



2021-22

ANNUAL REPORT

HARNESS BREEDERS (VIC) INC





Harness Breeders (Vic) Inc

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2022 saw us move into a post-COVID world and the changes to life as we know both in general and in harness racing. The breeding industry continues to face headwinds from both within and outside the industry, but our members are a hardy lot who meet these challenges and continue to produce a high quality product that does us proud.

During 2022, Harness Racing Australia imposed a Stallion Levy on some of our breeding activities. HBV was vocal in opposing this impost. The Stallion Levy is being used to partly fund the Eureka. To our knowledge this is the only such Slot Race that is using this form of outside funding. HBV has said both publicly and directly to HRA that their expected benefits of increased demand to purchase Australian bred yearlings is unlikely to materialise. Time will tell as to the impacts but they are likely to be negative in our view. It would be appreciated if HRA could do something that would actually support breeders in a direct and meaningful manner.

On behalf of our members I would like to express my thanks and praise for the continued efforts of our Executive Officer, Desiree Pettit-Keating throughout 2022. She has done a wonderful job keeping on top of the many things HBV does. Her report outlines many of things that HBV has accomplished throughout the year.

I would like to thank the HRV team for working so closely with us throughout the year. We wish Dayle Brown all the best after his departure and acknowledge his work over the difficult COVID period. We look forward to working with his successor Matt Isaacs and the team in 2023. We have a collaborative relationship with the HRV team with that extending to media, sponsorship and racing. A good example was the expanded winter mare racing program. We undertook a review of the expanded 2021 mares racing program and submitted a proposal for further expansion in 2022. This resulted in over 30 metropolitan class mares races over the winter period for both gaits across a range of grades. This added significant opportunities for breeders to obtain black type and prizemoney going into the breeding season should their mares be retiring. We will continue to work with HRV to develop these concepts.

I would like to thank our Committee for their hard work in 2022. I would like to especially note the work of our Vice President Kath McIntosh, Secretary Brett Coffey and Treasurer Maurice Hanrahan.

I have been honoured to act as your President through 2022 and look forward to continuing to do so in 2023 should I be elected by members. I trust that members feel as though they are getting value for money and the type of representation they would expect. We always welcome new additions to our Committee and love to hear from our members on all relevant matters.

I wish you all the best for your breeding endeavours.
Nick Hooper, HBV President



Secretary's Report

02

I would like to thank both Desiree and the committee for all the work the committee have done in the past year. It has again been a challenging year with the impost of a stallion levy on the breeding industry by Harness Racing Australia despite the widespread disdain for the idea amongst the breeding industry.

Finally I would like to thank our members who provide the support for Harness Breeders Victoria and the breeding industry in Victoria.

Thanks,
Brett Coffey, HBV Secretary



VALE 2021-2022

George Tennent
Richard Matthews
Terry Wait
David Carpenter
Kevin Newbound (HBV Life Member)
Rod Pollock (HBV Life Member)

03

Treasurer's Report

I am pleased to report a modest profit for the 12 months to June 2022. As part of aligning HBV to the racing calendar year (December 31st), a six-month financial statement is also prepared. This loss reflects the nonalignment of income and expenses that HBV usually incurs over a 12 month period and is not a reflection of any grave going concerns. The next financial year will return to a more usual position.

There are two items to note though. Firstly there was a reduction in membership income as effectively the last membership fees covered an 18 month period instead of the usual 12. This will return to normal in 2023.

Secondly the production costs associated with *Stallion Guide* have increased. This is something we are aware of and will be making conscious decisions in future to manage.

Finally I would like to acknowledge the work of our Committee and Executive Officer.

Maurice Hanrahan
Treasurer, Harness Breeders Victoria

Please refer to page 15 onward for the 2021-2022 financials.





04

2021-22 IN REVIEW

As per AGM 2021, change of Association financial year from traditional financial year to calendar year. Opted for 18-month reporting period over 6-month for changeover.

