

The Arabian Horse Society of Australia Limited

ABN 12 001 281 590

Annual Report - 31 December 2018

The Arabian Horse Society of Australia Limited

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31 December 2018

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The Arabian Horse Society of Australia Limited

Directors' report

31 December 2018

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of The Arabian Horse Society of Australia Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2018.

Directors

The following persons were directors of The Arabian Horse Society of Australia Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

L Williamson (Chairperson)
A Preston (Senior Vice-Chairperson - resigned 28 April 2018)
S Benjamin (Senior Vice-Chairperson - appointed 28 April 2018)
K Fletcher Grieve (Junior Vice-Chairperson)
D Watson (Treasurer - resigned 28 April 2018)
K Galea (Treasurer - subsequent to 28 April 2018)
C Bilson
R Shipton
Y Downes
G Liddle (appointed 28 April 2018)
H Rowbottom (appointed 28 April 2018)
G Smith (resigned 02 February 2018)
G Lilley (resigned 28 April 2018)

Principal Activities

The principal activities of The Arabian Horse Society of Australia Limited during the financial year were the maintenance of breed purity coupled with promotions aimed at improving the popularity of the Arabian Horse in Australia, the compilation and the maintenance of the Stud Books, Registers and records of pure bred Arabian horses and their derivatives and the publication of the Arabian Horse News along with the distribution of a members newsletter the members bulletin.

No significant changes in the nature of the entity's activity occurred during the financial year.

Objectives

The company's short term objectives are to:

- To maintain a Purebred Stud Book and the Derivative Registries.
- To participate in promotional events involving the wider community.
- To promote and assist in the production of shows.
- To encourage the training and education of judges for Arabian shows.
- To involve youth with Arabian horses.
- To encourage others breed registries to become involved with the AHSA.

The company's long term objectives are to:

- To maintain the purity of the Arabian horse.
- Encourage the production of Arabian horses.
- To register and promote Derivative Arabian horses.
- To showcase the versatility of the Arabian breed.
- To achieve ongoing breed growth.
- Maintain financial stability and organisational efficiency.
- Brand awareness of the Arabian Horse Society name and logo in the broader community. (e.g. sponsorships, advertisements, social media etc.)

Strategy for achieving the objectives

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

- Consistency and relevance in the application of the Rules and Regulations within the Registry.
- Active involvement with the World Arabian Horse Organisation.
- Global awareness of Australian bred Arabian Horses.
- Maintenance of an online Stud Book that is free and available to the general public.
- Involvement in the Production of a quality publication devoted to the Arabian horse in Australia.
- Support & involvement in a programme that educates, examines and licenses Arabian horse judges. Strategic planning for the growth & ongoing development of a health investment portfolio.
- Prudent management of available funds.

The Arabian Horse Society of Australia Limited

Directors' report

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How principal activities assisted in achieving the objectives

The principal activities assisted the company in achieving its objectives by:

- Registering Purebred and Derivative horses.
- Providing avenues for members to exhibit Arabian horses.
- Providing opportunities for breed promotion.
- Industry growth and marketplace awareness.

Performance measures

The following measures are used within the company to monitor performance:

- Membership numbers achieved.
- New member involvement.
- Breed inquiries directly or indirectly.
- Annual horse registration numbers and other markers.
- Member participation in events provided.
- Costs of producing and attending events compared to efficacy.
- Import & export statistics.
- International interest in events & in Australia breeding programs.
- Sponsorship available and costs of raising sponsorship.

Information on directors

Name: L Williamson
Title: Chairperson
Qualifications: Certificate IV Government, Certificate IV Work Place Assessor and Upgrade, Certificate III Telecommunications and VMA Certificate in Venue Management
Experience and expertise: Involved in the Arabian Industry since 1968 and have been on National Panel since 1983. President of the AHAQ for 10+ years. Received the Distinguished Service Award in 2007. Competed successfully in many disciplines on Arabians and actively assist in the promotion of the Arabian Horse. 2nd year as Treasurer. Outside of the horse world, managed the Sporting Venues in a large Qld Council responsible for staff and budget management. Established one of the first Swimming Pool Fencing Inspection Programs in Qld.
Special responsibilities: Chairperson of the Board, Chairperson of Management, News, Governance & Welfare Sub Committee, Championships, Junior Development, Membership & Promotions, Archives, Registry and WAHO Sub Committees.

