



**NCHA LTD**  
**ABN 95 623 350 256**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2018**

**NCHA LTD**  
**ABN 95 623 350 256**

**DIRECTORS' REPORT**

The directors present their report on NCHA Ltd for the financial year ended 31 December 2018. NCHA Ltd is a Company Limited by Guarantee and was registered with the Australian Securities and Investments Commission on the 11th December 2017. Prior to registration as a Company Limited by Guarantee, the entity was an Incorporated Association known as National Cutting Horse Association Inc. registered in NSW.

**DIRECTORS.** The names of directors in office at any time during or since the end of the year are:

|               | Years on Board | Qualifications                | Special Responsibilities            | Number of Directors Meetings (whilst a director) |          |
|---------------|----------------|-------------------------------|-------------------------------------|--|----------|
|               |                |                               |                                     | Held   | Attended |
| P J Shumack   | 1              | Farrier                       | Chairperson                         | 5  | 5        |
| J R Inglis    | 1              | Auctioneer                    | Vice Chairperson - appointed 1/1/18 | 5  | 4        |
| P J Webb      | 1              | Professional Horseman         | Vice Chairperson - appointed 1/1/18 | 5  | 3        |
| D K Wilson    | 1              | Grazier/ Manager              | Director - appointed 1/1/18         | 5  | 3        |
| P L Dawson    | 1              | Professional Horse Trainer    | Director - appointed 20/3/18        | 4  | 4        |
| J R Gray      | 1              | Professional Horse Trainer    | Director                            | 5  | 4        |
| N K McKenna   | 1              | Self Employed - HR Consultant | Director                            | 5  | 3        |
| L Mackay      | 1              | Retired                       | Director - appointed 1/1/18         | 5  | 5        |
| L M MacCallum | 1              | Teacher/Grazier               | Director - appointed 20/3/18        | 4  | 3        |
| J Dixon       | 1              | General Manager               | Director - resigned 20/3/18         | 1  | 1        |
| R Prew        | 1              | Plant Operator                | Director - resigned 20/3/18         | 1  | 1        |

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

**COMPANY SECRETARY.**

Mr Craig Young was appointed as company secretary on the 11th December 2017 and resigned from this position on the 5th July 2018. Mr Timothy Heath was appointed company secretary on 5th July 2018 and held this position until the end of the financial year.

## **DIRECTORS' REPORT**

### **Principal Activities & Strategies**

The principal activities of the company during the financial year were to provide facilities and promote the sport of cutting for members.

The entity's short-term objectives are to:

- continue to provide member services and facilitate cutting events for the enjoyment of members.

The long-term objectives are to:

- be sustainable by achieving profits from activities and maintaining and improving services to members.

To achieve these objectives, the entity has adopted the following strategies:

- the entity strives to continue attracting members and guests to support NCHA cutting activities.

### **Key Performance Measures**

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

The entity is incorporated under the Corporations Act 2001 and is an entity 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 2018, the total amount that members of the company are liable to contribute if the company is wound up is \$24,120.

### **Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 31 December 2018 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director

  
P J Shumack

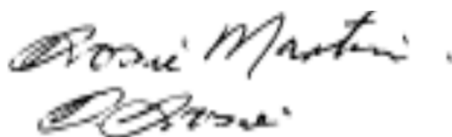
Dated: 4 February 2019

**AUDITORS' INDEPENDENCE DECLARATION**  
**UNDER S 307C OF THE CORPORATIONS ACT 2001**  
**TO THE DIRECTORS OF**  
**NCHA LTD**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018 there have been:

- i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Brosie Martin

Handwritten signature of Brosie Martin in black ink, consisting of two lines of cursive script.

Name of Partner: Brian Brosie (Registration No. 1472)

Date: 4 February 2019

Address: 131 Marius Street  
TAMWORTH NSW 2340

**NCHA LTD**  
**ABN 95 623 350 256**

**STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018**

|   | Note | 2018                    | 2017                    |
|---|------|-------------------------|-------------------------|
|   |      | \$                      | \$                      |
| Revenue   | 3    | 2,867,378               | 3,129,761               |
| Cost of goods sold  |      | (41,990)                | (57,104)                |
| Employee benefits expense   |      | (420,775)               | (489,211)               |
| Depreciation  | 4    | (33,579)                | (43,078)                |
| Other expenses  |      | <u>(2,491,255)</u>      | <u>(2,756,814)</u>      |
| <b>Loss before income tax</b>   |      | (120,221)               | (216,446)               |
| Income tax expense  |      | <u>-</u>                | <u>-</u>                |
| <b>Loss for the Year</b>  |      | <u><u>(120,221)</u></u> | <u><u>(216,446)</u></u> |
| <b>Other comprehensive income for the year</b>                          |      | <u>-</u>                | <u>-</u>                |
| <b>Total comprehensive income for the year</b>                          |      | <u><u>(120,221)</u></u> | <u><u>(216,446)</u></u> |
| <b>Total comprehensive income attributable to members of the entity</b> |      | <u><u>(120,221)</u></u> | <u><u>(216,446)</u></u> |

The accompanying notes form part of these financial statements

**NCHA LTD**  
**ABN 95 623 350 256**

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018**

|                                      | Note | 2018             | 2017             |
|--------------------------------------|------|------------------|------------------|
| <b>ASSETS</b>                        |      |                  |                  |
| <b>CURRENT ASSETS</b>                |      |                  |                  |
|                                      |      | \$               | \$               |
| Cash and cash equivalents            | 5    | 780,971          | 746,997          |
| Trade and other receivables          | 6    | 1,552            | 23,994           |
| Inventories                          | 7    | 28,135           | 34,789           |
| Other financial assets               | 8    | 350,000          | 358,939          |
| Other assets                         | 9    | 28,273           | 62,574           |
| <b>TOTAL CURRENT ASSETS</b>          |      | <u>1,188,931</u> | <u>1,227,293</u> |
| <b>NON-CURRENT ASSETS</b>            |      |                  |                  |
| Property, plant and equipment        | 10   | 275,970          | 295,063          |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | <u>275,970</u>   | <u>295,063</u>   |
| <b>TOTAL ASSETS</b>                  |      | <u>1,464,901</u> | <u>1,522,356</u> |
| <b>LIABILITIES</b>                   |      |                  |                  |
| <b>CURRENT LIABILITIES</b>           |      |                  |                  |
| Trade and other payables             | 11   | 607,514          | 544,251          |
| Provisions                           | 12   | 38,894           | 31,601           |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <u>646,408</u>   | <u>575,852</u>   |
| <b>NON-CURRENT LIABILITIES</b>       |      |                  |                  |
| Provisions                           | 12   | 11,410           | 19,200           |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <u>11,410</u>    | <u>19,200</u>    |
| <b>TOTAL LIABILITIES</b>             |      | <u>657,818</u>   | <u>595,052</u>   |
| <b>NET ASSETS</b>                    |      | <u>807,083</u>   | <u>927,304</u>   |
| <b>EQUITY</b>                        |      |                  |                  |
| Reserves                             |      | 97,063           | 97,063           |
| Retained earnings                    |      | 710,020          | 830,241          |
| <b>TOTAL EQUITY</b>                  |      | <u>807,083</u>   | <u>927,304</u>   |

