

AUSTRALIAN STOCK HORSE SOCIETY LIMITED

ACN: 001 440 437

**Financial Report For The Year Ended
31 December 2023**

Australian Stock Horse Society Limited

ACN: 001 440 437

Financial Report For The Year Ended 31 December 2023

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AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 31 December 2023.

Directors

The names of each person who has been a director during the year and to the date of this report are:

J Petrich
L Fanning
B Welsh resigned (27/05/2023)
L Butcher
D De Jong resigned (24/08/2023)
B Moore
D Ricketts resigned (16/09/2023)
D Nash resigned (27/05/2023)
S Grills resigned (27/05/2023)
A Grubb
R Watchirs appointed (30/09/2023)
L Cutler appointed (30/09/2023)
J Powell appointed (27/05/2023)
P Thomas appointed (27/05/2023)
S Amey appointed (30/09/2023)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the entity during the financial year was:

- The promotion and preservation of the identity of the Australian Stock Horse
- Breeding improvement and popularity of this breed of horse

Short-term and Long-term Objectives

The entity's short-term objectives are to:

- Continue to promote the Australian Stock Horse breed and improve services to members

The entity's long-term objectives are to:

- Grow the membership base and increase engagement levels
- Strengthen communication with Branches and Office Bearers
- Streamline operations by embracing the digital age

Strategies

To achieve its stated objectives, the entity has adopted the following strategies:

- Enhance member services to increase the membership base
- Develop overseas branches
- Increase sports participation

Information on Directors

J Petrich	—	Chairperson
Experience	—	12 years as a director. 5 years previously.
L Fanning	—	Director
Experience	—	8 years as a director
B Welsh	—	Former director
Experience	—	6 years as a director
L Butcher	—	Junior vice chair
Experience	—	6 years as a director

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DIRECTORS' REPORT

D De Jong	—	Former director
Experience	—	4 years as a director
B Moore	—	Director
Experience	—	5 years as a director
D Ricketts	—	Former director
Experience	—	3 years as a director
D Nash	—	Former director
Experience	—	3 years as a director
S Grills	—	Former director
Experience	—	3 years as a director
A Grubb	—	Treasurer
Experience	—	1 year as a director
R Watchirs	—	Director
Experience	—	6 months as a director. 2 years previously.
L Cutler	—	Director
Experience	—	6 months as a director. 6 years previously.
J Powell	—	Director
Experience	—	12 months as a director
P Thomas	—	Senior vice chair
Experience	—	12 months as a director
S Amey	—	Director
Experience	—	6 months as a director

Meetings of Directors

During the financial year, 14 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
J Petrich	14	14
L Fanning	14	14
B Welsh	6	5
L Butcher	14	14
D De Jong	10	7
B Moore	14	14
D Ricketts	11	11
D Nash	6	3
S Grills	6	4
A Grubb	14	14
R Watchirs	1	1
L Cutler	1	1
J Powell	8	8
P Thomas	8	8
S Amey	1	1

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 31 December 2023, the total amount that members of the entity are liable to contribute if the entity is wound up is \$164,400 (2022: \$167,230).

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DIRECTORS' REPORT

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 December 2023 has been received and can be found on page 4 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.



Director

Dated this 25th day of March 2024

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**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF AUSTRALIAN STOCK HORSE SOCIETY LIMITED**

In accordance with Section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Australian Stock Horse Society Limited. As the lead audit partner for the audit of the financial report of Australian Stock Horse Society Limited for the year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Name of Firm Rose & Partners


