



New Zealand Deer Farmers' Association

# *Annual Report*

*2008/2009*





New Zealand Deer Farmers' Association

## NOTICE OF MEETING

### NZDFA 34<sup>th</sup> Annual General Meeting

Notice is hereby given that the  
**34th Annual General Meeting**  
of the New Zealand Deer Farmers' Association (Inc)  
will be held in the  
**Conference Rooms of the Travelodge,**  
Cuba Street, Palmerston North on  
Wednesday 27 May 2009,  
commencing at 2.30 pm.

The Chairman and Executive Committee of the NZDFA  
invite all levy payers and members to attend.

**Cover photo:** Phil Stewart

Presenters discussing summer crop options,  
Deer Industry Focus Farm field day, *The Steyning*,  
February 2009.

## CONTENTS

Agenda of the 34th AGM.....	2
Minutes of the 33rd AGM, 14 May 2008.....	3
Executive Committee motions .....	6
NZDFA financial motions	
NAIT remit	
Branch remits.....	7
Executive Committee Chairman's report.....	7
NZDFA financial report.....	9
Review of accounts.....	9
Deloitte audit report .....	10
34th NZDFA AGM proxy form .....	15

## AGENDA

34th NZDFA AGM, Wednesday 27 May,  
commencing 2.30 pm

1. Apologies
2. Appointment of scrutineers
3. Obituaries
4. Notification of further items of general business
5. Confirmation of agenda
6. Confirmation of the minutes of the 33rd AGM of the NZDFA (Inc)
7. Matters arising from the minutes
8. Executive Committee Chairman's Report
9. Financial report
  - a. Approval of the 2008/09 financial statements
  - b. 2009/10 budget (Motion of approval sought)
  - c. Motion of confirmation for Executive Committee honoraria
  - d. Motion of appointment of auditors
10. Executive Committee remits
11. NZDFA Branch remits
12. DINZ Board producer appointment.  
Candidates' address to the AGM
13. General business
  - a. Confirmation of NZDFA Executive Committee and SAP appointments
  - b. Any other business

# MINUTES OF THE NEW ZEALAND DEER FARMERS' ASSOCIATION 33RD ANNUAL GENERAL MEETING, HELD AT THE ASCOT PARK HOTEL, INVERCARGILL ON WEDNESDAY 14 MAY 2008, 2:25PM – 5:30PM

The NZDFA Chairman Bill Taylor called the 33rd AGM to order at 2:25 pm and welcomed approximately 145 members and interested friends of the industry and called for apologies to be notified. The Producer Manager advised that the meeting was represented also through 49 proxies from members

## 1. APOLOGIES

### **Branch Chairmen**

Pip Rutland, Ken Ferguson, Mark Bowen, Rex Cowley, John Carter.

### **Life members**

Mike Pattison, Helen Parkes, Jenny Pinney, Jeff and Trish Pearse, Lady Fiona Elworthy, John Burrowes, Hester Ford, Don Gregson.

### **Members**

Graham and Leslie Hunter, Noel Beatson, Collier Isaacs, Thomas and Sophia Beuker, Eric Clark, Brian Marcroft, Paddy Boyd, David Morgan.

**MOVED "That the apologies be sustained".**

Moved **Rodney Dixon**, seconded **Mike McCormick**. **Carried**

## 2. SCRUTINEERS

The Chairman put the resolution **"that Brian Duggan, Phil Stewart and Tony Cochrane be appointed as the scrutineers for the 33rd AGM of the NZDFA, 14 May 2008"**.

Moved **Bill Taylor**, seconded **Harry Robinson**. **Carried**

## 3. OBITUARIES AND REMEMBRANCE

Obituaries were recognised for David Yerex, Les Loveridge, Graham Cribb, Dick Valentine, Peter Ryan and Francis Gallagher. The meeting recognised the loss of these NZDFA members and industry participants with a minute of silence.

## 4. CALL FOR FURTHER ITEMS OF GENERAL BUSINESS

The Chairman asked for notification of any further items of general business. No further items were advised.