Name: A Preston (resigned 28 April 2018)
Title: Senior Vice-Chairperson
Qualifications: Degree in Business Management, Degree in Psychology.
Experience and expertise: Experienced in Project Management & as an Events Co-ordinator. Member of the AHSA since 1985. Director for AHSA since 2007 with three years as Treasurer & the past two years as Chairman. A past Director for PCIA, Lecturer for PCIA on business operations, Procedures & Management. Over 30 years experience in Company Management. Retired CEO of the Preston group of companies. Managing director of Nalla Pet Resorts Australia. Director of Arabians Pty. Ltd. Involvement with the Arabian Horse for more than 40 years, Arabian Horse breeder for 30 years. National Panel Judge AHSA. National Judge EA, National Judge Hunter Horse Association, Member of WAHO, international experience with show management, procedures & adjudication, Represented Australia in equestrian sport & as a Judge. Extensive global travel adjudicating, as a congress speaker & researching the Arabian horse industry & its registries.
Special responsibilities: International Panel Judge Senior Vice-Chairperson of the Board, Chairperson of JEC Sub Committee and Member of Management, News, Governance & Welfare, Championships, Registry and WAHO Sub Committees.

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Directors' report

31 December 2018

Name: K Fletcher-Grieve
Title: Junior Vice-Chairperson
Qualifications: Bachelor of Education
Experience and expertise: B.Ed. (early childhood) for 30 years, owner/manager of family day care business for 2 years, ex swimming instructor, ex pony club instructor. Owner of Arabian and derivatives for over 30 years, member of AHSA since 1986, past committee member WAAHA for 10 years. Show rider, dressage competitor and SHC judge. Involved with Youth, Championship and JEC.
National Panel Judge
Special responsibilities: Junior Vice-Chairperson of the Board, Chairperson of Junior Development, Member of Membership & Promotions Sub Committees.

Name: D Watson (resigned 28 April 2018)
Title: Treasurer
Qualifications: Cert IV in Business (Admin) and MYOB, Diploma of Work Health and Safety.
Experience and expertise: Over 30 years experience in all forms of office administration, accounts, despatch & receivables and project management.
For the last 15 years, working for herself as a contract administration and bookkeeping service provider to numerous small to medium businesses.
International Panel Judge
Special responsibilities: Treasurer, Member of Archives, Championships, Management, News, Governance & Welfare and WAHO Sub Committees.

Name: C A Bilson
Title: Director
Qualifications: Certificate in Office Management
Level Two Tour Guide
Experience and expertise: Committee member of the Victorian Arabian Horse Association for over 10 years, 2 as Vice President and 5 as Chairman
Involved with the founding of the Show Horse Council of Victoria
Instructor and Trainer competing many different horses to a great success both Arabian and derivative.
Arabian enthusiast for more than 25 years.
Running of shows, marketing, membership drives, fundraising, account keeping and budgets, mediation and PR.
As appointed chairman of the Australian championships committee, this role included the running of the show from start to finish.
National Panel Judge
Special responsibilities: Member of Registry Sub-Committee

Name: Y Downes
Title: Director
Qualifications: St Johns First Aid Certificate
Experience and expertise: Arabian Horse breeder 40 years. National Panel Judge AHSA Ltd. EA Dressage & Saddle Horse judge. Jumping Equitation Judge. Panel judge Buckskin, Pinto, Miniature Horse & Pony Society. Level 1 Coach EA & PCA. Previous teacher Horse Management Course NSW TAFE. President Tasmanian Crabbet Arabian Group. Secretary Burnie Ag Show Horse Committee. Life member South Coast (NSW) Equestrian Club & South Coast Arabian Riders & Breeders Society (NSW).
Special responsibilities: Chairperson of Archives Sub Committee and Member of Registry Sub Committees.