Name of Partner Paul Heaton

Date 25/03/2024

Address 109 Liverpool Street

Scone NSW

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDED 31 DECEMBER 2023

	Note	2023	2022
		\$	\$
Other income	2	2,444,376	2,432,455
Employee benefits expense		(1,140,956)	(1,027,189)
Depreciation and amortisation expense	3	(86,086)	(102,688)
Motor vehicle expenses		(9,267)	(11,125)
Audit, legal and consultancy fees		(55,125)	(62,144)
Marketing expenses		(11,267)	(11,797)
Membership expenses		(59,071)	(61,429)
Registration and transfer expenses		(71,464)	(59,688)
Sports and events expenses		(528,026)	(404,285)
Journal expenses		(107,307)	(94,159)
Merchandise expenses		(79,628)	(128,905)
Branch expenses		(38,928)	(36,828)
Board expenses		(57,174)	(63,901)
Other administration expenses		(430,708)	(361,403)
Current year surplus before income tax		<u>(230,631)</u>	<u>6,914</u>
Income tax expense			
Net current year surplus		<u>(230,631)</u>	<u>6,914</u>
Total comprehensive income for the year		<u>(230,631)</u>	<u>6,914</u>
Surplus attributable to members of the entity		<u>(230,631)</u>	<u>6,914</u>
Total comprehensive income attributable to members of the entity		<u>(230,631)</u>	<u>6,914</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,272,737	1,508,655
Accounts receivable and other debtors	5	50,084	44,076
Inventories	6	28,453	44,952
TOTAL CURRENT ASSETS		<u>1,351,274</u>	<u>1,597,683</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	597,552	598,755
Intangible assets	8	2,989	4,377
Right-of-use assets	9	17,280	23,259
TOTAL NON-CURRENT ASSETS		<u>617,821</u>	<u>626,391</u>
TOTAL ASSETS		<u>1,969,095</u>	<u>2,224,074</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	10	575,082	570,773
Lease liabilities	12	5,968	5,627
Employee provisions	11	129,270	138,745
TOTAL CURRENT LIABILITIES		<u>710,320</u>	<u>715,145</u>
NON-CURRENT LIABILITIES			
Accounts payable and other payables	10	56,622	63,820
Lease liabilities	12	14,198	19,709
Employee provisions	11	9,266	16,079
TOTAL NON-CURRENT LIABILITIES		<u>80,086</u>	<u>99,608</u>
TOTAL LIABILITIES		<u>790,405</u>	<u>814,753</u>
NET ASSETS		<u>1,178,689</u>	<u>1,409,321</u>
EQUITY			
Retained surplus		1,116,817	1,347,449
Reserves		61,872	61,872
TOTAL EQUITY		<u>1,178,689</u>	<u>1,409,321</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

Note	Retained Surplus	Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2022	1,340,534	61,872	1,402,406
Comprehensive Income			
Surplus for the year attributable to owners of the entity	6,914		6,914
Total comprehensive income attributable to owners of the entity	6,914	-	6,914
Balance at 31 December 2022	1,347,448	61,872	1,409,320
Balance at 1 January 2023	1,347,448	61,872	1,409,320
Comprehensive Income			
Surplus for the year attributable to owners of the entity	(230,631)		(230,631)
Total comprehensive income for the year	(230,631)	-	(230,631)
Balance at 31 December 2023	1,116,817	61,872	1,178,689

The accompanying notes form part of these financial statements.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023	2022
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		2,622,623	2,653,201
Payments to suppliers and employees		(2,824,021)	(2,647,903)
Interest received		48,168	17,621
Net cash generated from operating activities	15	<u>(153,230)</u>	<u>22,919</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(77,516)	(76,304)
Net cash used in investing activities		<u>(77,516)</u>	<u>(76,304)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(5,171)	(4,557)
Net cash used in financing activities		<u>(5,171)</u>	<u>(4,557)</u>
Net increase in cash held		(235,917)	(57,942)
Cash on hand at beginning of the financial year		1,508,655	1,566,597
Cash on hand at end of the financial year	4	<u><u>1,272,738</u></u>	<u><u>1,508,655</u></u>

The accompanying notes form part of these financial statements.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The financial statements cover Australian Stock Horse Society Limited as an individual entity, incorporated and domiciled in Australia. Australian Stock Horse Society Limited is a company limited by guarantee.

The financial statements were authorised for issue on 25/3/24 by the directors of the company.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue and Other Income

The Entity is first required to determine whether amounts received are accounted for as Revenue per AASB 15: Revenue from Contracts with Customers or Income per AASB 1058: Income of Not-for-Profit Entities.

Revenue and Other Income

Other Income

Interest income

Interest income is recognised using the effective interest method.

Dividend income

The Entity recognises dividends in profit or loss only when the Entity's right to receive payment of the dividend is established.

All revenue is stated net of the amount of goods and services tax.

(b) Inventories

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses.

