limited	108,238	151,223
Shares - Ravensdown	100	100
Investments	113,729	152,423

There is no impairment provision for investments (2018: \$0).

Equity investments are measured at fair value with fair value determined by reference to published market price quotations in an active market. Where no published market price quotations exist, historical cost is used as the fair value.



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

10. Biological assets

Livestock (Cattle)

Livestock is held by the Group for the purpose of milk production for on sale to Fonterra.

The dairy cattle was measured at fair value using the national average market value of specified livestock provided by Inland Revenue.

This method makes use of observable prices in active markets and recent market transactions on an arm's length basis.

At reporting date, Livestock consisted approximately of:

	2019	2019
	#	\$
R1 Heifers	24	16,440
R2 Heifers	20	25,480
MA Cows	131	198,203
R1 Steers	15	7,455
	<u>190</u>	<u>247,578</u>

Reconciliation of Carrying Amounts of Dairy Livestock

	2019	2018
	\$	\$
Carrying amount at 1 October 2018	204,424	-
Purchases		
Livestock - non exchange transaction	76,400	231,900
Sales		
Livestock Sold	(30,306)	(53,960)
Gain arising from changes in fair value less costs to sell		
Attributable to natural increase	3,600	8,134
Attributable to price changes	(6,540)	18,350
Balance as at 30 September 2019	<u><u>247,578</u></u>	<u><u>204,424</u></u>

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

11. Intangible assets

	Software \$	Total \$
Cost		
Balance as at 1 October 2017	285,535	285,535
Additions	100,851	100,851
Disposals	-	-
Balance as at 30 September 2018	386,386	386,386
Balance as at 1 October 2018	386,386	386,386
Additions	-	-
Disposals	-	-
Balance at 30 September 2019	386,386	386,386
Accumulated amortisation and Impairment losses		
Balance as at 1 October 2017	81,961	81,961
Amortisation expense	97,614	97,614
Disposals	-	-
Impairment losses	-	-
Balance as at 30 September 2018	179,575	179,575
Balance as at 1 October 2018	179,575	179,575
Amortisation expense	98,944	98,944
Disposals	-	-
Impairment losses	-	-
Balance at 30 September 2019	278,519	278,519
Net book value		
At 1 October 2017	203,574	203,574
At 30 September 2018	206,812	206,813
At 30 September 2019	107,869	107,869

Within intangibles is the capitalised cost of website with a cost value of \$36,345 being amortised on a straight line basis over 7 years at a rate of 14%.

The website has 2 years of its 7 year useful life remaining to be amortised.

Impairment

There is no impairment provision for intangible assets (2018:\$0).

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

12. Payables

	2019	2018
	\$	\$
Payables		
Trade payables	94,240	104,419
Accrued expenditure	21,500	31,790
Revenue in advance	15,000	133,904
GST payable	(648)	22,605
Total Payables	130,092	292,718

Payables are non-interest bearing and are normally settled in 30 day terms, therefore the carrying value approximates their fair value.

13. Employee entitlements

	2019	2018
	\$	\$
Current		
Accrued salaries and wages	41,782	25,073
Annual leave	67,865	68,122
Current employee entitlements	109,648	93,195
Non-current		
Non-current portion of long term employee benefits	-	-
Non-current employee entitlements	-	-



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

14. Equity

	2019	2018
	\$	\$
Accumulated surplus/(deficit)		
Balance at 1 October 2018	256,739	1,148,763
Surplus/(deficit) for the year	(10,134)	4,611,817
Less: transfers to reserves	(355,037)	(5,503,841)
Total accumulated surplus/(deficit)	(108,432)	256,739
Reserves		
Legacy - D F Pearson		
Opening balance	5,503,841	-
Transfer to reserve	355,037	5,503,841
Closing balance	5,858,878	5,503,841
Livestock Revaluation Reserve		
Opening balance	-	-
Movements for the period	(2,688)	-
Closing balance	(2,688)	-
Total Reserves	5,856,190	5,503,841
Total equity	5,747,758	5,760,580