Name: G Lilley (resigned 28 April 2018)
Title: Director
Qualifications: Cert IV in Hospitality and Food Safety Supervisor
Experience and expertise: Ran own Hospitality Business for 21 years, Bank Officer for Commonwealth bank for about 10 years before that, photojournalist and freelance Horse photographer for the last 3 years, writing for the Arabian Horse news, Studs and Stallions, Hills and Hawkesbury and as unpaid publicity officer for the NSW Arabian Horse Association.
National Panel Judge
Special responsibilities: Member of JEC, Championships, Membership & Promotions Sub Committees.

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Name: R Shipton
Title: Director
Qualifications: Diploma in Management, certificates in various levels of OHS&W, certification as an internal auditor and Management Systems Auditing and Certificate accreditation as an Electrical Test and Tag provider.
Experience and expertise: Long association with boards and committees spanning over 30 years including representation on a University Student Union Board of Management with an annual turnover in excess of 7 million dollars in the late 80's and early 90's for almost 10 years.
Actively involved with Arabian horse groups for the last 30 years, involved with South Australian Arabian Riders and Breeders Society in various roles including committee member, Secretary, Publicity Officer, the organisation of shows and events and Vice Chairperson and more recently the Chairperson.
In the last 9 months, taken over the role of manager of the IT and Communication for Maritime Constructions Pty Ltd in SA. Prior to that, manager of the Harbours and Marine business unit. Both roles require a high degree of client and stake holder contact and communication and, in these roles, I have enhanced my project management, IT, marketing and promotion skills. This organisation also has an annual turnover around the 17 million dollar mark.
Special responsibilities: Chairperson of Membership & Promotions Sub Committee.

Name: K Galea
Title: Treasurer
Qualifications: President of Victorian Arabian Horse Association
Secondary School Teacher – Health & Physical Education, Science Coordinator
Year level Coordinator
First Aid trainer
Small Business owner
Experience and expertise:
Special responsibilities: Member of Management and Junior Development Sub Committees

Name: G Smith (resigned 02 February 2018)
Title: Director
Qualifications: Wide variety of skills and experience drawn from career in a range of high profile positions including Chief Operating Officer of the National Museum of Australian and CEO of the Australian Royal Mint. 25 years experience in the Commonwealth Treasury in a range of audit and governance roles and has worked in the Office of the Assistant Treasurer. History of working on Boards and Committees in both the professional and voluntary capacity across a wide range of interests. Member of the Australian Institute of Company Directors. Lifetime of horse related experiences being directly involved with Arabian and other horse related activities both as a competitor and/or committee member. Judge on a number of breed panels as well as being an Equestrian Australia National Show Horse judge. International judge at some notable world class shows including the Paris World Championships, the Las Vegas Breeders Alliance World Cup, New York and the United Kingdom's only A class Arabian show, the UKIAHS.
Experience and expertise:
Special responsibilities: Member of Junior Development, Promotions and Membership, Archives and WAHO Sub Committees

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Directors' report

31 December 2018

Name: G Liddle (appointed 28 April 2018)
Title: Director
Qualifications: Cert.IV Meat Inspection (Certificate of Competency) Cert. II Food Technology. Have 35 years experience in the meat industry. Holding positions from Meat Inspector, Quality Assurance Manager and Abattior Manager in several Export and Domestic Abattior's and Poultry Processing Plants.
Experience and expertise: Have been involved with breeding horses and ponies for over 35 years and have been heavily involved at management level with several societies. Including the NSW Arabian Horse Association for 15 years (10 as President), The Australian Saddle Pony Association (Life Member) and the Australian Pony Stud Book Society.
Special responsibilities: Membership and Promotion and Registry Sub Committees, National Panel Arabian Judge, Federal Panel Australian Saddle Pony and Australian Pony Stud Book Judge

Name: H Rowbottom (appointed 28 April 2018)
Title: Director
Experience and expertise: 8 years of experience as farm manager, Co-owner of Chelleason training, Board member of Tyne International, 18 months as barn manager, 30 years of experience with the Arabian horse in and out of the country as well as 20 years of breeding experience
Special responsibilities: Archives Sub-Committee