The accompanying notes form part of these financial statements

**NCHA LTD**  
**ABN 95 623 350 256**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|  | <b>Retained<br/>Earnings</b> | <b>Asset<br/>Revaluation<br/>Reserve</b> | <b>Total</b>          |
|--|------------------------------|--|-----------------------|
| <b>Balance at 1 January 2017</b>   | 1,046,687                    | 97,063                                   | 1,143,750             |
| <b>Total comprehensive income attributable to members of the entity for the year</b> |                              |  |                       |
| Loss for the year  | (216,446)                    | -  | (216,446)             |
| <b>Balance at 31 December 2017</b>   | <u>830,241</u>               | <u>97,063</u>                            | <u>927,304</u>        |
| <b>Total comprehensive income attributable to members of the entity for the year</b> |                              |  |                       |
| Loss for the year  | (120,221)                    | -  | (120,221)             |
| <b>Balance at 31 December 2018</b>   | <u><u>710,020</u></u>        | <u><u>97,063</u></u>                     | <u><u>807,083</u></u> |

The asset revaluation reserve records revaluations of non-current assets.

The accompanying notes form part of these financial statements

**NCHA LTD**  
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**STATEMENT OF CASH FLOWS FOR YEAR ENDED 31 DECEMBER 2018**

|   | Note | 2018<br>\$         | 2017<br>\$         |
|---|------|--------------------|--------------------|
| <b>Cash Flows from Operating Activities</b>               |      |                    |                    |
| Receipts from customers                                   |      | 2,927,133          | 3,046,808          |
| Interest Received   |      | 13,559             | 23,966             |
| Payments to suppliers & employees                         |      | <u>(2,892,232)</u> | <u>(3,263,698)</u> |
| Net cash generated from(used in) operating activities     |      | <u>48,460</u>      | <u>(192,924)</u>   |
| <b>Cash Flows from Investing Activities</b>               |      |                    |                    |
| Payment for property, plant & equipment                   |      | <u>(14,486)</u>    | <u>(41,250)</u>    |
| Net cash used in investing activities                     |      | <u>(14,486)</u>    | <u>(41,250)</u>    |
| <b>Cash Flows from Financing Activities</b>               |      |                    |                    |
| Increase/(decrease) in borrowings                         |      | <u>-</u>           | <u>-</u>           |
| Net cash provided by(used in) financing activities        |      | <u>-</u>           | <u>-</u>           |
| Net increase/(decrease) in cash held                      |      | 33,974             | (234,174)          |
| Cash and cash equivalents at beginning of financial year  |      | <u>746,997</u>     | <u>981,171</u>     |
| <b>Cash and cash equivalents at end of financial year</b> | 5    | <u>780,971</u>     | <u>746,997</u>     |

The accompanying notes form part of these financial statements



**NCHA LTD**  
**ABN 95 623 350 256**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

The financial report covers NCHA Ltd as an individual entity. NCHA Ltd is a not-for-profit unlisted public Company Limited by Guarantee incorporated and domiciled in Australia. The company was registered with the Australian Securities and Investments Commission on the 11th December 2017, after transferring registration from NSW Fair Trading where it was previously registered as an Incorporated Association under the *Associations Incorporation Act 2009*. The financial report includes a land and building asset in which the title is still held by the National Cutting Horse Association Inc. The Association is in the process of transferring title into NCHA Ltd.

The functional and presentation currency of NCHA Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 4th February 2019.

Comparatives are those of National Cutting Horse Association Inc.

## **1. BASIS OF PREPARATION**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 as appropriate for not-for-profit orientated entities.

The financial statements, except for cashflow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

### **(a) Revenue & Other Income**

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

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

#### **Member Income**

Revenue in relation to member income is recognised when received.

#### **Donations**

Donations are recognised as revenue when received.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont)**

**Interest Revenue**

Interest is recognised using the effective interest method.

**Other income**

Other income is recognised on an accruals basis when the Company is entitled to it.

**(b) Goods and Services Tax**

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

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified as operating cashflows.

**(c) 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*.

**(d) Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand and demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**(e) Financial instruments**

**Financial Assets**

Financial Assets are divided into the following categories which are designed in detail below:

- loans and receivables;
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instruments and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income or expenses are recognised in profit or loss or in other comprehensive income.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont)**

*Trade and Other Receivables*

Other receivables are recognised at amortised cost, less any provision for impairment.

*Held-to-Maturity Investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held -to -maturity if it is the intention of the Company's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any change to the carrying amount of the investment are recognised in profit or loss.

*Impairment of Financial Assets*

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

*Financial Assets at Amortised Cost*

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flow discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance account, all other impairment losses on financial assets at amortised cost are taken directly to the asset. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

**(f) 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 any impairment losses.

**Property**

Freehold land and buildings are shown at their fair value, less where applicable, any accumulated depreciation and impairment losses.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont)**

In periods where the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying value for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset the previous increases in the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Land and buildings owned by the National Cutting Horse Association Inc. is situated at 15 Goonan Street.

**Plant and Equipment**

Plant and equipment are measured on a cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over the useful lives of the assets to the entity commencing from the time the asset is held ready for use.