Freehold Property

Freehold land and buildings are shown at their cost, less subsequent depreciation and subsequent impairment for buildings.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	5-20%
Leased land and buildings	20-40%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(d) Leases

The Entity as lessee

At inception of a contract, the Entity assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Entity where the Entity is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(e) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(f) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(g) Employee Provisions

Short-term employee provisions

A provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, sick leave and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee provisions expense.

The entity's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current employee provisions.

(h) Cash and cash equivalents

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

(i) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

(j) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(l) Intangible Assets

Software

Software is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. Software has an estimated useful life of between one and ten years. It is assessed annually for impairment.

(m) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(n) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the entity retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

(o) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements are based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

Key Estimates

(i) Useful lives of property, plant and equipment

As described in Note 1(d), the company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Key Judgements

(i) Lease term and option to extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised are a key management judgement that the Entity will make. The Entity determines the likeliness to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the Entity.

(p) New and Amended Accounting Policies Adopted by the Entity

AASB 2022-3 Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

The amendment did not have a material effect on the entity.

(q) New and Amended Accounting Policies Not Yet Adopted by the Entity

No New and Amended Accounting Policies not yet adopted that affect the entity.

Note 2 Revenue and Other Income

	2023	2022
	\$	\$
Revenue		
Other Income		
— Interest received	48,168	17,621
— Other	19,319	29,040
— Membership Fees	1,085,002	1,120,044
— Registration and Transfer Fees	741,598	718,854
— Sports and events	375,829	312,622
— Journal	39,351	65,355
— Merchandise	97,624	123,549
— Jobkeeper	-	45,370
— Employment subsidies and paid parental leave	37,485	-
Total other income	2,444,376	2,432,455
Total revenue and other income	2,444,376	2,432,455

AUSTRALIAN STOCK HORSE SOCIETY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Note 3 Surplus for the Year

	2023	2022
	\$	\$
a. Expenses		
Employee benefits expense:		
— Salaries and wages	1,140,956	1,027,189
Total employee benefits expense	<u>1,140,956</u>	<u>1,027,189</u>
Audit fees:		
— audit services	20,750	18,000
— Other services	12,130	4,253
Total audit remuneration	<u>32,880</u>	<u>22,253</u>
Depreciation and amortisation:		
— land and buildings	15,043	15,043
— motor vehicles	4,642	5,989
— software	40,832	39,166
— plant & equipment	18,201	28,501
— right of use assets	5,979	11,910
— trademarks	1,389	2,079
Total depreciation and amortisation	<u>86,086</u>	<u>102,688</u>

Note 4 Cash and Cash Equivalents

	2023	2022
	\$	\$
CURRENT		
Cash at bank – unrestricted	1,272,737	1,508,655
	<u>1,272,737</u>	<u>1,508,655</u>

Note 5 Accounts Receivable and Other Debtors

	Note	2023	2022
		\$	\$
CURRENT			
Accounts receivable		3,938	6,321
Other debtors		46,146	37,755
Total current accounts receivable and other debtors	16	<u>50,084</u>	<u>44,076</u>

Note 6 Inventories

	2023	2022
	\$	\$
CURRENT		
At cost:		
Inventory	28,453	44,952
	<u>28,453</u>	<u>44,952</u>

Note 7 Property, Plant and Equipment

	2023	2022
	\$	\$
LAND AND BUILDINGS		
Freehold land at cost:		
— At cost	35,000	35,000
Total land	<u>35,000</u>	<u>35,000</u>
Buildings at cost:		
— At cost	513,817	513,820
Less accumulated depreciation	(279,227)	(264,187)
Total buildings	<u>234,590</u>	<u>249,633</u>
Total land and buildings	<u>269,590</u>	<u>284,633</u>

AUSTRALIAN STOCK HORSE SOCIETY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

PLANT AND EQUIPMENT

Plant and equipment:

At cost	576,490	537,859
Less accumulated depreciation	<u>(529,541)</u>	<u>(511,461)</u>
	46,949	26,398
 Computer Software		
At cost	580,590	541,710
(Accumulated depreciation)	<u>(315,564)</u>	<u>(274,680)</u>
	265,026	267,030
 Flags Pennants and Banners		
At cost	40,015	40,015
(Accumulated depreciation)	<u>(40,015)</u>	<u>(39,950)</u>
	-	65
 Motor vehicles		
At cost	49,916	49,916
(Accumulated depreciation)	<u>(33,929)</u>	<u>(29,287)</u>
	15,987	20,629
Total plant and equipment	<u>327,962</u>	<u>314,122</u>
 Total property, plant and equipment	<u>597,552</u>	<u>598,755</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings	Motor Vehicles	Plant and Equipment	Computer Software	Flags Pennants & Banners	Total
	\$	\$	\$	\$	\$	\$
2022						
Balance at the beginning of the year	299,676	26,618	50,978	232,296	1,581	611,149
Additions at cost			2,405	73,900		76,305
Depreciation expense	<u>(15,043)</u>	<u>(5,989)</u>	<u>(26,985)</u>	<u>(39,166)</u>	<u>(1,516)</u>	<u>(88,699)</u>
Carrying amount at the end of the year	<u>284,633</u>	<u>20,629</u>	<u>26,398</u>	<u>267,030</u>	<u>65</u>	<u>598,755</u>
2023						
Balance at the beginning of the year	284,633	20,629	26,398	267,030	65	598,755
Additions at cost			38,753	38,762		77,515
Depreciation expense	<u>(15,043)</u>	<u>(4,642)</u>	<u>(18,201)</u>	<u>(40,767)</u>	<u>(65)</u>	<u>(78,718)</u>
Carrying amount at the end of the year	<u>269,590</u>	<u>15,987</u>	<u>46,950</u>	<u>265,025</u>	<u>-</u>	<u>597,552</u>

Note 8 Intangible Assets

	2023	2022
	\$	\$
Trademarks - at cost	48,374	48,374
Accumulated amortisation	<u>(45,385)</u>	<u>(43,997)</u>
Net carrying amount	<u>2,989</u>	<u>4,377</u>

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Note 9 Right-of-use Assets

The Entity's lease portfolio includes equipment.

i) AASB 16 related amounts recognised in the balance sheet

<u>Right-of-use assets</u>	2023	2022
	\$	\$
Leased equipment	56,649	56,649
Accumulated depreciation	(39,369)	(33,390)
	<u>17,280</u>	<u>23,259</u>
Total right-of-use asset	<u>17,280</u>	<u>23,259</u>
Leased equipment:		
Opening balance	23,259	35,169
Depreciation expense	(5,979)	(11,910)
Net carrying amount	<u>17,280</u>	<u>23,259</u>

ii) AASB 16 related amounts recognised in the statement of profit or loss

	2023	2022
	\$	\$
Interest expense on lease liabilities	1,369	1,729

Note 10 Accounts Payable and Other Payables

	2023	2022
	\$	\$
CURRENT		
Accounts payable	79,314	85,431
Deferred income	368,499	362,566
Other current payables	127,269	122,776
	<u>575,082</u>	<u>570,773</u>
NON-CURRENT		
Deferred income	56,622	63,820
	<u>56,622</u>	<u>63,820</u>

Note 11 Employee Provisions

	2023	2022
	\$	\$
CURRENT		
Provision for employee benefits: annual leave	68,760	83,046
Provision for employee benefits: long service leave	58,656	51,909
Time in lieu	1,854	3,790
	<u>129,270</u>	<u>138,745</u>
NON-CURRENT		
Provision for employee benefits: long service leave	9,266	16,079
	<u>9,266</u>	<u>16,079</u>
	<u>138,536</u>	<u>154,824</u>

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Provision for employee benefits

Employee provisions represent amounts accrued for annual leave and long service leave and time in lieu

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Note 12 Lease Liabilities

	2023	2022
	\$	\$
CURRENT		
Lease liabilities	5,968	5,627
	5,968	5,627
NON- CURRENT		
Lease liabilities	14,198	19,709
	14,198	19,709
TOTAL LEASE LIABILITIES	20,165	25,336

Lease liabilities are secured by the underlying leased assets.

Note 13 Events After the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

Note 14 Related Party Transactions

Key Management Personnel

The totals of remuneration paid to KMP of the entity during the year are as follows:

	2023	2022
	\$	\$
KMP compensation:	452,015	397,238
	452,015	397,238

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

Note 15 Cash Flow Information

	2023	2022
	\$	\$
a. Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus		
Net current year surplus	(230,631)	6,914
Adjustment for:		
Depreciation and amortisation expense	86,086	102,688
Movement in working capital:		
(Increase)/decrease in accounts receivable and other debtors	(6,008)	3,341
Increase/(decrease) in accounts payable and other payables	(2,889)	(144,487)
Increase/(decrease) in employee provisions	(16,287)	4,705
(Increase)/decrease in inventories on hand	16,499	49,758
Net cash generated by operating activities	(153,230)	22,919

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Note 16 Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, accounts receivable and payable, and lease liabilities.