Name: S Benjamin (appointed 28 April 2018)
Title: Senior Vice-Chairperson
Qualifications: Bachelor of Science, Animal Science, Michigan State University, USA & IT Management Diploma, ITI, Calgary, Alberta, Canada
Experience and expertise: Over 30 years professional experience working in the equine industry, specifically with the Arabian horse, as a consultant, advisor, educator, evaluator, judge, steward, auctioneer, event organizer, manager, trainer, author & speaker in over 30 countries on six continents. Served in leadership roles on the boards & committees of several equine & animal industry organizations, including the Michigan State University Arabian Advisory Board, AHA Region 17 Executive Board, the AHA Genetic Diseases Task Force Subcommittee, the Calgary Arabian Horse Association, Pride of Poland, the State Studs of Poland, and the Arabian Breeders World Cup Organising Committee in conjunction with the Arabian Horse Breeders Alliance (AHBA).
Special responsibilities: Chair, AHSA Show & Events Commission; WAHO 2019 Conference Organising Committee; AANC Organising Committee; Member of Promotion and Management, Archives Committees

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 31 December 2018, and the number of meetings attended by each director were:

	Number eligible to attend	Number attended
L Williamson	5	5
A Preston (resigned 28 April 2018)	2	2
K Fletcher-Grieve	5	4
D Watson (resigned 28 April 2018)	2	2
C Bilson	5	5
Y Downes	5	5
G Lilley	2	2
R Shipton	5	5
K Galea	5	5
G Smith (resigned 02 February 2018)	1	-
S Benjamin (appointed 28 April 2018)	5	5
G Liddle (appointed 28 April 2018)	5	5
H Rowbottom (appointed 28 April 2018)	5	4

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Held: represents the number of meetings held during the time the director held office.

Members' Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company 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 company.


At 31 December 2018, the total amount that members of the company are liable to contribute if the company wound up is \$59,020 (2017: \$61,580).

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



L Williamson
Chairperson

8 March 2019

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

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

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

William Buck

William Buck
Chartered Accountants
ABN 16 021 300 521

Michele Nevill

Michele Nevill
Partner
Sydney, 8 March 2019

**CHARTERED ACCOUNTANTS
& ADVISORS**

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The Arabian Horse Society of Australia Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2018

	Note	Consolidated 2018 \$	2017 \$
Revenue	4	846,518	796,119
Expenses			
Raw materials and consumables used		(59,906)	(57,069)
Employee benefits expense		(284,014)	(284,667)
Depreciation and amortisation expense		(39,608)	(27,842)
Printing, postage and stationery expenses		(47,331)	(45,205)
Insurance expense		(59,254)	(66,043)
Director expenses		(17,027)	(17,996)
Impairment loss		-	(1,500)
Property and building expenses		(9,233)	(10,023)
Lease expense		(14,626)	(16,959)
Membership expenses		-	(986)
Other expenses		(153,574)	(85,300)
Surplus before income tax expense		161,945	182,529
Income tax expense		-	-
Surplus after income tax expense for the year attributable to the members of The Arabian Horse Society of Australia Limited	14	161,945	182,529
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of The Arabian Horse Society of Australia Limited		<u>161,945</u>	<u>182,529</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

The Arabian Horse Society of Australia Limited
Statement of financial position
As at 31 December 2018

	Note	Consolidated 2018 \$	2017 \$
Assets			
Current assets			
Cash and cash equivalents	5	306,543	182,562
Trade and other receivables	6	28,579	4,850
Inventories	7	60,938	-
Investments	8	570,094	570,000
Other	9	114,490	23,363
Total current assets		<u>1,080,644</u>	<u>780,775</u>
Non-current assets			
Property, plant and equipment	10	<u>817,276</u>	<u>734,685</u>
Total non-current assets		<u>817,276</u>	<u>734,685</u>
Total assets		<u>1,897,920</u>	<u>1,515,460</u>
Liabilities			
Current liabilities			
Trade and other payables	11	349,366	133,477
Provisions	12	145,186	140,562
Total current liabilities		<u>494,552</u>	<u>274,039</u>
Total liabilities		<u>494,552</u>	<u>274,039</u>
Net assets		<u>1,403,368</u>	<u>1,241,421</u>
Equity			
Issued capital		2	-
Reserves	13	136,903	136,903
Retained surpluses	14	<u>1,266,463</u>	<u>1,104,518</u>
Total equity		<u>1,403,368</u>	<u>1,241,421</u>