Depreciation rates used for each class of asset are as follows:

|                   |                            |
|-------------------|----------------------------|
| Buildings         | 2.5% (Prime)               |
| Plant & Equipment | 20-40% (Diminishing Value) |
| Motor Vehicles    | 15% (Prime)                |

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 the proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont)**

**(g) Impairment of Assets**

At the end of each reporting period, the Company reviews the carrying values 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 higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is recognised in profit or loss.

**(h) Inventories**

Inventories held for sale are measured at the lower of cost and net realisable value. Inventories acquired at no cost or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

**(i) Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(j) Provisions**

Provisions are recognised when the entity has a legal and 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.

**(k) Employee Benefits**

**Short-term employee benefits**

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

The company's obligations for short-term employee benefits such as wages, salaries and personal leave are recognised as a part of current trade and other payables in the statement of financial position.

**Other long-term employee benefits**

The company classifies employees' long service leave and annual leave as other long-term employee benefits as they are 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. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont)**

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company 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 liabilities.

**(j) Comparative Figures**

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

**(k) Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements 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 Company.

**Key judgements**

*(i) Employee Benefits*

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month that follows, the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected value of the expected future payments to be made to employees.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont)**

|   | <b>2018</b>      | <b>2017</b>      |
|---|------------------|------------------|
|   | <b>\$</b>        | <b>\$</b>        |
| <b>3 Revenue</b>  |                  |                  |
| <b>Operating activities</b>   |                  |                  |
| Sale of Goods   | 48,010           | 63,435           |
| Entry Fees  | 690,771          | 763,797          |
| Membership Fees   | 215,857          | 234,687          |
| Sponsorship   | 300,222          | 357,853          |
| Other Revenue   | 1,612,518        | 1,709,989        |
|   | <u>2,867,378</u> | <u>3,129,761</u> |
| <b>4 Profit/(loss) from ordinary activities</b>   |                  |                  |
| Profit/(loss) from ordinary activities before income tax expense has been determined after: |                  |                  |
| Expenses:   |                  |                  |
| Cost of sales   | 41,990           | 57,104           |
| Depreciation  | <u>33,579</u>    | <u>43,078</u>    |
| Remuneration of Auditor   |                  |                  |
| Auditing the Accounts   | 16,000           | 16,000           |
| Other Services  | <u>9,120</u>     | <u>4,300</u>     |
|   | <u>25,120</u>    | <u>20,300</u>    |
| <b>5 Cash and Cash Equivalents (Current)</b>  |                  |                  |
| Cash on Hand  | 500              | 500              |
| Cash at Bank  | <u>780,471</u>   | <u>746,497</u>   |
|   | <u>780,971</u>   | <u>746,997</u>   |
| <b>6 Trade and Other Receivables (Current)</b>  |                  |                  |
| Trade Debtors   | <u>1,552</u>     | <u>23,994</u>    |
| <b>7 Inventories (Current)</b>  |                  |                  |
| Stock on Hand   | <u>28,135</u>    | <u>34,789</u>    |

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR  
FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont)**

|  | 2018<br>\$ | 2017<br>\$ |
|--|------------|------------|
| <b>8 Other Financial Assets (Current)</b>                                    |            |            |
| <b>Held-to maturity Investments</b>  |            |            |
| Term Deposits  | 350,000    | 358,939    |
| <b>9 Other Assets (Current)</b>  |            |            |
| Prepayments  | 28,273     | 62,574     |
| <b>10 Property, Plant &amp; Equipment (Non-Current)</b>                      |            |            |
| <b>Land and Buildings (owned by National Cutting Horse Association Inc.)</b> |            |            |
| Goonan Street, Tamworth  | 192,937    | 192,937    |
| Less: Accumulated Depreciation   | (30,600)   | (29,193)   |
|  | 162,337    | 163,744    |
| <b>Plant &amp; Equipment</b>   |            |            |
| Plant & Equipment at cost  | 245,508    | 231,022    |
| Accumulated Depreciation   | (167,533)  | (143,938)  |
|  | 77,975     | 87,084     |
| Motor Vehicles at cost   | 57,180     | 57,180     |
| Accumulated Depreciation   | (21,522)   | (12,945)   |
|  | 35,658     | 44,235     |
| <b>Total Plant &amp; Equipment</b>   | 113,633    | 131,319    |
| <b>Total Property, Plant &amp; Equipment</b>                                 | 275,970    | 295,063    |

**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<br>Buildings | Plant and<br>Equipment | Motor<br>Vehicles | Total    |
|--------------------------------|-----------------------|------------------------|-------------------|----------|
| Balance at beginning of year   | 163,744               | 87,084                 | 44,235            | 295,063  |
| Additions                      | -                     | 14,486                 | -                 | 14,486   |
| Disposals                      | -                     | -                      | -                 | -        |
| Depreciation Expense           | (1,407)               | (23,595)               | (8,577)           | (33,579) |
| Carrying amount at end of year | 162,337               | 77,975                 | 35,658            | 275,970  |



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR  
FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont)**

|   | 2018<br>\$                          | 2017<br>\$          |
|---|-------------------------------------|---------------------|
| <b>11 Trade and Other Payables (Current)</b>  |                                     |                     |
| Trade Creditors and Accruals  | 62,045                              | 67,310              |
| Income in Advance   | 514,817                             | 445,867             |
| Other current payables - ATO  | 30,652                              | 31,074              |
|   | 607,514                             | 544,251             |
| <b>Financial liabilities at amortised cost classified as trade and other payables</b> |                                     |                     |
| Trade and other payables:   |                                     |                     |
| - total current   | 607,514                             | 544,251             |
| - total non-current   | -                                   | -                   |
|   | 607,514                             | 544,251             |
| Less deferred income & income in advance  | (514,817)                           | (445,867)           |
|   | 92,697                              | 98,384              |
| <b>12 Provisions</b>  |                                     |                     |
| <b>CURRENT</b>  |                                     |                     |
| Provision for employee benefits: annual leave   | 33,398                              | 26,809              |
| Provision for employee benefits: bonus leave  | 5,496                               | 4,792               |
| Provision for employee benefits: long service leave                                   | -                                   | -                   |
|   | 38,894                              | 31,601              |
| <b>NON-CURRENT</b>  |                                     |                     |
| Provision for employee benefits: long service leave                                   | 11,410                              | 19,200              |
|   | 11,410                              | 19,200              |
|   | 50,304                              | 50,801              |
|   | <b>Employee<br/>Benefits<br/>\$</b> | <b>Total<br/>\$</b> |
| Analysis of total provisions:   |                                     |                     |
| Opening balance as at 1 January 2018  | 50,801                              | 50,801              |
| Additional provisions raised during year  | 28,956                              | 28,956              |
| Amounts used  | (29,453)                            | (29,453)            |
| Balance as at 31 December 2018  | 50,304                              | 50,304              |

**Provision for Employee Benefits**

Provision for employee benefits represents amount accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlement that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full 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 company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont)**

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.