Advocacy

Harness Breeders Victoria were strong in advocating for breeders both in Victoria and nationally across a number of important issues in 2021-22. This was done through liaison with key bodies, such as Harness Racing Victoria (HRV) and Harness Racing Australia (HRA), and participation on committees including the Victorian Harness Racing Advisory Council (HRAC) and the Australian Standardbred Breeders Association (ASBA). These issues have included:

- Repeated and vocal petitioning against the introduction and structure of HRA's stallion levy
- Lobbying for sensible and science-based change to the rules regarding use of Altrenogest in racing mares and fillies
- Campaigning for the introduction of split prizemoney payments to align harness racing with other codes and best practice as well the positive impact on syndicate promotion and owner recruitment
- Continuing to petition for the use of freeze branding in addition to microchipping, and also for better efficiencies in the microchipping process
- Changes to HRA's Globe Derby Awards program for better parity in recognition between pacing and trotting sires

Through president Nick Hooper, HBV have continued to provide practical advice to HRV in regard to the structure of the Vicbred program and dissemination of information about same, and also programming particularly around mare and filly races.

HBV also made submissions to the Animal Welfare Land Transport Standards consultation process conducted by Queensland Department of Agriculture & Fisheries on behalf of the Animal Welfare Task Group. The feedback is currently being considered before final policy recommendations are put to the Australian Government via the Task Group and Agriculture Ministers' Forum in 2023.

We were also pleased to have compiled a unique and valuable set of resources focused on helping educate and support breeders in the foaling down process, one that is critical to maintaining a healthy horse population but also to maximising breeders' investments. These included videos and articles about foal CPR, foaling time lines, handy phone graphics for red bag procedures and more.

The Australasian Standardbred Stallion Guide

HBV were pleased to continue long-standing relationships with IRT and Metro Printing in the production of the 2021 and 2022 editions of the *Australasian Standardbred Stallion Guide*. The 2021 edition was the biggest in many years and was complimented by a series of video previews on each of the first season stallions featured in the *Guide*. In 2022, with the change of the season, we were able to include statistics on sires, as well as general interest pieces. A new manager of the *Guide*, Sally McPherson, made a start in 2022 and was able to ensure bookings and production processes went smoothly.

While the hard copy editions were both held up due to COVID and supply-related issues, they were delivered to all recently active breeders as well as HBV members for breeding season. Both were also produced as an online edition which is fully interactive, with readers able to link directly to the webpages of the sire or advertiser or their social media handles directly from their device. The publication remains an important part of HBV's activities and income streams and we look forward to further developing expanded content in the 2023 edition.



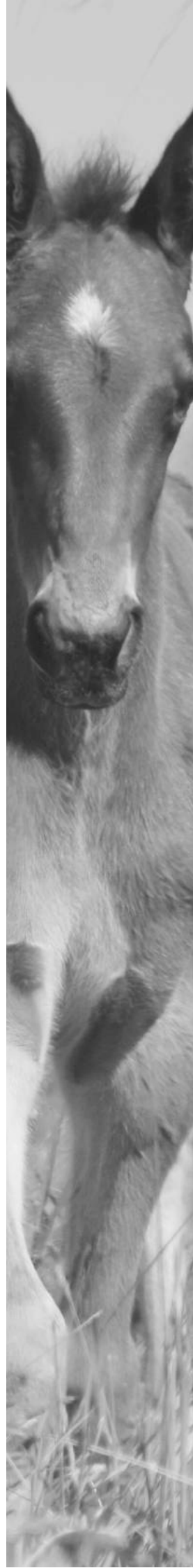
Search for a Star

Coupled with the production of the *Stallion Guide* is the annual Search For A Star competition which continues to grow in popularity. Breeders are encouraged to send photos of their previous season's Vicbred foals, with the most popular of a final six, selected by the *Guide's* graphic designers, to feature on the cover.

In 2021, the competition was won by Carly Young, whose photo of Alabar's Art Major filly with her dam, Five Star Rocker (Rock N Roll Heaven) was voted most popular across the June voting period on Facebook.



In 2022, Renee Keveany's Mel Mara filly from Somebeachsomewhere mare Beach Box took pride of place. Again, HBV received numerous entries of Vicbred foals from across the country and we are pleased to see that engagement with this series continues to grow.