The above statement of financial position should be read in conjunction with the accompanying notes

The Arabian Horse Society of Australia Limited
Statement of changes in equity
For the year ended 31 December 2018

Consolidated	Issued capital \$	Capital Reserve Profits \$	Reserves \$	Retained profits \$	Non-controlling interest \$	Total equity \$
Balance at 1 January 2017	-	136,903	-	921,989	-	1,058,892
Surplus after income tax expense for the year	-	-	-	182,529	-	182,529
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	182,529	-	182,529
Balance at 31 December 2017	-	136,903	-	1,104,518	-	1,241,421
Consolidated	Issued capital \$	Capital Reserve Profits \$	Reserves \$	Retained profits \$	Non-controlling interest \$	Total equity \$
Balance at 1 January 2018	-	136,903	-	1,104,518	-	1,241,421
Surplus after income tax expense for the year	-	-	-	161,945	-	161,945
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	161,945	-	161,945
Investment in Subsidiaries	2	-	-	-	-	2
Balance at 31 December 2018	2	136,903	-	1,266,463	-	1,403,368

The above statement of changes in equity should be read in conjunction with the accompanying notes

The Arabian Horse Society of Australia Limited
Statement of cash flows
For the year ended 31 December 2018

	Note	Consolidated 2018 \$	2017 \$
Cash flows from operating activities			
Receipts from customers		1,157,414	970,354
Payments to suppliers and employees		(920,329)	(805,998)
Interest received		9,189	4,747
		<u>246,274</u>	<u>169,103</u>
Net cash from operating activities			
Cash flows from investing activities			
Payments for held-to-maturity investments		(94)	(570,000)
Payments for property, plant and equipment	10	<u>(122,199)</u>	<u>(85,223)</u>
Net cash used in investing activities		<u>(122,293)</u>	<u>(655,223)</u>
Cash flows from financing activities			
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		123,981	(486,120)
Cash and cash equivalents at the beginning of the financial year		<u>182,562</u>	<u>668,682</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>306,543</u></u>	<u><u>182,562</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

The Arabian Horse Society of Australia Limited
Notes to the financial statements
31 December 2018

Note 1. General information

The financial statements cover The Arabian Horse Society of Australia Limited as a consolidated entity consisting of The Arabian Horse Society of Australia Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is The Arabian Horse Society of Australia Limited's functional and presentation currency.

The Arabian Horse Society of Australia Limited is a not-for-profit unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 8 March 2019.

Note 2. 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 the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The AASB has issued new, revised and amending Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of the Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the company.

Basis of preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 20.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of The Arabian Horse Society of Australia Limited ('company' or 'parent entity') as at 31 December 2018 and the results of all subsidiaries for the year then ended. The Arabian Horse Society of Australia Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The Arabian Horse Society of Australia Limited
Notes to the financial statements
31 December 2018

Note 2. Significant accounting policies (continued)

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Rendering of services revenue is recognised upon the delivery of the service to the customers.

Subscription income from members is recognised over the period of the subscription. The subscription year is January to December, which is in line with the company's financial year.

DNA fees in advance are recognised after twelve months have passed and no DNA has been processed.

Interest

Interest revenue is recognised as interest accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

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

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

The Arabian Horse Society of Australia Limited
Notes to the financial statements
31 December 2018

Note 2. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

Inventories are measured at the lower of cost and net realisable value.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the consolidated entity has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

The Arabian Horse Society of Australia Limited
Notes to the financial statements
31 December 2018

Note 2. Significant accounting policies (continued)

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Property, plant and equipment

Land and buildings are shown at cost less subsequent depreciation and impairment for buildings.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment.