**13 Financial Risk Management**

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139: Financial Instruments: Recognition and Measurement as detailed in the accounting policies to these financial statements, are as follows:

|                                    | Note | 2018<br>\$ | 2017<br>\$ |
|------------------------------------|------|------------|------------|
| <b>Financial Assets</b>            |      |            |            |
| Cash and cash equivalents          | 5    | 780,971    | 746,997    |
| Trade and other receivables        | 6    | 1,552      | 23,994     |
| Held to maturity investments       | 8    | 350,000    | 358,939    |
| <b>Total Financial Assets</b>      |      | 1,132,523  | 1,129,930  |
| <b>Financial Liabilities</b>       |      |            |            |
| Trade and other payables           | 11   | 92,697     | 98,384     |
| <b>Total Financial Liabilities</b> |      | 92,697     | 98,384     |

**14 Fair Value Measurements**

The company has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after initial recognition. The company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured on a non-recurring basis.

|  | Note | 2018<br>\$ | 2017<br>\$ |
|--|------|------------|------------|
| <b>Recurring fair value measurements</b> |      |            |            |
| Non-financial assets                     |      |            |            |
| - freehold land                          | 10   | 97,063     | 97,063     |
| - buildings                              | 10   | 65,274     | 66,681     |
|  |      | 162,337    | 163,744    |

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont)**

**15 Events after the Reporting Period**

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

**16 Other Related Party Transactions**

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

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

During the year, Peter Shumack, provided management support services for the sum of \$20,515. Jade Mackay Marketing and Promotion provided consultancy services for the sum of \$15,684.

**17 Entity Details**

The registered office and principal place of business of the Company is:  
NCHA Ltd  
15 Goonan Street  
Tamworth NSW 2340

**18 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 to a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 31 December 2018 the number of members was 1,206.

**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of NCHA Ltd, the directors of the company declare that:

- 1 The financial statements and notes, as set on pages 4 to 18, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - (b) give a true and fair view of the financial position of the company as at the 31 December 2018 and of its performance for the year ended on that date.
- 2 In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Director

P J Shumack

Dated: 4 February 2019

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**NCHA LTD**  
**ABN 95 623 350 256**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of NCHA LTD, which comprises the statement of financial position as at 31 December 2018, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of NCHA Ltd is in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the company's financial position as at 31 December 2018 and of its performance for the year then ended; and
- b. complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

**Basis of 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 in our report. We are independent of the company 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 (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.

We confirm that the independence declaration required by the *Corporations Act 2001*, as set out on page 3 of the financial statements would be in the same terms if provided to the directors as at the date of this auditor's report.

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

**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 company's annual report for the year ended 31 December 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover 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 company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine 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 company's ability to continue as a going concern, disclosing, as applicable matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company 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 Australia Accounting 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 of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 company'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 audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the company 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 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.

Name of Firm:       BROSIE MARTIN



Name of Partner:    Brian J Brosie (Registration No: 1472)

Address:            131 Marius Street, Tamworth NSW 2340

Date:                4 February 2019

**SPECIAL PURPOSE COMPILATION REPORT**  
**TO NCHA LTD**

**Scope**

On the basis of information provided by the directors of NCHA Ltd, we have compiled in accordance with APES 315: *Compilation of Financial Information* the following special purpose financial report of NCHA Ltd comprising Departmental and Consolidated Income Statements for the year ended 31 December 2018.

The specific purpose for which the special purpose financial report has been prepared is for the confidential use of the directors and members. Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report.

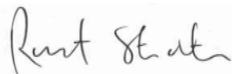
The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of NCHA Ltd's constitution and are appropriate to meet the needs of the directors and members of the company.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the company, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was compiled exclusively for the benefit of the directors and members of the company and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

**Name of Firm:** Brosie Martin Barnett



**Name of Partner:** Robert Studte

**Address:** 131 Marius Street  
TAMWORTH NSW 2340

**Dated:** 4 February 2019

**NCHA LTD**  
**ABN 95 623 350 256**

**DETAILED INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                                     | <b>2018</b>      | <b>2017</b>      |
|-------------------------------------|------------------|------------------|
|                                     | \$               | \$               |
| <b>INCOME</b>                       |                  |                  |
| Advertising                         | 7,000            | -                |
| Cattle Hire                         | 253,157          | 323,729          |
| Day Fees                            | 8,210            | 8,228            |
| Diamond Deck                        | 65,127           | 58,300           |
| Entry Fees                          | 690,771          | 763,797          |
| Entry Penalty Fees                  | 25,679           | 32,772           |
| Fundraising/Donations               | 173,056          | 17,209           |
| Gate Takings                        | 48,238           | 71,621           |
| Interest Received                   | 13,559           | 23,966           |
| Judges Clinics                      | 8,518            | 5,181            |
| Judges Levies                       | 31,754           | 36,528           |
| Levies                              | 108,455          | 89,969           |
| Mechanical Cow                      | 19,301           | 20,010           |
| Member Facility Fees                | 108,000          | 113,072          |
| Membership Fees                     | 215,857          | 234,687          |
| Merchandise                         | 48,010           | 63,435           |
| Merchant Fee Recovered              | 17,883           | 19,873           |
| NCHA Chatta                         | 73,350           | 121,843          |
| Nomination Fees                     | 52,810           | 58,900           |
| Office Fees                         | 105,317          | 130,440          |
| Practice Pen                        | 45,281           | 57,319           |
| Preworks                            | 19,882           | 21,846           |
| Programmes                          | 10,632           | 10,409           |
| Public Liability Levy               | 49,545           | 53,154           |
| Show Affiliation Fees               | 2,701            | 2,733            |
| Site Fees - Camping                 | 53,854           | 69,207           |
| Site Fees - Traders                 | 58,570           | 62,804           |
| Sponsorship- Cash                   | 200,901          | 225,721          |
| Sponsorship - In-Kind               | 99,321           | 132,132          |
| Stable Fees                         | 163,914          | 225,687          |
| Stallions - Eligible & Non-Eligible | 20,800           | 16,400           |
| Sundry Income                       | 22,037           | 15,656           |
| Transfer Fees                       | 1,846            | 1,784            |
| Video                               | 23,201           | 27,581           |
| Webcast                             | 20,841           | 13,768           |
| <b>Total Income</b>                 | <u>2,867,378</u> | <u>3,129,761</u> |

This statement should be read in conjunction with the attached compilation report.