Constitutional Review

A review of the Rules of Harness Racing (Vic) Inc was undertaken by a sub-committee with two priority items recommended for the last AGM agenda, with further items to be introduced at the 2022 AGM. These amendments were carried and the association's rules updated and submitted to Consumer Affairs Victoria:

- An amendment to disbar aged debtors from membership until all outstanding debts are paid in full
- An amendment to alter the association reporting period to align with the new racing season (1 Jan – 31 Dec), permitted under CAV rules

Committee

The committee held six meetings across 2022, including one informal meeting where quorum was not met. Two vacancies were created during the season with the resignation of Mark Hughes and a standing vacancy in place. HBV was pleased to welcome Clyde Little to the committee late in the season, and thank Mark for his service across a number of years.

SEN Track Breeders Week

After a successful introduction in 2020, Breeders Week on prominent racing radio station SEN continued in both 2021 and 2022, with Jason Bonnington and his team conducting a week of breeder-related content on Trots Life to kick off the breeding season in Victoria. HBV through committee members Jess Tubbs and Nick Hooper were able to support SEN in developing a line up of interesting and engaging guests from all over the world, including Diamond Farms principal Adam Bowen, Karen Breckon from NZ's Breckon Farms and American driver Yannick Gingras, as well as local breeders and industry stalwarts.

These included historian John Peck, sales company reps Mark Barton and Peter Watkinson, and stud staff and principals including David James, Stacey White and Duncan McPherson OAM. The inclusion of lesser known breeders with well-known names seems to be a successful mix and we look forward to continuing this relationship in 2023.

Breed To Succeed 2021

With two full in-person Breed To Succeed expos to take place in Shepparton and Ballarat to open the breeding season in 2021, unfortunately they coincided with a wave of lockdowns and both had to be cancelled. As with 2020, we were able to pivot to provide a short series of online Breed To Succeed webinars again with the help of Campbell's Comments, Barastoc and KER. Episodes included an in-depth series of case studies on pedigree research and matching with Brett Coffey and Nick Hooper, leg conformation in the foal from prominent veterinarian Dr Ian Fulton, commercial breeding for yearling sales, and nutrition across the breeding band. These all form part of our now extensive library of breeder education resources on our website. The scheme was put on hold again in 2022 with a view to a relaunch in 2023.

Vicbred First Win Bonus Recognition Program

This popular recognition program where foal nominators of all horses to claim their Vicbred First Win Bonus has continued in 2022 with thanks to new sponsor, Hygain. As well as providing acknowledgement to the efforts of all breeders, we were able to increase our membership by exposing our work to breeders who may not otherwise be familiar with the association. Across the 2022 season we sent 940 tailored post cards as well as promote the most successful breeders each month – those who bred the most number of horses to collect a bonus – through the Hygain Vicbred Bonus Breeder of the Month campaign. These posts were seen over 16,800 times through social media and 6,100 through our monthly Breeder Bulletins.

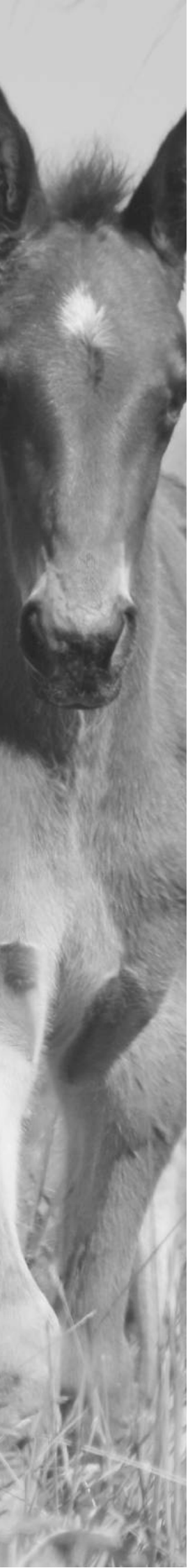
In 2022, HBV have endeavoured to commence broader Vicbred promotion by updating our website with details on the scheme, creating and promoting easy-to-understand tables for determining eligibility and benefits across the three tiers, and promoting the little-known 10% Vicbred Breeder Bonus element of the scheme. This included a joint press release with HRV as well as case studies to demonstrate the monetary benefits to breeders of ensuring horses are Vicbred even when they no longer own the horses.



Yearling Sales 2022

For the final time, two yearling sales took place at Inglis Oaklands Complex in 2022. While the Nutrien Equine Standardbred yearling sale was initially intended to alternate year-on-year between Melbourne and Sydney, both sales ran in 2022, while Australian Pacing Gold yearling sale was the final one to be staged in Melbourne with the company withdrawing to focus on Brisbane and Perth.