## 5. ACCEPTANCE OF AGENDA OF MEETING

Moved **Bill Taylor**, seconded **Mike McCormick**. **Carried**

## 6. CONFIRMATION OF MINUTES OF THE 32ND AGM

It was agreed that the Minutes of the 32nd Annual General Meeting of the New Zealand Deer Farmers' Association, held at the Kingsgate Hotel, Hamilton on Wednesday 24 May 2007, as published in the 2007/08 Annual Report, *Deer Industry News* (issue 29, April 2008) page 2-6, be taken as read.

Moved **Bill Taylor**, seconded **Richard Broughton**. **Carried**

There was no discussion and no amendments to the minutes were advised to the meeting.

**MOVED "That the Minutes of the 32nd NZDFA AGM be accepted as a true and accurate record".**

Moved **Errol Croad**, seconded **Edmund Noonan**. **Carried**

## 7. MATTERS ARISING FROM MINUTES

There were no matters arising.

## 8. CHAIRMAN'S REPORT

Mr Bill Taylor presented his full report to the meeting. This report was published in the 2007/08 Annual Report, *Deer Industry News* (issue 29, April 2008), pages 12 – 13.

Bill Taylor formally moved the adoption of his report and called for a seconder.

Moved **Bill Taylor**, seconded **Clive Jermy**. **Carried**

Clive Jermy, in seconding the adoption of the Chairman's report, acknowledged the Chair and congratulated the Executive Committee for a job well done. He raised concern at the potential and real impact of competing land use, and stated it was important for the viability of the deer industry to identify how we can compete.

## 9. FINANCIAL REPORT

Financial statements were introduced by Tim Aitken, Executive Committee convenor, financial portfolio. The audited statements of financial performance for the year ending 31 March 2008 were presented. These statements had also been circulated in the 2007/08 Annual Report, *Deer Industry News* (Issue 29, April 2008), pages 15 – 18.

**MOVED "that the 2007/08 financial report be taken as read".**

Moved **Tim Aitken**, seconded **Mark Hawkins**. **Carried**

### **FORMAL FINANCIAL MOTIONS**

(Motion 1, Budget 2008 was deferred to follow Motion 3 pending passage of Executive Committee motions 2 and 3.)

**Motion 2 – "That the Executive Committee honoraria for the 2008/09 financial year be fixed at \$9,000 for the elected Chairman, and \$6,000 for each other Executive Committee member."**

Moved **Tim Aitken**, seconded **Mark Hawkins**. **Carried**

**Motion 3 – "That Deloitte be appointed as NZDFA auditors for the ensuing year 2008/09."**

Moved **Tim Aitken**, seconded **Bill Taylor**. **Carried**

**Motion 1 – BUDGET TO YEAR ENDING 31 MARCH 2009**

**"That the NZDFA budget of expenditure for the year ending 31 March 2009 be approved".**

Key points raised were that the budget included:

- Break-even target with subscriptions set at \$65 + GST and estimated at a 2.5% increase: 1950 subscriptions target.
- Branch capitation fee would be maintained at \$20 with equivalent running costs to 2007/08.
- The reserves accounts were aimed to maintain a minimum of \$100,000.
- Audit fees confirmed as \$2,400 + GST on a quote from Deloitte.

### **BUDGET 2008/09 APPROVAL**

**"That the NZDFA budget of income and expenditure for the year ending 31 March 2009 be approved".**

Moved **Tim Aitken**, seconded **Mark Hawkins**. **Carried**

## 10. CONSTITUTIONAL MATTERS

### NZDFA NATIONAL CONSTITUTION and the model 2008 BRANCH CONSTITUTION

The AGM decision of 2007 to allow the Commodity Levies (Farmed Deer Products) Order 2001 to lapse created a need for a number of amendments to the Constitution. The full text of the amendments and explanations were detailed in the Annual Report contained in *Deer Industry News* of April 2008. The Annual Meeting on 14 May 2008 proceeded formally through the motions which were all carried without dissent, except for Motion 6 – Clause 5.2 Membership Entitlements: Mike McCormick believed that a member not paying a subscription should not be entitled to a vote, and requested that his vote be recorded against the motion.

Full copies of the minutes of the 2008 AGM (18 pages) are available to members on request. Copies will also be available at the AGM.