**NCHA LTD**  
**ABN 95 623 350 256**

**DETAILED INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont'd)**

|                                      | <b>2018</b> | <b>2017</b> |
|--------------------------------------|-------------|-------------|
|                                      | <b>\$</b>   | <b>\$</b>   |
| <b>EXPENSES</b>                      |             |             |
| Accountancy & Audit Fees             | 25,120      | 20,300      |
| Advertising                          | 78,347      | 83,548      |
| Affiliate Expenses                   | 4,545       | -           |
| Arena Expenses                       | 24,363      | 62,675      |
| Bad Debts Written Off                | 4,546       | -           |
| Bank Charges                         | 21,405      | 18,153      |
| Camping Expenses                     | -           | 6,195       |
| Cattle Committee Expenses            | 14,680      | 12,409      |
| Cattle Hire                          | 215,599     | 280,061     |
| Cleaning                             | 12,091      | 11,618      |
| Computer Expenses                    | 19,246      | 14,023      |
| Contract Staff                       | 110,112     | 129,558     |
| Diamond Deck Expenses                | 51,732      | 59,643      |
| Directors Expense                    | 32,256      | 33,087      |
| Donations                            | 153,124     | 714         |
| Drug Testing                         | 1,915       | 1,496       |
| Electricity & Gas                    | 5,585       | 6,348       |
| Entertainment Expenses               | 22,106      | 25,405      |
| Freight                              | 854         | 2,208       |
| Fuel & Oil                           | 4,197       | 5,622       |
| Gate Expenses                        | 9,008       | 11,581      |
| General Expenses                     | 2,533       | 391         |
| Hire of Plant & Equipment            | 85,729      | 101,335     |
| Hire of Sites                        | 114,892     | 121,159     |
| Insurance - General                  | 4,639       | 3,788       |
| Insurance - Public Liability         | 53,989      | 53,506      |
| Insurance - Workers Compensation     | 3,488       | 2,890       |
| Judges Clinics                       | 4,248       | 1,222       |
| Judges Expenses                      | 67,334      | 74,022      |
| Legal Costs                          | 800         | 4,175       |
| Marketing                            | 19,597      | 34,045      |
| Medical Expenses                     | 273         | 7,530       |
| Meeting Expenses and Staff Amenities | 4,485       | 3,000       |
| Members Expenses                     | 2,938       | 3,093       |
| Merchandise                          | 41,990      | 57,104      |
| Monitor Judges Expenses              | 8,951       | 31,411      |
| Motor Vehicle Expenses               | 3,768       | 2,583       |
| NCHA Levies/Affiliate Expenses       | 31,185      | 31,991      |
| NCHA Newsletter                      | 91,353      | 148,315     |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DETAILED INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018 (Cont'd)**