HBV were able to support member-vendors by showcasing their lots through our social media channels, as well as capturing photos and promoting results from both sale days. HBV were also able to support the introduction of Nutrien's Best Presented Yearling program in Melbourne, through sponsorship of trophies, promotion of the event and procurement of a professional judge in Dr Charlie El-Hage, honorary fellow in Veterinary Clinical Medicine & Surgery at the University of Melbourne.

As a move to reward, encourage, educate and retain those within the breeding industry, HBV were pleased to award the following winners, judged from all lots on set criteria:

Best Presented Trotting Colt Yearling – Yabby Dam Farms Lot 153 Volstead – Bouttemont

Best Presented Pacing Filly Yearling – Haley Lang Lot 113 Sweet Lou – Western Jazz

Best Presented Pacing Colt Yearling – Rhiannon Park Lot 112 Sweet Lou – Watch The Dream

Best Presented Trotting Filly Yearling – Alabar Farms Lot 175 Father Patrick – Illawong Moonshine (pic, below)



IRT Victorian Breeder Awards

Awards for the 2021 season, presented in 2022, were initially planned as a traditional in-person affair but lack of bookings forced a change of format at the last minute. With the help of Campbell's Comments and Dan Mielicki, the program was announced as a live stream in studio format on Facebook and YouTube, and being a Sunday afternoon, also on HRV's TrotsVision. This proved to be successful with good viewing numbers both live and ongoing. Committee members Dr Kath McIntosh, Brett Coffey and Nick Hooper were on hand to make presentations and we were able to do live releases online through our social media streams of winners as they were announced.

Congratulations to the winners of our principal awards, namely:

Woodlands Stud Victorian Breeder of the Year – Anne & Bill Anderson (Lauriston Bloodstock)

Benstud Victorian Pacing Broodmare of the Year – Coppagoodone (Benstud Standardbreds)

Aldebaran Park Trotting Broodmare of the Year – Gypsy Flair (Rhiannon Park)

Metro Print Ian Daff Memorial Award – Blanche & Dean Poole (Rhiannon Park)



A full table of all results, as well as the replay of the event can be found at hbv.org.au. Our thanks as always to all sponsors of this event, and to Hurley's Bar Kyabram for making studio space available at short notice.

The committee undertook a review of the awards program for the 2022 season and announced a number of changes designed to better recognise the efforts of breeders and defray ever-increasing associated costs. The presentation of awards in 2023 will take place across a number of months rather than at one event, and aside from the Breeder, Broodmare, Group 1, Time Excellence and Ian Daff awards, will be attached to the HRV and HRA awards. A full description of changes can be found on the website.



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HBV Sponsorships

HBV were pleased to continue and inaugurate a number of sponsorships across the season.

Humbletonian Day

Continuing past a decade, the Humbletonian Day event in partnership with Maryborough Harness Racing Club was hosted in December for both 2021 and 2022, again reflecting the change of the racing calendar. As well as a solid promotional tool for the rich Vicbred scheme, the meeting gives a final opportunity for horses to collect their \$7,000 Vicbred First Win Bonus and create interesting stories for the broader industry media. SEN Track and TrotsVision again supported the race day and bonuses were distributed to winning breeders.



All Breeds Spring Carnival Horse Show

HBV were the sponsor of the Led Standardbred class Championships at the 2022 All Breeds Spring Carnival Horse Show, open to any freeze-branded standardbred. The HRV HERO program and events that provide opportunities for off the track standardbreds are an important tool in legacy management; breeders should be proud to support a well-run and popular event such as this one. We congratulate the winners of these events:

Best On Show – Hollie Hildebrandt with Savesomtimetodream (Village Jasper – Cultured Lombo)

Champion Led Male – Mitchell Fox with Kasbah Kid (Art Major – Kabbalah Karen B)

Champion Led Female – Mandy Payne with Coco Lombo (Art Major – Golden Lombo)

Champion Novice Led – Victoria Talbot with Atomic Blue Chip (Browning Blue Chip – Sailors Atom)