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

15. Reconciliation of net surplus/(deficit) to net cash flow from

Operating activities	2019	2018
	\$	\$
Net surplus/(deficit)	32,360	4,658,514
Add/(less) non-cash items:		
Depreciation and amortisation expenses	176,261	174,222
Non-cash revenue	(2,688)	(5,283,342)
Non-cash expenditure	(43,154)	(60,324)
Total non-cash items	130,419	(5,169,444)
Add/(less) items classified as investing or financing activities:		
(Increase)/decrease in lease liabilities	(1,339)	-
(Gains)/losses on disposal of property, plant and equipment	-	(2,320)
Total items classified as investing or financing activities	(1,339)	(2,320)
Add/(less) movements in statement of financial position items:		
(Increase)/decrease in receivables	181,938	11,848
(Increase)/decrease in prepayments	3,141	24,293
Increase/(decrease) in payables	(161,288)	(42,256)
Increase/(decrease) in employee entitlements	16,453	(81,533)
Net movements in working capital items	40,244	(87,647)
Net cash flow from operating activities	201,685	(600,899)

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

16. Operating leases

Operating leases as lessee

The future non-cancellable minimum lease payments of operating leases as lessee at reporting date are detailed in the table below:

	2019	2018
	\$	\$
Less than one year	160,365	177,044
Between one and five years	88,421	211,316
Greater than five years	-	-
Total non-cancellable operating lease payments	248,786	388,360

The New Zealand Federation of Young Farmers Clubs (Inc.) has entered into a number of material operating leases for vehicles, photocopiers and buildings.

The lease of the buildings expires on 1 March 2032.

The lease of the photocopiers expires on 20 December 2023.

The leases of the vehicles expires as follows:

- 1 expires May 2020
- 1 expires Dec 2020
- 7 expire January 2021
- 1 expires February 2021
- 2 expire October 2021

The building lease was entered into with a 7 year, then additional 5 year and final 5 year renewal periods from June 2015.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

17. Related party transactions

Membership disbursement scheme

The New Zealand Federation of Young Farmers Clubs (Inc.) has made payments during the year to a number of its affiliated Young Farmer clubs under the membership disbursement scheme.

The amount paid from The New Zealand Federation of Young Farmers Clubs (Inc.) to affiliated Young Farmer clubs during the year is \$41,040 (2018:\$50,089).

Compensation of key management personnel

Key management personnel of The New Zealand Federation of Young Farmers Clubs (Inc.) include the Board, Senior Leadership Team staff members and Contest Board.

Key management personnel of Donald Pearson Farm Limited includes the Board of Directors.

The total remuneration of key management personnel and number of individuals, on a full time equivalent basis, receiving remuneration from The New Zealand Federation of Young Farmers Clubs (Inc.) are:

	2019 \$	2018 \$
Executive management team (5 FTE:Last Year 5 FTE)	497,297	473,379
Elected board members and Contest Board	25,800	33,000
Director's Fee paid to Donald Pearson Farm Ltd directors	12,000	-
Total remuneration (5FTE:Last Year 5 FTE)	535,097	506,379

Key management personnel did not receive any remuneration or compensation other than in their capacity as key management personnel (2018: nil).

The New Zealand Federation of Young Farmers Clubs (Inc.) did not provide any compensation to close family members of key management personnel during the year (2018: nil).

The New Zealand Federation of Young Farmers Clubs (Inc.) did not provide any loans to key management personnel or their close family members during the year (2018: nil).

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2019

18. Commitments and contingencies

Capital commitments

The New Zealand Federation of Young Farmers Clubs (Inc.) does not have any capital commitments at 30 September 2019 (2018: nil).

Contingent assets

The New Zealand Federation of Young Farmers Clubs (Inc.) does not have any contingent assets at 30 September 2019 (2018: \$380,000).

Contingent liabilities

The New Zealand Federation of Young Farmers Clubs (Inc.) does not have any contingent liabilities at 30 September 2019 (2018: nil).

19. Events after reporting date

There are no material non-adjusting events after the reporting date.

20. Group Entities

A list of the Group's significant controlled entities is presented below:

Name of controlled entity	Country of incorporation	Ownership interest	
		2019 %	2018 %
Donald Pearson Farm Limited	New Zealand	100	100

The controlled entity have the same reporting date as the controlling entity.

There are no significant restrictions on the ability of the controlled entity to transfer funds to the Society in the form of cash distributions or to repay loans or advances.

Donald Person Farm

The society has 100% equity interest in Donald Pearson Farm Limited, which is involved in Dairy Cattle Farming. It was incorporated on 28 April 2017 with the farm and assets being transferred 21 December 2018.





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