|   | <b>2018</b>             | <b>2017</b>             |
|---|-------------------------|-------------------------|
|   | <b>\$</b>               | <b>\$</b>               |
| Printing, Postage & Stationery            | 30,426                  | 30,708                  |
| Prizemoney                                | 712,422                 | 819,770                 |
| Program Expenses                          | 18,614                  | 19,537                  |
| Rates & Water                             | 2,840                   | 2,885                   |
| Repairs & Maintenance                     | 7,798                   | 3,809                   |
| Salaries, Wages & Superannuation          | 420,775                 | 489,211                 |
| Sale Expenses                             | -                       | 480                     |
| Sale Incentive                            | 40,000                  | 38,000                  |
| Security Costs                            | 7,814                   | 6,843                   |
| Sponsors Expenses                         | 40,918                  | 50,848                  |
| Stable Expenses                           | 113,478                 | 142,151                 |
| Staff Training & Recruitment              | 565                     | 2,346                   |
| Subscriptions                             | 2,842                   | 1,652                   |
| Telephone                                 | 11,811                  | 11,718                  |
| Travel & Accommodation                    | 6,093                   | 7,360                   |
| Trophies                                  | 139,891                 | 158,555                 |
| Uniforms                                  | 4,869                   | 6,370                   |
| Video & Photography                       | 31,600                  | 34,321                  |
| Website Expenses                          | 4,800                   | 3,600                   |
| Youth Expenses                            | 3,441                   | 6,761                   |
| <b>Total Expenses</b>                     | <u>2,954,020</u>        | <u>3,303,129</u>        |
| <b>Loss before Depreciation and Taxes</b> | (86,642)                | (173,368)               |
| Depreciation                              | (33,579)                | (43,078)                |
| <b>LOSS FOR THE YEAR</b>                  | <u><u>(120,221)</u></u> | <u><u>(216,446)</u></u> |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                                      | <b>2018</b>    | <b>2017</b>    |
|--------------------------------------|----------------|----------------|
|                                      | <b>\$</b>      | <b>\$</b>      |
| <b>GENERAL</b>                       |                |                |
| <b>INCOME</b>                        |                |                |
| Day Fees                             | 8,210          | 8,228          |
| Entry Penalty Fees                   | 1,000          | -              |
| Fundraising/Donations                | 153,124        | -              |
| Interest Received                    | 13,512         | 23,903         |
| Judges Clinics                       | 5,927          | 886            |
| Levies                               | 93,771         | 80,698         |
| Membership Fees                      | 210,733        | 227,644        |
| Merchant Fees Recovered              | 17,883         | 19,873         |
| NCHA Merchandise                     | 48,010         | 63,435         |
| Public Liability Insurance Levy      | 49,545         | 53,154         |
| Sponsorship - In Kind                | 18,000         | 14,400         |
| Sundry Income                        | 16,666         | 5,729          |
| Transfer Fees                        | 1,846          | 1,784          |
| <b>Total Income</b>                  | <b>638,227</b> | <b>499,734</b> |
| <b>EXPENSES</b>                      |                |                |
| Accountancy & Audit Fees             | 25,120         | 20,300         |
| Advertising                          | 14,030         | 6,234          |
| Bank Charges                         | 21,405         | 18,153         |
| Cleaning                             | 3,312          | 3,290          |
| Computer Expenses                    | 19,246         | 12,265         |
| Contract Staff                       | 66,620         | 33,349         |
| Depreciation                         | 33,579         | 43,078         |
| Directors Expense                    | 32,256         | 33,087         |
| Donations                            | 153,124        | 714            |
| Electricity & Gas                    | 4,055          | 3,774          |
| Fuel & Oil                           | 3,038          | 3,087          |
| General Expenses                     | 871            | 391            |
| Insurance - General                  | 4,550          | 3,788          |
| Insurance - Public Liability         | 53,989         | 53,506         |
| Insurance - Workers Compensation     | 3,488          | 2,890          |
| Judges Clinics                       | 2,797          | 1,186          |
| Legal Costs                          | 800            | 3,675          |
| Marketing                            | 2,552          | 4,888          |
| Medical Expenses                     | -              | 330            |
| Meeting Expenses and Staff Amenities | 4,449          | 2,926          |
| Members Expenses                     | 2,938          | 3,093          |
| Merchandise                          | 39,440         | 57,104         |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                                  | <b>2018</b>      | <b>2017</b>      |
|----------------------------------|------------------|------------------|
|                                  | <b>\$</b>        | <b>\$</b>        |
| <b>GENERAL (CONT'D)</b>          |                  |                  |
| Motor Vehicle Expenses           | 3,768            | 2,583            |
| Printing, Postage & Stationery   | 29,543           | 27,963           |
| Rates & Water                    | 2,840            | 2,885            |
| Repairs & Maintenance            | 4,752            | 3,664            |
| Salaries, Wages & Superannuation | 389,803          | 465,913          |
| Security Costs                   | 1,349            | 930              |
| Staff Training & Recruitment     | 565              | 2,346            |
| Subscriptions                    | 2,842            | 1,652            |
| Telephone                        | 11,811           | 11,718           |
| Travel & Accommodation           | 2,251            | 934              |
| Trophies                         | 18,216           | 14,400           |
| Uniforms                         | 23               | 1,181            |
| Website Expenses                 | 2,000            | 1,000            |
| <b>Total Expenses</b>            | <u>963,440</u>   | <u>850,294</u>   |
| <b>NET LOSS</b>                  | <u>(325,213)</u> | <u>(350,560)</u> |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                           | <b>2018</b>      | <b>2017</b>      |
|---------------------------|------------------|------------------|
|                           | \$               | \$               |
| <b>FUTURITY</b>           |                  |                  |
| <b>INCOME</b>             |                  |                  |
| Advertising               | 7,000            | -                |
| Cattle Hire               | 187,701          | 188,969          |
| Diamond Deck              | 65,127           | 58,300           |
| Entry Fees                | 640,205          | 645,319          |
| Entry Penalty Fees        | 24,679           | 32,772           |
| Gate Takings              | 48,238           | 71,621           |