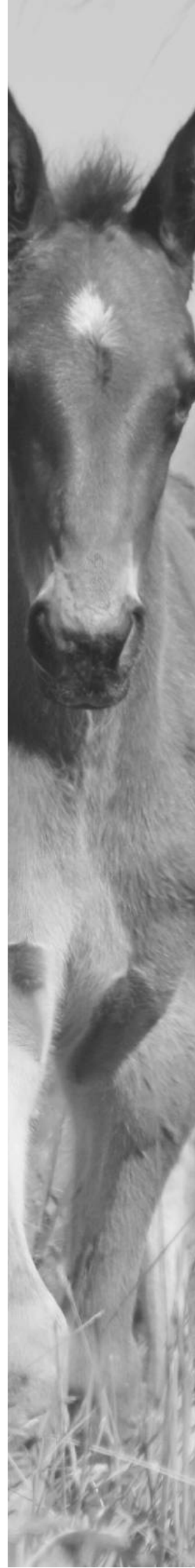
Supreme Champion Led Standardbred – Mitchell Fox with Kasbah Kid (pic, below)



Metropolitan Mare Racing

For the first time in many years, HBV were able to sponsor a series of mare races on the metropolitan circuit, specifically the Group 3 Lightfoot Laurels (for trotting mares) and the Group 3 Amarillen Matriarch (pacing mares). As well as naming rights for these two races, HBV were able to join presenters on Matriarch night on TrotsVision, providing insight into the breeding of runners across the program and also launching the hard copy 2022 IRT Australasian Standardbred Stallion Guide.

Congratulations to 2022 Amarillen Matriarch winner, Runaway Celebrity (A Rocknroll Dance - Celebrity Ball) bred by members Peter Gleeson and Bruce & Craig Cameron and 2022 Lightfoot Laurels winner, Imamaorijet (pic, below, Quaker Jet - Sumthingaboutmaori) bred by member Pat Driscoll of Yabby Dam Farms.





Membership

Membership for the 2022 season sat at 415 including 16 life members. There were some challenges linked to the change of the reporting and membership period from September to January. Through a dedicated postal renewal campaign, regular online messaging and other promotions, these were overcome. Two key promotions for membership were the 404 Member Missing promotion, with the 404th member to sign up for 2022 rewarded with a copy of Stallions, and the giveaway linked to the 2021 Breed To Succeed, where services to American Ideal and Pastor Stephen were given away through a random member draw.

Thanks to Woodlands Stud for their provision of the American Ideal service valued at \$12,500, won by Peter Fitzgerald, and to Llowalong Farms for providing the Pastor Stephen service valued at \$5,500, won by Peter Watkins. HBV was pleased to continue to service members through monthly bulletins, showcasing of results, promotion of member-bred sale lots and through the annual rewards program.

A new life membership was awarded posthumously to Rod Pollock, a former secretary of Harness Breeders Victoria and keeper of the Trotting Stud Book. You can hear a short piece about Rod's contribution to the association and to the breeding industry more generally, including the introduction of DNA typing, in the 2021 Victorian Breeder Awards live stream on YouTube from time mark 1:27.2: <https://www.youtube.com/watch?v=BWz6vCuiKQI&feature=youtu.be>

Social Media & Online Presence Growth

While being useful tools for disseminating information, our social media channels also provide us with a method of reaching those beyond our immediate circle of followers, with connections of those who like or follow our accounts exposed to our messaging and industry through those friends and contacts. Not only does this open up breeding to new people but it also enables us to offer sponsors more value in terms of visibility and exposure.

All our social media channels experienced good continued growth, ending 2022 with 3,240 Facebook followers, 1,815 Twitter followers and 1,098 Instagram followers. Our voice through these mediums is amplified significantly when shared by Harness Racing Victoria and other relevant bodies.

As well as events and stories, HBV has been able to use these channels to promote Victorian member studs, Group racing success of members, and get broader industry information to our followers, including flood relief information.