Financial Risk Management Policies

The directors are responsible for monitoring and managing the entity's compliance with its risk management strategy and consists of senior board members. The overall risk management strategy is to assist the entity in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the directors on a regular basis. These include credit risk policies and future cash flow requirements.

Note 17 Reserves

a. Revaluation Surplus

The revaluation surplus records revaluations of non-current assets.

Note 18 Entity Details

The registered office of the entity is:

Australian Stock Horse Society Limited
48 Guernsey Street
Scone
NSW 2337

The principal place of business is:

Australian Stock Horse Society Limited
48 Guernsey Street
Scone
NSW 2337

Note 19 Members' Guarantee

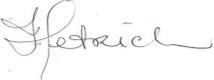
The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the entity. At 31 December 2023 the number of members was 8,220.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Australian Stock Horse Society Limited, the directors of the Company declare that, in the directors' opinion:

1. The financial statements and notes, as set out on pages 5 to 17, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position of the registered entity as at 31 December 2023 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of directors..

Director  _____

Dated this 25th day of March 2024

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN STOCK HORSE SOCIETY LIMITED

Opinion

We have audited the financial report of Australian Stock Horse Society Limited (the Entity), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of Australian Stock Horse Society Limited is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the entity's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the entity'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 directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

AUSTRALIAN STOCK HORSE SOCIETY LIMITED
ACN: 001 440 437
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN STOCK HORSE SOCIETY LIMITED

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 financial report 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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Auditor's name and signature: Paul Heaton 

Name of firm: Rose & Partners

Address: 109 Liverpool Street
Scone
NSW 2337

Dated this 25th day of March 2024

The Australian Stock Horse Society
Profit & Loss Statement
For Period Ending 31st December 2023

	2023	2022
INCOME:		
Membership Fees	1,085,002	1,120,044
Membership Other	1,974	2,105
Registration & Transfer Fees	528,416	496,345
Registrations Other	213,182	222,509
National Show	219,244	96,968
National Polocrosse	0	19,355
National Campdraft	94,119	60,118
Fountain of Youth Income	30,918	28,000
Roll of Merit	207	45
Accreditation	4,110	0
Youth National Show & Camp	0	35,052
Youth Pathways	4,953	5,000
Youth Other	12,000	52,629
Other Events	10,277	15,455
ASHS Journal Trading	(67,957)	(28,804)
Merchandise Trading	17,997	(5,356)
Interest	48,168	17,621
Profit/Loss On Sale of Asset	0	0
Other Administration & Sundry	54,830	72,306
TOTAL INCOME	2,257,441	2,209,391

EXPENSES:		
Membership	(59,071)	(61,429)
Registration	(71,464)	(59,688)
National Show	(307,377)	(148,359)
Fountain of Youth Events	(54,495)	(4,838)
National Polocrosse	0	(20,312)
National Campdraft	(86,391)	(97,948)
International Polocrosse	0	(448)
Nutrien Classic	(9,580)	(17,203)
Other ASHS Events	(34,318)	(41,504)
Marketing	(11,267)	(11,797)
Accreditation	(11,029)	0
Youth National Show & Camp	(10,471)	(63,313)
Youth Pathways	(5,044)	(906)
Youth Other	(5,361)	(3,316)
Cattle Insurance	(3,960)	(6,137)
Branches	(38,928)	(36,828)
Administration Expenses	(581,187)	(537,360)
Salaries & Wages	(1,140,956)	(1,027,189)
Board Expenses	(57,174)	(63,901)
TOTAL EXPENSES	(2,488,073)	(2,202,477)
OPERATING PROFIT/(LOSS)	(230,632)	6,914

*** This statement is unaudited*

**** Comparative figures have been adjusted where necessary to enhance presentation of the report*

The Australian Stock Horse Society Ltd
Trading Statements
for Period Ending 31st December 2023