Depreciation is calculated using the depreciation rates as follows:

Building improvements	2.5% (straight line)
Plant and equipment	10%-66% (diminishing)
Computer equipment and software	30% - 66% (diminishing)
Archive Property	20% (diminishing)

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

The Arabian Horse Society of Australia Limited
Notes to the financial statements
31 December 2018

Note 2. Significant accounting policies (continued)

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels and the probability that the employee may not satisfy vesting requirements. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Comparatives

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

The Arabian Horse Society of Australia Limited
Notes to the financial statements
31 December 2018

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 4. Revenue

	Consolidated	
	2018	2017
	\$	\$
Registry income	187,870	244,915
Membership income	249,681	277,674
Championship income	78,555	39,815
Insurance income	11,526	78,718
Testing income	63,408	67,459
Promotional sales	157	1,825
Interest received	14,039	9,597
Sundry revenue	37,892	6,726
Riding pony book society income	69,316	69,390
WAHO income	134,074	-
Revenue	<u>846,518</u>	<u>796,119</u>

Note 5. Current assets - cash and cash equivalents

	Consolidated	
	2018	2017
	\$	\$
Cash on hand	201	200
Cash at bank	<u>306,342</u>	<u>182,362</u>
	<u>306,543</u>	<u>182,562</u>

The Arabian Horse Society of Australia Limited
Notes to the financial statements
31 December 2018

Note 6. Current assets - trade and other receivables

	Consolidated	
	2018	2017
	\$	\$
Trade receivables	22,629	-
Other receivables	5,950	4,850
	<u>28,579</u>	<u>4,850</u>

Note 7. Current assets - inventories

	Consolidated	
	2018	2017
	\$	\$
Raw materials - at net realisable value	66,365	5,427
Less: Provision for impairment	(5,427)	(5,427)
	<u>60,938</u>	<u>-</u>

Note 8. Current assets - investments

	Consolidated	
	2018	2017
	\$	\$
Term deposits	<u>570,094</u>	<u>570,000</u>

Note 9. Current assets - other

	Consolidated	
	2018	2017
	\$	\$
Prepayments	96,516	23,363
WAHO prepayments	17,974	-
	<u>114,490</u>	<u>23,363</u>

The Arabian Horse Society of Australia Limited
Notes to the financial statements
31 December 2018

Note 10. Non-current assets - property, plant and equipment

	Consolidated	
	2018	2017
	\$	\$
Land and buildings - at cost	489,654	489,654
Building improvements - at cost	125,514	125,514
Less: Accumulated depreciation	(12,990)	(9,683)
	<u>112,524</u>	<u>115,831</u>
Plant and equipment - at cost	75,646	70,859
Less: Accumulated depreciation	(49,435)	(43,797)
	<u>26,211</u>	<u>27,062</u>
Computer equipment and software - at cost	233,636	116,224
Less: Accumulated depreciation	(45,939)	(15,583)
	<u>187,697</u>	<u>100,641</u>
Archive Property - at cost	17,970	17,970
Less: Accumulated depreciation	(16,780)	(16,473)
	<u>1,190</u>	<u>1,497</u>
	<u><u>817,276</u></u>	<u><u>734,685</u></u>

Property, plant and equipment secured under finance leases

Refer to note 17 for further information on property, plant and equipment secured under finance leases.

Note 11. Current liabilities - trade and other payables

	Consolidated	
	2018	2017
	\$	\$
Trade payables	74,166	1,397
Other payables	66,437	50,710
Revenue in advance	208,763	81,370
	<u>349,366</u>	<u>133,477</u>

Note 12. Current liabilities - provisions

	Consolidated	
	2018	2017
	\$	\$
Annual leave	48,037	47,923
Long service leave	97,149	92,639
	<u>145,186</u>	<u>140,562</u>

Note 13. Equity - reserves

	Consolidated	
	2018	2017
	\$	\$
Capital profits reserve	<u>136,903</u>	<u>136,903</u>

The Arabian Horse Society of Australia Limited
Notes to the financial statements
31 December 2018

Note 14. Equity - retained surpluses

	Consolidated	
	2018	2017
	\$	\$
Retained surpluses at the beginning of the financial year	1,104,518	921,989
Surplus after income tax expense for the year	161,945	182,529
	<u>1,266,463</u>	<u>1,104,518</u>

Note 15. Financial Risk Management

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

Note 16. Contingent liabilities

The company had no contingent liabilities as at 31 December 2018 and 31 December 2017.