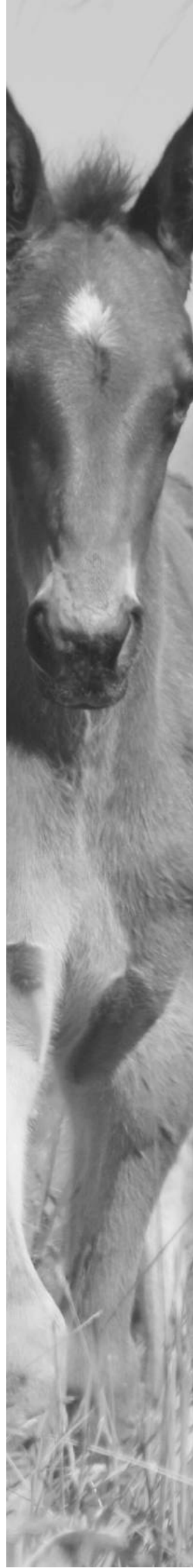
Through HRV's home of breeding news, The Barn, our own website and our monthly Breeder Bulletins, we are able to share more in depth stories that look at breeding programs and pedigrees. Our monthly Weekday Winner stories look at a new Vicbred winner's pedigree in great detail, examining successful crosses in the family and interesting matching and lines. We have also been able to share this content for replication by other bodies including ASBA. This season, we were able to capitalise on our growing email base by selling advertising and creating a new revenue stream for HBV.

05

2021-2022 FINANCIALS

HARNESS BREEDERS (VIC) INC
A.B.N. 98
462 323 765

ANNUAL REPORT 1 JULY 2021 - 30 DECEMBER 2022



HARNESS BREEDERS (VIC) INC

A.B.N. 98 462 323 765

ANNUAL REPORT - 31 DECEMBER 2022

HARNESS BREEDERS (VIC) INC
FINANCIAL REPORT - 31 DECEMBER 2022

TABLE OF CONTENTS

	Page No.
Financial Report	
Income and Expenditure Statement	2
Balance Sheet	3
Statement of Changes in Members Funds	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Statement by Members of the Committee	11

Harness Breeders (Vic) Inc

Income and Expenditure statement

for the 12 months ended 30 June 2022 and the 6 months ended 31 December 2022

	Note	31 December 2022 (6 mths) \$	30 June 2022 (12 mths) \$	30 June 2021 (12 mths) \$
Income				
Advertising Revenue	2	41,604	108,282	81,555
Membership & Subscription Fees	2	5,480	18,812	18,624
Sponsorship Income	2	-	1,400	6,600
Interest received	2	18	7	8
Government Subsidies	2	-	-	23,500
Other Income	2	-	188	227
Total Income		47,102	128,689	130,514
Cost of Sales				
Printing		50,880	44,715	32,645
Correspondents		-	2,000	880
Editor		16,260	6,836	25,245
Postage		15,216	16,463	14,804
Total Cost of Sales		82,356	70,014	73,574
Gross Profit	3	(35,254)	58,675	56,940
Other expenses				
Advertising & Marketing		282	5,532	576
Bookkeeping		-	-	435
Bad Debts Written Off		-	-	(660)
Bank Fees		6	11	40
Dinners & Functions		148	2,417	86
Employee Costs (Payroll)		12,155	24,200	28,340
Employee Benefit Expenses	6	1,053	2,405	5,895
General Expenses		-	396	400
Merchant Fees		95	327	383
Permits, Licences & Fees		-	-	59
Printing & Stationery		666	1,075	921
Sponsorship		3,280	2,998	2,864
Subscriptions		360	898	713
Telephone		294	531	471
Travelling Expenses		42	246	131
Trophies		82	10,887	5,330
Postage		1,255	3,551	2,233
Website expenses		-	-	3,100
Workers Compensation		216	214	204
Total expenditure		19,934	55,688	51,521
Surplus/(deficit) for the year		(55,188)	2,987	5,419

The accompanying notes form part of these financial statements

Harness Breeders (Vic) Inc.

Balance sheet

for the year ended 30 June 2022 and the 6 months ended 31 December 2022

	Note	31 December 2022 (6 mths) \$	30 June 2022 (12 mths) \$	30 June 2021 (12 mths) \$
Asset				
Current assets				
Cash and cash equivalents	4	84,517	105,292	72,698
Trade receivable	5	18,718	64,347	91,506
Total current assets		103,235	169,639	164,204
Non-current assets				
Property, plant, equipment		-	-	-
Total non-current assets		-	-	-
Total assets		103,235	169,639	164,204
Liabilities				
Current liabilities				
Trade creditors and other payables		-	-	-
GST Payable		(4,449)	7,848	7,833
PAYG Payable		156	156	156
Superannuation Payable		578	550	523
Provisions	6	16,575	15,522	13,116
Total current liabilities		12,860	24,076	21,628
Non-Current liabilities				
Provisions	6	-	-	-
Total non-current liabilities		-	-	-
Total liabilities		12,860	24,076	21,628
Net assets		90,375	145,563	142,576
Members Funds				
Retained surplus		90,375	145,563	142,576
Total Members Funds		90,375	145,563	142,576

The accompanying notes form part of these financial statements

Harness Breeders (Vic) Inc.