	2023	2022
JOURNAL OPERATING STATEMENT		
Advertising Income	37,685.18	62,911.59
Other Income	1,665.48	2,443.33
Total Income	<u>39,350.66</u>	<u>65,354.92</u>
Less: Expenses	<u>(107,307.46)</u>	<u>(94,158.76)</u>
Net Loss incl. in Profit & Loss	<u>(67,956.80)</u>	<u>(28,803.84)</u>

MERCHANDISE TRADING STATEMENT		
Sales Revenue	97,624.18	123,548.99
Less: Cost of Goods Sold	<u>(77,129.44)</u>	<u>(123,130.82)</u>
Gross Profit (Loss)	20,494.74	418.17
Less:		
Advertising & Promotion	<u>(2,498.24)</u>	<u>(5,774.42)</u>
Net Profit incl. in Profit & Loss	<u>17,996.50</u>	<u>(5,356.25)</u>

BOARD EXPENSES		
Director Emolument	(16,000.00)	(16,000.00)
Travel	(19,481.00)	(18,520.55)
Accommodation & Room Hire	(10,353.74)	(9,820.77)
Meals	(3,160.04)	(6,272.08)
Election Expenses	0.00	(5,397.00)
Financial Statement Distribution	(534.76)	(881.82)
Sundry Expenses	(2,019.33)	(1,758.99)
Telephone	<u>(5,625.00)</u>	<u>(5,250.00)</u>
Total Board Expenses	<u>(57,173.87)</u>	<u>(63,901.21)</u>

*** This statement is unaudited*

**** Comparative figures have been adjusted where necessary to enhance presentation of the report*

The Australian Stock Horse Society Ltd
Trading Statements
for Period Ending 31st December 2023

	2023	2022
ADMINISTRATION EXPENSES		
Accountancy & Audit Fees	(32,880.40)	(22,253.00)
Advertising & Promotion	(3,078.44)	(2,319.24)
AGM Expenses	(3,341.04)	(26,788.74)
Amortisation Office	(1,389.36)	(2,079.00)
Audit Adjustments	(6,381.71)	0.00
Bank & Finance Charges	(20,840.46)	(18,607.05)
Cleaning & Waste Disposal	(12,662.57)	(13,567.38)
Depreciation Expense	(84,696.81)	(100,609.00)
Donations	(4.44)	340.21
Electricity	(15,490.83)	(8,305.52)
Employment Services	(1,906.44)	(1,567.80)
Equipment - Items <\$1,000	(3,273.99)	(7,311.56)
FBT Expense	(3,534.34)	(5,065.14)
Grounds & Gardens Maintenance	(1,187.40)	(2,037.87)
Insurance	(84,777.91)	(80,233.99)
IT & Software Licence Costs	(65,660.44)	(27,552.89)
IT Support Costs	(22,495.34)	(34,352.78)
Legal Costs	(22,245.00)	(39,890.80)
Motor Vehicle Expenses	(9,267.44)	(11,125.20)
Postage	(31,539.06)	(32,308.60)
Printing & Stationery	(6,296.30)	(7,615.94)
Professional Fees	(39,200.02)	(26,554.44)
Raffle Costs	(110.89)	0.00
Rates	(3,902.09)	(4,108.88)
Rental Office Equipment	(4,714.24)	(4,895.50)
R&M - Buildings	(7,764.70)	(3,852.64)
R&M - Equipment	(3,796.91)	(2,327.00)
Staff Amenities	(4,197.38)	(4,225.95)
Staff Training	(22.73)	(1,452.91)
Subscriptions (Membership)	(4,527.50)	(2,981.29)
Suspense Account	461.33	0.00
Sundry Expenses	(12,068.27)	(1,559.32)
Telephone, Data & Tele-conferencing	(13,893.19)	(15,923.71)
Travel Expenses	(8,942.71)	(4,957.73)
Wages & Superannuation	(1,140,955.67)	(1,027,189.21)
Web Hosting	(40,504.48)	(16,405.23)
Work Cover Insurance	(5,053.68)	(4,864.13)
Total Administration Expenses	<u>(1,722,142.85)</u>	<u>(1,564,549.23)</u>

*** This statement is unaudited*

**** Comparative figures have been adjusted where necessary to enhance presentation of the report*