Note 17. Capital and Leasing Commitments

	Consolidated	
	2018	2017
	\$	\$
<i>Lease commitments - finance</i>		
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	21,921	16,140
One to five years	82,202	44,385
	<u>104,123</u>	<u>60,525</u>

The operating leases represent leases payable on printing equipment.

Note 18. Related party transactions

Subsidiaries

Interests in subsidiaries are set out in note 21.

Key management personnel

Disclosures relating to key management personnel are set out in note 19.

Transactions with related parties

There were no other transactions with related parties during the current and previous financial year.

Note 19. Key Management Personnel disclosures

No remuneration was paid to key management personnel of the company for the 2018 and 2017 financial years.

The directors of the company are deemed to be key management personnel.

During the year, total director related expenses paid by the company amounted to \$14,933 (2017: \$17,996) comprising of accommodation, air fares, parking and other travel expenses.

The Arabian Horse Society of Australia Limited
Notes to the financial statements
31 December 2018

Note 20. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2018	2017
	\$	\$
Surplus after income tax	148,874	182,531
Total comprehensive income	<u>148,874</u>	<u>182,531</u>

Statement of financial position

	Parent	
	2018	2017
	\$	\$
Total current assets	<u>1,062,890</u>	<u>780,775</u>
Total assets	<u>1,880,166</u>	<u>1,515,460</u>
Total current liabilities	<u>489,871</u>	<u>274,040</u>
Total liabilities	<u>489,871</u>	<u>274,040</u>
Equity		
Capital profits reserve	136,903	136,903
Retained surpluses	<u>1,253,392</u>	<u>1,104,517</u>
Total equity	<u><u>1,390,295</u></u>	<u><u>1,241,420</u></u>

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2018.

Contingent liabilities

The parent entity had no contingent liabilities as at 31 December 2018.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 31 December 2018.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

The Arabian Horse Society of Australia Limited
Notes to the financial statements
31 December 2018

Note 21. Controlled Entities

Name	Principal place of business / Country of incorporation	Ownership interest	
		2018 %	2017 %
The Arabian Racing and Jockey Club Pty Limited	Australia	100.00%	100.00%
The Arabian Horse Judges & Officials Guild of Australia Pty Ltd	Australia	100.00%	-
The Arabian Horse Shows & Events Company of Australia Pty Ltd	Australia	100.00%	-

* The investment company, The Arabian Racing and Jockey Club Pty Limited, is dormant at year end and has been dormant throughout the year. The investment has no value.

Note 22. Events after the reporting period

No matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 23. Company Details

The registered office of the company is:
The Arabian Horse Society of Australia Limited
Unit 12, 40 Bowman Street
Richmond NSW 2753

The Arabian Horse Society of Australia Limited
Directors' declaration
31 December 2018

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in cursive script, appearing to read 'L. Williamson', written in black ink. The signature is fluid and extends to the right with a long, sweeping tail.

L Williamson
Chairperson

8 March 2019

The Arabian Horse Society of Australia Limited

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Arabian Horse Society of Australia Limited. (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Regime 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 Group 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*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time 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.

Other Information

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 29 December 2018, but does not include the financial report and the 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 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 Regime 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 ability of the Company 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 Company or to cease operations, or has 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.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our independent auditor's report.

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

A handwritten signature in black ink that reads 'William Buck'.

William Buck
Chartered Accountants
ABN 16 021 300 521


A handwritten signature in black ink that reads 'Michele Nevill'.

Michele Nevill
Partner

Sydney, 8 March 2019

The Arabian Horse Society of Australia Limited**Disclaimer****For the year ended 31 December 2018**

The additional financial data on pages 28 to 29 is in accordance with the books and records of the consolidated entity which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 31 December 2018. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express our opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than the Arabian Horse Society of Australia Limited) in respect of such data, including any errors or omissions therein however caused.