Following changes made to the national constitution, the Producer Manager advised that the NZDFA Branch constitution documents had recently surfaced and had not been updated since the late 1980s. The updated version with appropriate motions for suggested changes and modernisation were required to be passed at the AGM, and had been publicised in the 2007/08 annual report and circulated in the April 2008 *Deer Industry News*. The relevant motions were put and passed by the AGM as outlined in the Annual Report 2008 (full copy available on request).

## 11. BRANCH REMITS

### REMIT 1: SCNO – NVSB processes

***“The South Canterbury/North Otago Branch requests that DINZ undertakes, within the next two months, an independent review of the NVSB’s velvetting regulations.”***

The Annual General Meeting was advised this remit had been **withdrawn** and referred to the NVSB for further comment. The NVSB had made a full response and its comments and advice in lieu of this remit proceeding will be published in *Deer Industry News*.

### REMIT 2: SCNO – Standardising hard antler measurements

***“That the NZDFA standardise the measurements recorded in NZDFA competitions under the modified SCI hard antler scoring systems so that all local and national NZDFA events score and record the same series of dimensions to bring consistency to the result and public recording of hard antler scores.”***

**In Discussion:** John Acland believed standardisation throughout industry velvet competitions would greatly assist the competitions and achieve consistency and he suggested that a working group established with interested parties and subcommittees to see this concept progress.

Moved **John Acland**, seconded **Murray Coutts**. **Carried**

**James Guild** argued that an amendment to the remit was necessary to include a review of all publicity of SCI scores. SCI relates to game estates and trophy hunting, and concern has been raised that this scoring system is being over and incorrectly used/publicised. It was suggested the remit be amended to include the scoring of antlers including live animals.

**AMENDMENT: “And on any live animal” to be placed after the description of local and national NZDFA events.**

Moved **James Guild**, seconded **Campbell Clarke**. **Carried**

The Chair opened the amendment for discussion.

**Murray Coutts** agreed with the comments, but reinforced that the remit was put up to standardise competitions and this latter issue of publicity could be appropriately addressed within the proposed subcommittee.

**Tony Pearse** advised that a seminar on the judging and scoring of hard antler was held the previous day; the issue was raised and was to be addressed by publicity.

**Peter Allan** agreed there was a need to standardise the publicity and judging of hard antler, however he sees an issue with it, noting that everyone wants to see consistency in competitions; however the scoring of antler on the head of a live animal and incorrect publicity is another issue which may need to be dealt with separately.

**Andrew Peters** also supported the view that the live animal side of hard antler scoring is different to the competition side, and pointed out that in competitions antlers are not necessarily on skulls, and therefore the spread and span and often coronet cannot be measured.

**Mike McCormick** agreed, suggesting that the scoring of antlers in general is not a responsibility of the NZDFA, and the association can therefore not enforce this.

With the knowledge that a working group has already been established to address these issues, Murray Coutts proposed that the motion be passed without the proposed amendment.

Following the discussion, and comfortable with the concept of a working group having this on their agenda, James Guild, in his right of reply, asked the leave of the meeting to withdraw the amendment.

There was no further discussion regarding this remit.

The Chairman then put the motion which was **Carried** without dissent.

The Chairman asked the meeting for leave (Granted) to bring Remit 8 forward to allow AHB CEO William McCook to comment prior to him leaving the conference.

### REMIT 8: Waipa – NAIT Database

***“That the NZDFA encourage the AHB to take control of the NAIT database.”***

William McCook emphasised the AHB is a not-for-profit, farmer-based organisation; however it is important to recognise the AHB database is used for all bovine Tb activity and is therefore specialised in this area.

Mr McCook commented that the scale of NAIT is an important consideration and said the AHB could potentially manage an identification system based on the NAIT structure; however it would require amendment to the AHB constitution and stakeholder bodies would need to be advised, with discussion allowed for at that level.

The remit was then opened for discussion

Moved **Brian Wellington**, seconded **Campbell Clarke**.

**Brian Wellington** was invited to comment on the remit and stated that as a stakeholder body [the deer industry], the AHB should be able to run the database on a cost-neutral basis. There was no further discussion

The remit was put and **Carried** unanimously.

The Annual General Meeting then resumed the scheduled format, and the meeting addressed remit 3 from Tongariro.

### REMIT 3: Tongariro – NVSB Supervisory visits

Velvetting certification using local + physical restraint: NVSB Certification currently requires an annual supervising veterinarian visit.