| Judges Clinics            | 2,591            | 4,295            |
| Judges Levies             | 31,754           | 36,528           |
| Mechanical Cow            | 15,341           | 13,430           |
| Member Facility Fees      | 108,000          | 113,072          |
| Office Fees               | 71,898           | 79,149           |
| Practice Pen              | 36,281           | 35,226           |
| Programmes                | 8,782            | 8,291            |
| Site Fees - Camping       | 42,700           | 43,727           |
| Site Fees - Traders       | 58,570           | 62,004           |
| Sponsorship - Cash        | 173,142          | 155,822          |
| Sponsorship - In Kind     | 67,485           | 108,546          |
| Stables                   | 113,968          | 111,877          |
| Sundry Income             | 300              | 4,818            |
| Video                     | 14,365           | 11,541           |
| Webcast                   | 20,841           | 11,318           |
| <b>Total Income</b>       | <b>1,738,968</b> | <b>1,796,625</b> |
| <b>EXPENSES</b>           |                  |                  |
| Advertising               | 50,734           | 44,494           |
| Arena Expenses            | 18,467           | 27,244           |
| Cattle Committee Expenses | 10,480           | 8,168            |
| Cattle Hire               | 153,445          | 143,825          |
| Cleaning                  | 8,779            | 8,328            |
| Computer Expenses         | -                | 258              |
| Contract Staff            | 37,484           | 72,657           |
| Diamond Deck              | 51,732           | 59,430           |
| Drug Testing              | 1,915            | 1,224            |
| Electricity & Gas         | 1,530            | 2,574            |
| Entertainment Expenses    | 14,963           | 17,460           |
| Freight & Cartage         | 702              | 1,042            |
| Fuel & Oil                | 1,159            | 2,455            |
| Gate Expenses             | 9,008            | 11,581           |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                                      | <b>2018</b>      | <b>2017</b>      |
|--------------------------------------|------------------|------------------|
|                                      | <b>\$</b>        | <b>\$</b>        |
| <b>FUTURITY (CONT'D)</b>             |                  |                  |
| General Expenses                     | 810              | -                |
| Hire of Plant & Equipment            | 84,612           | 97,987           |
| Hire of Sites                        | 84,303           | 82,852           |
| Insurance - General                  | 89               | -                |
| Judges Clinic                        | 1,451            | 36               |
| Judges Expenses                      | 62,011           | 52,445           |
| Legal Costs                          | -                | 500              |
| Marketing                            | 15,822           | 16,171           |
| Medical Expenses                     | 273              | 4,550            |
| Meeting Expenses and Staff Amenities | 36               | 74               |
| Monitor Judges Expenses              | 8,951            | 19,276           |
| NCHA Levies/Affiliate Expenses       | 31,185           | 31,262           |
| Printing, Postage & Stationery       | 659              | 2,745            |
| Prizemoney                           | 630,256          | 627,747          |
| Program Expenses                     | 13,016           | 14,147           |
| Repairs & Maintenance                | 3,046            | -                |
| Salaries, Wages & Superannuation     | 27,117           | 16,876           |
| Security Costs                       | 6,465            | 5,913            |
| Sponsors                             | 40,918           | 47,212           |
| Stable Expenses                      | 59,331           | 58,709           |
| Travel & Accommodation               | 3,842            | 820              |
| Trophies                             | 106,843          | 115,069          |
| Uniforms                             | 4,846            | 5,189            |
| Video & Photography                  | 23,100           | 19,120           |
| Website Expenses                     | 2,800            | 2,600            |
| <b>Total Expenses</b>                | <b>1,574,198</b> | <b>1,624,057</b> |
| <b>NET PROFIT</b>                    | <b>164,770</b>   | <b>172,568</b>   |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                           | <b>2018</b>    | <b>2017</b>    |
|---------------------------|----------------|----------------|
|                           | <b>\$</b>      | <b>\$</b>      |
| <b>NATIONAL FINALS</b>    |                |                |
| <b>INCOME</b>             |                |                |
| Cattle Hire               | 46,991         | 73,001         |
| Entry Fees                | 28,961         | 50,413         |
| Levies                    | 14,684         | 9,271          |
| Mechanical Cow            | 3,960          | 5,100          |
| Office Fees               | 19,955         | 25,050         |
| Practice Pen              | 9,000          | 15,760         |
| Pre Works                 | 19,882         | 21,846         |
| Site Fees - Camping       | 11,154         | 16,400         |
| Site Fees - Traders       | -              | 300            |
| Sponsorship - Cash        | 4,199          | 11,791         |
| Sponsorship - In Kind     | 100            | 650            |
| Stables                   | 49,991         | 72,173         |
| Sundry Income             | 4,764          | 5,282          |
| Video                     | 6,632          | 8,917          |
| <b>Total Income</b>       | <b>220,273</b> | <b>315,954</b> |
| <b>EXPENSES</b>           |                |                |
| Advertising               | 1,688          | 10,836         |
| Arena Expenses            | 5,233          | 24,845         |
| Cattle Committee Expenses | 3,260          | 3,788          |
| Cattle Hire               | 47,362         | 69,352         |
| Contract Staff            | 6,008          | 21,500         |
| Drug Testing              | -              | 272            |
| Entertainment Expenses    | 7,143          | 7,945          |
| Freight & Cartage         | 32             | 157            |
| General Expenses          | 352            | -              |
| Hire of Plant & Equipment | 1,117          | 2,048          |
| Hire of Sites             | 30,589         | 34,516         |
| Judges Expenses           | 5,023          | 8,302          |
| Marketing                 | 545            | 4,452          |
| Medical Expenses          | -              | 2,650          |
| Monitor Judges Expenses   | -              | 2,188          |
| Prizemoney                | 43,080         | 85,567         |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                                  | <b>2018</b>    | <b>2017</b>     |
|----------------------------------|----------------|-----------------|
|                                  | <b>\$</b>      | <b>\$</b>       |
| <b>NATIONAL FINALS (CONT'D)</b>  |                |                 |
| Repairs & Maintenance            | -              | 145             |
| Salaries, Wages & Superannuation | 3,855          | 6,422           |
| Stable Expenses                  | 28,927         | 32,151          |
| Travel & Accommodation           | -              | 1,188           |
| Trophies                         | 8,602          | 11,487          |
| Video & Photography              | 7,000          | 7,500           |
| <b>Total Expenses</b>            | <u>201,834</u> | <u>339,328</u>  |
| <b>NET PROFIT/(LOSS)</b>         | <u>18,439</u>  | <u>(23,374)</u> |