Statement of changes in Members Funds

for the year ended 30 June 2022 and the 6 months ended 31 December 2022

		31 December 2022 (6 mths) \$	30 June 2022 (12 mths) \$	30 June 2021 (12 mths) \$
Total Members Funds at the beginning of the financial year	7	145,563	142,576	137,157
Surplus/(deficit) for the year		(55,188)	2,987	5,419
Total Members Funds at the end of the financial year	7	90,375	145,563	142,576

The accompanying notes form part of these financial statements

Harness Breeders (Vic) Inc.

Statement of cash flows

for the year ended 30 June 2022 and the 6 months ending 31 December 2022

	Note	31 December 2022 (6 mths) \$	30 June 2022 (12 mths) \$	30 June 2021 (12 mths) \$
Cash from operating activities				
Receipts from customers		92,713	155,841	124,985
Payments to suppliers and employees		(113,506)	(123,254)	(123,074)
Interest received		18	7	8
Net cash provided by/ (used in) operating activities	8(b)	(20,775)	32,594	1,919
Cash flows from investing activities				
Net cash provided by/ (used in) investing activities		-	-	-
Cash flows from financing activities				
Net cash provided by/ (used in) financing activities		-	-	-
Net increase/(decrease) in cash held				
Cash at beginning of financial year		(20,775)	32,594	1,919
Cash at end of financial year	8(a)	105,292	72,698	70,779
		84,517	105,292	72,698

The accompanying notes form part of these financial statements

Harness Breeders (Vic) Inc.

Notes to the financial statements for the year ended 30 June 2022 and the 6 months ended 31 December 2022

1. Statement of significant accounting policies

a) Statement of compliance

The committee has determined that the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements. The financial report is a special purpose financial report which has been prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Reform Act 2012*.

These financial statements have been prepared in accordance with following Australian Accounting Standards:

AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031	Materiality
AASB 1048	Interpretation of Standards
AASB 1054	Australian Additional Disclosures

As Harness Breeders (Vic) Inc is a Tier 1 organisation under the *Associations Incorporation Reform Act 2012*, it is not required to have its financial statements audited or reviewed, unless Members require the audit to be performed.

b) Basis of measurement

The financial statements have been prepared on an accrual basis and are based on historical cost and do not take into account changing money values except where specifically stated.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

c) Property, plant and equipment

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

Depreciation

The depreciable amount of all fixed assets is depreciated on a declining balance basis over the asset's useful life to the association commencing from the time the asset is held ready to use.

d) Impairment

At each reporting date the committee assesses whether there is objective evidence that a financial instrument has been impaired. If any such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

e) Income tax

The association is a not-for-profit organisation and is exempt from income tax under section 50-45 of the *Income Tax Assessment Act 1997*.

Harness Breeders (Vic) Inc.

f) Cash and cash equivalents

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

g) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised as interest accrues, using the effective interest rate method.

h) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period.

Employee benefits expected to be settled wholly within 12 months together with benefits arising from wages, salaries and annual leave which may be settled after 12 months, which have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

Contributions to defined contribution superannuation plans are expensed when incurred.

i) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are stated inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities which are disclosed as operating cash flows.

j) Trade creditors 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 on recognition of the liability.

k) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they hold significant financing components, when they are recognised at fair value. The association holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised costs using the effective interest rate method.

l) Provisions

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

Harness Breeders (Vic) Inc.

m) Critical Accounting Estimates and Judgements

The Committee 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 Association.

The Association did not have any significant accounting estimates or judgements that required any further disclosures during the year.