***“We propose...that after 2 years of certification, a supervising vet visit every second year is sufficient on approval of the supervising veterinarian, based on their satisfaction of client performance, experience and standards.”***

Mover **Richard Denley** advised the meeting that since the remit was proposed, a lot of discussion had taken place. After receiving a very good/useful letter of discussion on the points the Branch had raised from the NVSB, the branch has chosen to **withdraw** this remit. The Branch recognises the privilege they have in being able to velvet their own stags and do not want to lose this. It was suggested this letter be published as constructive commentary in

one of the industry publications (*Deer Industry News* or *Stagline-online*).

#### **REMIT 4: Southland – Emissions Trading Scheme (Carbon Credits and Government Policy).**

*“That the NZDFA continue to use every reasonable resource available to reverse government policy on animal emissions within Climate Change and the Emissions Trading Scheme (Emissions Trading and Renewable Preference Bill).”*

Moved **Peter Allan**, seconded **Brian Russell**

**Peter Allan** spoke strongly in support of this remit, saying the message needed to be blunt and unequivocal and the impact of the scheme on farmers needed to be addressed.

**Brian Russell** recalled the eye-opener message on costs that had been delivered by MAF ETS commentator Ms Julie Collins, and suggested it would not only be this generation of farmers crippled, but also the next generations.

**Edmund Noonan**, and **Sharon Love** who accepted the policy is here to stay, argued that the ETS must be moderated to minimise the impact on farmers.

An amendment was proposed:

**That words “reverse current government policy” be replaced with “moderate government policy and ensure outcomes are science based and economically viable”**

Moved **Edmund Noonan**, seconded **Earle Wells**.

The amendment was opened for discussion.

**Andrew Peters** spoke for many when he described any attempt to moderate the remit as “waffly PC nonsense”. Expressing industry views should be like street fighting, he said. “The first hit has to count.”

**Tom Williams** stated “[the emissions trading scheme] is the biggest rort since World War Two, and that a decent clear message needs to go to the Government.”

**Tim Aitken** believed we should “kick it out and kick it hard and when it’s down kick it again.”

**Chris Hughes** argued we should be even blunter and took a similar hard line.

**Sharon Love** urged farmers to take a balanced approach and not simply turn their backs on the scheme. She said the next generation was keen to see the environment fixed and farmers needed to acknowledge and engage with that process.

The amendment was put and roundly defeated on a voice vote

The original motion was then put and **Carried** decisively.

#### **REMIT 5: Waikato – Direct elections for DINZ Board**

*“That direct elections replace the SAP process for selecting farmer representatives to the DINZ Board.”*

Moved **Steve Borland**, seconded **Rodney Dixon**

**Steve Borland** spoke for the remit and reinforced that although the same remit had been thrown out in 2007, the Branch was passionate that that is an area for radical change and an improvement in process.

**Rodney Dixon** emphasised the Branch’s feelings that this direction allowed all candidates to be equally and fairly judged by their peers and that such systems would be clear cut, cost effective and remove any opportunity for “back room whispering” and unnecessary expense.

**James Guild** – who had the experience of being both elected to and removed from the former Game Industry Board by an electoral college – strongly supported the current system. He said the SAP system gives a fair chance to strong candidates who don’t necessarily have the high profile to garner popular support through a direct election.

**Ponty von Dadelszen** spoke against the remit and added that in his view the electoral process in the meat and wool industries had

not been served as well since direct elections were introduced. He believed it was important that an SAP could take into account all relevant skills and assessment of Board needs and directions. Recent criticisms were a slight to the integrity of the SAP and its operating code and he urged the meeting to strongly oppose.

**Campbell Clarke** agreed, saying that he doesn’t believe a candidate who runs the best campaign should get the job just on that basis.

**Mike McCormick** and **Chris Hughes** also agreed with Ponty von Dadelszen’s strong statement.

**Steve Borland** in response argued that the industry was a lot smaller than previously. Typically only 230-300 members vote yearly for the people who make up the SAP, and that the \$6000 cost of running the SAP and the elections of \$4000 would be far greater than a direct election for important Board positions. The Branch remained concerned about the lack of transparency on the SAP.