This statement should be read in conjunction with the attached compilation report.



**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                       | 2018          | 2017          |
|-----------------------|---------------|---------------|
|                       | \$            | \$            |
| <b>NYCHA</b>          |               |               |
| <b>INCOME</b>         |               |               |
| Fundraising           | 19,932        | 17,209        |
| Interest Received     | 47            | 63            |
| Sundry Income         | 91            | 267           |
| <b>Total Income</b>   | <u>20,070</u> | <u>17,539</u> |
| <b>EXPENSES</b>       |               |               |
| Advertising           | 655           | 1,527         |
| Cattle Hire           | 2,540         | -             |
| Marketing             | 182           | 1,153         |
| Merchandise           | 2,550         | -             |
| Youth Expenses        | 3,441         | 6,761         |
| <b>Total Expenses</b> | <u>9,368</u>  | <u>9,441</u>  |
| <b>NET PROFIT</b>     | <u>10,702</u> | <u>8,098</u>  |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                           | <b>2018</b>    | <b>2017</b>     |
|---------------------------|----------------|-----------------|
| <b>VICTORIAN FUTURITY</b> |                |                 |
| <b>INCOME</b>             |                |                 |
| Cattle Hire               | -              | 49,805          |
| Entry Fees                | -              | 54,682          |
| Mechanical Cow            | -              | 1,480           |
| Office Fees               | -              | 17,836          |
| Practice Pen              | -              | 6,333           |
| Site Fees - Camping       | -              | 9,080           |
| Site Fees - Traders       | -              | 500             |
| Sponsorship - Cash        | -              | 25,514          |
| Sponsorship - In Kind     | -              | 8,536           |
| Stables                   | (45)           | 40,137          |
| Sundry Income             | -              | (440)           |
| Video                     | -              | 5,782           |
| Webcast                   | -              | 2,450           |
| <b>Total Income</b>       | <u>(45)</u>    | <u>221,695</u>  |
| <b>EXPENSES</b>           |                |                 |
| Advertising               | 1,133          | 9,573           |
| Arena Expenses            | -              | 9,923           |
| Bad Debts Written Off     | 4,546          | -               |
| Camping Expenses          | -              | 6,195           |
| Cattle Hire               | -              | 59,156          |
| Contract Staff            | -              | 2,052           |
| Diamond Deck              | -              | 213             |
| Freight & Cartage         | -              | 76              |
| Fuel & Oil                | -              | 80              |
| Hire of Plant & Equipment | -              | 1,300           |
| Hire of Sites             | -              | 3,791           |
| Judges Expenses           | -              | 11,275          |
| Marketing                 | -              | 3,752           |
| Prizemoney                | -              | 74,401          |
| Sponsors                  | -              | 3,636           |
| Stable Expenses           | -              | 26,718          |
| Travel & Accommodation    | -              | 4,418           |
| Trophies                  | -              | 9,093           |
| Video & Photography       | -              | 6,201           |
| <b>Total Expenses</b>     | <u>5,679</u>   | <u>231,853</u>  |
| <b>NET LOSS</b>           | <u>(5,724)</u> | <u>(10,158)</u> |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                       | <b>2018</b>    | <b>2017</b>     |
|-----------------------|----------------|-----------------|
|                       | <b>\$</b>      | <b>\$</b>       |
| <b>CHATTA</b>         |                |                 |
| <b>INCOME</b>         |                |                 |
| NCHA Chatta           | 73,350         | 121,843         |
| Membership Fees       | 910            | 1,843           |
| Sponsorship In-Kind   | 13,736         | -               |
| <b>Total Income</b>   | <u>87,996</u>  | <u>123,686</u>  |
| <b>EXPENSES</b>       |                |                 |
| NCHA Newsletter       | 91,353         | 148,315         |
| <b>Total Expenses</b> | <u>91,353</u>  | <u>148,315</u>  |
| <b>NET LOSS</b>       | <u>(3,357)</u> | <u>(24,629)</u> |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                       | <b>2018</b>   | <b>2017</b>   |
|-----------------------|---------------|---------------|
|                       | \$            | \$            |
| <b>SELECT SALE</b>    |               |               |
| <b>INCOME</b>         |               |               |
| Nomination Fees       | 52,810        | 58,900        |
| Programmes            | 1,850         | 2,118         |
| Sponsorship - Cash    | 23,560        | 32,594        |
| Stables               | -             | 1,500         |
| <b>Total Income</b>   | <u>78,220</u> | <u>95,112</u> |
| <b>EXPENSES</b>       |               |               |
| Advertising           | 3,035         | 4,284         |
| Arena Expenses        | 663           | 663           |
| Cattle Hire           | -             | 480           |
| Computer Expenses     | -             | 1,500         |
| Freight & Cartage     | 80            | 80            |
| Marketing             | 9             | 1,459         |
| Program Expenses      | 5,598         | 5,390         |
| Sale Expenses         | -             | 480           |
| Sale Incentive        | 40,000        | 38,000        |
| Stable Expenses       | 25,220        | 24,573        |
| <b>Total Expenses</b> | <u>74,605</u> | <u>76,909</u> |
| <b>NET PROFIT</b>     | <u>3,615</u>  | <u>18,203</u> |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                                | <b>2018</b>    | <b>2017</b>     |
|--------------------------------|----------------|-----------------|
|                                | \$             | \$              |
| <b>AFFILIATES</b>              |                |                 |
| <b>INCOME</b>                  |                |                 |
| Show Affiliation Fees          | 2,701          | 2,733           |
| Sundry Income                  | 216            | -               |
| <b>Total Income</b>            | <u>2,917</u>   | <u>2,733</u>    |
| <b>EXPENSES</b>                |                |                 |
| Affiliate Expenses             | 4,545          | -               |
| Freight & Cartage              | -              | 762             |
| Marketing                      | -              | 145             |
| Monitor Judges Expenses        | -              | 9,947           |
| NCHA Levies/Affiliate Levies   | -              | 729             |
| Printing, Postage & Stationery | 224            | -               |
| Trophies                       | 3,960          | 6,212           |
| <b>Total Expenses</b>          | <u>8,729</u>   | <u>17,795</u>   |
| <b>NET LOSS</b>                | <u>(5,812)</u> | <u>(15,062)</u> |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                                     | <b>2018</b>   | <b>2017</b>    |
|-------------------------------------|---------------|----------------|
|                                     | <b>\$</b>     | <b>\$</b>      |
| <b>BREEDERS INCENTIVE</b>           |               |                |
| <b>INCOME</b>                       |               |                |
| Cattle Hire                         | 18,465        | 11,954         |
| Entry Fees                          | 21,605        | 13,383         |
| Office Fees                         | 13,464        | 8,405          |
| Stallions - Eligible & Non-Eligible | 20,800        | 16,400         |
| Video                               | 2,204         | 1,341          |
| <b>Total Income</b>                 | <u>76,538</u> | <u>51,483</u>  |
| <b>EXPENSES</b>                     |               |                |
| Advertising                         | 6,039         | 6,600          |
| Cattle Committee Expenses           | 940           | 453            |
| Cattle Hire                         | 12,252        | 7,248          |
| Freight & Cartage                   | 40            | 91             |
| General Expenses                    | 500           | -              |
| Judges Expenses                     | 300           | 2,000          |
| Marketing                           | 487           | 2,025          |
| Prizemoney                          | 39,086        | 32,055         |
| Trophies                            | 2,270         | 2,294          |
| Video & Photography                 | 1,500         | 1,500          |
| <b>Total Expenses</b>               | <u>63,414</u> | <u>54,266</u>  |
| <b>Net PROFIT/(LOSS)</b>            | <u>13,124</u> | <u>(2,783)</u> |

This statement should be read in conjunction with the attached compilation report.

**NCHA LTD**  
**ABN 95 623 350 256**

**DEPARTMENTAL INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

|                          | <b>2018</b>         | <b>2017</b>         |
|--------------------------|---------------------|---------------------|
|                          | <b>\$</b>           | <b>\$</b>           |
| <b>PROTRAINER CLINIC</b> |                     |                     |
| <b>INCOME</b>            |                     |                     |
| Membership Fees          | <u>4,214</u>        | <u>5,200</u>        |
| <b>Total Income</b>      | <u>4,214</u>        | <u>5,200</u>        |
| <b>EXPENSES</b>          |                     |                     |
| Advertising              | <u>1,033</u>        | <u>-</u>            |
| <b>Total Expenses</b>    | <u>1,033</u>        | <u>-</u>            |
| <b>NET PROFIT</b>        | <u><u>3,181</u></u> | <u><u>5,200</u></u> |

This statement should be read in conjunction with the attached compilation report.