**William Buck**

Chartered Accountants

ABN: 16 021 300 521

**M A Nevill**

Partner

Sydney, 8 March, 2019

**CHARTERED ACCOUNTANTS
& ADVISORS****Sydney Office**Level 29, 66 Goulburn Street
Sydney NSW 2000**Parramatta Office**Level 7, 3 Horwood Place
Parramatta NSW 2150

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The Arabian Horse Society of Australia Limited
Detailed Profit and Loss
For the year ended 31 December 2018

	2018	2017
	\$	\$
REGISTRY INCOME		
Imported Horses Registrations	550	4,050
Purebred Arabian Registrations	47,522	55,854
Anglo Arabian Registrations	6,414	8,454
Partbred Arabian Registrations	16,451	23,641
Arabian Pony Registrations	6,350	10,328
Quarab Registrations	973	2,163
Arab Riding Pony Registrations	6,727	13,705
Arab Stockhorse Registrations	1,205	2,876
Arab Warmblood Registrations	3,904	8,223
Foal Recording	14,982	17,768
Transfers & Leases	50,806	60,267
Half Arabian	3,441	2,209
Registry Income Miscellaneous	28,545	35,377
Total Registry Fees	187,870	244,915
OTHER INCOME		
Net Profit from Championships	78,555	39,815
Membership Income	249,645	277,674
WAHO Income	134,110	-
Insurance Income	11,526	78,718
Testing Income	63,408	67,459
Promotional Sales	157	1,825
Interest Income	14,039	9,597
Sundry Income	32,381	6,441
Compensation & refund income from suppliers	5,511	285
Contract income - Riding Pony Stud Book Society	69,316	69,390
Total Other Income	658,648	551,204
TOTAL INCOME	846,518	796,119

This Detailed Profit and Loss Statement should be read in conjunction with the attached Disclaimer

The Arabian Horse Society of Australia Limited
Detailed Profit and Loss (continued)
For the year ended 31 December 2018

	2018	2017
	\$	\$
LESS: EXPENSES		
Accounting/Audit Fees	(17,693)	(15,115)
Advertising & Marketing	(4,943)	(3,047)
Amortisation and Depreciation	(39,608)	(27,842)
Arabian Horse News (AHN) production costs	(24,260)	(24,418)
Bank Charges	(5,844)	(5,296)
Body Corporate Fees	(2,411)	(2,273)
Cleaning	(1,379)	(354)
Computer Expenses	(11,089)	(10,576)
Council rates	(2,238)	(2,287)
Director expenses	(17,027)	(17,996)
DNA Paid	(47,214)	(42,423)
Election Expenses	(1,835)	(1,790)
Electricity	(5,607)	(6,692)
Fringe Benefits	-	125
Impairment loss / (gain)	-	(1,500)
Insurance expense	(59,254)	(66,043)
Internet Expenses	(8,213)	(942)
Judges Executive Committee expenses	(16,802)	(6,296)
Junior and youth development	-	(1,329)
Lease Expenses	(14,626)	(16,959)
Legal Fees	(70)	(951)
Loss on disposal of asset	-	(2,533)
Maintenance - Building and Equipment	(9)	(690)
Members Expenses	-	(986)
Office Equipment	(456)	(527)
Postage/Courier Charges	(12,465)	(12,812)
Printing	(6,268)	(5,535)
Purchases	(3,969)	(27)
Staff Amenities and travel	(471)	(617)
Staff Training Expenses	(666)	(2,010)
Stationery	(4,338)	(2,440)
Subscriptions & Memberships	(15,996)	(3,579)
Superannuation Expense	(23,837)	(23,280)
Telephone and fax	(8,456)	(8,717)
Testing Expenses	(8,723)	(14,619)
WAHO Expenses	(41,664)	(8,253)
Wages & Salaries Expenses	(259,677)	(261,512)
Work Cover Premiums	(1,387)	(1,715)
Other expenses	(14,510)	(9,736)
Staff Bonuses	(500)	-
Hire Expenses	(200)	-
Trophy Expenses	(868)	-
Total Other Expenses	(684,573)	(613,592)
NET SURPLUS FOR THE YEAR	161,945	182,529

This Detailed Profit and Loss Statement should be read in conjunction with the attached Disclaimer