	31 December 2022 (6 mths) \$	30 June 2022 (12 mths) \$	30 June 2021 (12 mths) \$
2. Revenue and Other Income			
Advertising Income			
Stallion Guide	41,604	108,282	81,555
Total Advertising Revenue	41,604	108,282	81,555
Memberships & Subscriptions	5,480	18,812	18,624
Sponsorship Income - Vic Bred Scheme	-	1,400	6,600
Government Subsidies - Job keeper	-	-	13,500
Government Subsidies – ATO Cash Flow Boost	-	-	10,000
Interest received	18	7	8
Other income			
Breed to Succeed – Sponsor voucher	-	-	227
Other income	-	188	-
Total Other Income	5,498	20,407	48,959
 Total revenue	 47,102	 128,689	 130,514
3. Profit from Ordinary Activities			
Net gains and expenses			
Profit from ordinary activities before income tax expense include:			
Net gains			
Interest received	18	7	8
Association revenue	47,084	128,682	130,506
Expenses			
Cost of Sales	82,356	70,014	73,574
Association Expenses	19,934	55,688	51,521
	(55,188)	2,987	5,419
4. Cash and cash equivalents			
Cash at bank	84,517	105,292	72,698
	84,517	105,292	72,698
5. Account receivables and other debtors			
Trade receivables	18,718	64,347	91,506
Less provision for doubtful debts	-	-	-
	18,718	64,347	91,506

Harness Breeders (Vic) Inc.

	31 December 2022 (6 mths) \$	30 June 2022 (12 mths) \$	30 June 2021 (12 mths) \$
6. Provisions			
Current			
Annual leave provision	12,980	12,132	10,140
Long service leave provision	3,595	3,390	2,976
	16,575	15,522	13,116
Non-current			
Long service leave provision	-	-	-
	-	-	-
Total provisions	16,575	15,522	13,116
Movement in Provisions			
<u>Annual Leave provision</u>			
Opening balance	12,132	10,140	5,337
Additional provisions recognised	848	1,992	6,408
Reductions arising from payments	(-)	(-)	(1,605)
Closing Balance	12,980	12,132	10,140
<u>Long Service Leave provision</u>			
Opening balance	3,390	2,976	1,885
Additional provisions recognised	205	414	1,091
Reductions arising from payments	(-)	(-)	(-)
Closing Balance	3,595	3,390	2,976
7. Retained Profits and Reserves			
Retained profits at the beginning of the year	145,563	142,576	137,157
Net profit	(55,188)	2,987	5,419
Retained profits at the end of the financial year	90,375	145,563	142,576
8. Cash flow information			
Reconciliation of cash			
Cash at the end of financial year as shown in cash flow statement is reconciled to items in the statement of financial position:			
Cash at Bank	84,517	105,292	72,698
a)	84,517	105,292	72,698
Reconciliation of net cash provided by operating activities to surplus/(loss)			
Surplus/(loss) from ordinary activities	(55,188)	2,987	5,419
Non-cash flows in profit			
Depreciation	-	-	-
Changes in assets and liabilities:			
(Increase)/decrease in receivables	45,629	27,159	(5,529)
Increase/(decrease) in trade and other payables	(12,269)	42	(3,865)
Increase/(decrease) in provisions	1,053	2,406	5,894
Net cash provided by operating activities	b) (20,775)	32,594	1,919

Harness Breeders (Vic) Inc.

9. Remuneration of Members

The Members receive no remuneration or benefits. Expenditure incurred in the course of carrying out their responsibilities are reimbursed as incurred.

11. Related parties

There were no related party transactions conducted during the year.

The names of the Committee Members throughout the period end and at the date of this report are:

N Hooper

T Lewis

K McIntosh

M Hanrahan

B Coffey

L Joslin

J Campbell

C Lang Jnr

J Tubbs

L Toulmin

C Little

Harness Breeders (Vic) Inc.

Statement by Members of the Committee

The Committee has determined that the Association is not a Reporting Entity and that this Special Purpose Financial Report should be prepared in accordance with the Accounting policies outlined in Note 1 of the Financial Statements.

In the opinion of the Committee, the Financial Report as set out on pages 2-11:

1. Presents a true and fair view of the financial position of Harness Breeders (Vic) Inc as at 31 December 2022 and its performance for the 18 months ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Harness Breeders (Vic) Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with a Resolution of the Committee and is signed for and behalf of the Committee by:

Dated this .

day of

2023