**Rodney Dixon** further endorsed the comments. He believed that there were significant numbers of levy payers who choose not to be involved with the DFA system and would support this remit.

The chairman put the motion.

At that point the mover **Borland** recognised that in this forum the remit would not be supported as he’d hoped, and having had earlier discussion with the Chair that this was in order he asked that the remit be withdrawn and lie on the table for consideration in 2009.

**The Chairman** confirmed to the meeting that this had been discussed following the sentiments expressed at the Branch Chairmen’s meeting and ruled that remit be withdrawn.

**James Guild** raised a point of order that as the Chairman had formally put the motion prior to the request to withdraw, the meeting had no choice but to respond to that directive.

The chair apologised for the error and put the motion which was **lost** resoundingly on a voice vote. Messers **Borland** and **Dixon** asked that they be recorded as opposing.

#### **REMIT 6: Canterbury – Lower tyne removal**

*“That in the absence of an accepted velvet marketing restructuring, the NZDFA request DINZ to ensure that NZFSA (New Zealand Food Safety Authority) requires removal [of] lower tynes from velvet antler (frozen or dried) destined for the Korean market, in accordance with Overseas Market Access Requirements (OMAR). The NZDFA requests DINZ to report conclusions and progress by beginning of 2008/09 selling season.”*

This remit was carried over into general business on request. It had been left on the table from 2006 and 2007. **Ed Noonan (Canterbury)** had been invited to discuss the issue with the Velvet Processors Association in early May. At that meeting the VPA asked DINZ to look at the market implications and issues surrounding the proposal and report back. Ed was satisfied that progress had been made, and the remit was not put forward as a motion and remains live on the table.

#### **REMIT 7: Otago – NAIT and tag suitability**

*“That the NZDFA request DINZ to support further research and evaluation of RFID technology (including ultra high frequency systems) to allow a recommendation to industry of the most accurate, functional and cost effective RFID systems that will meet deer management and future NAIT deer traceability requirements.”*

Moved **Udo Fuehrer**, seconded **Craig North**.

The Producer Manager, **Tony Pearse**, reported that a limited early evaluation with ultra-high-frequency tags had been very promising. Early problems with interference from moisture and steelwork seemed to have been overcome with the latest generation of chips and antennae for HF and UHF tags/readers.

Tony noted that while the electronics were inexpensive, the cost of commercial tags using this technology was unknown. Low-frequency tags were also not entirely suitable to the movement of deer, but with an agreement from NAIT were also to undergo further evaluation.

DINZ CEO **Mark O' Connor** urged some caution on the prospects of a very early pilot trial, especially in the areas of tag costs and robust application and use as no commercial tag UHF model was yet available. The motion put and was **Carried**

## 12. GENERAL BUSINESS

### RUMPOLE CUP

The Rumpole Cup in recognition of the best Branch or Associated Society newsletter was this year awarded to the Elk and Wapiti Society of New Zealand. Tom May accepted the award on behalf of the Society.

### SELECTION AND APPOINTMENTS PANEL: ELECTION OF NORTH ISLAND REPRESENTATIVE

An election was required this year for the single vacancy created by the retirement by rotation of **Mike Holdaway**, who sought re-election.

Results of the election, announced at the AGM, were:

Campbell Clarke, Waipa:	82
Mike Holdaway, Apiti:	248
Informal	14

**Mike Holdaway** was declared elected.

### EXECUTIVE COMMITTEE AND SELECTION AND APPOINTMENTS PANEL APPOINTMENTS AND RETIREMENTS

NZDFA Executive Committee retirements by rotation were **Tim Aitken** and **Mark Hawkins**. Neither sought re-election. **Earle Wells** (Coastal Bay of Plenty) and **Edmund Noonan** (Canterbury) were declared elected unopposed to fill the vacancies.

After the traditional presentations and thanks, two retiring members, **Mark Hawkins** and **Tim Aitken**, made a short valedictory addresses.

The meeting closed at 5.25pm.

To be signed as a true and accurate record

**Bill Taylor, Chairman**

27 May 2009

# EXECUTIVE COMMITTEE MOTIONS

## NZDFA FORMAL FINANCIAL MOTIONS

### MOTION 1: Financial accounts and statements for the year ending 2008/09

*"That the Audited NZDFA financial statements and accounts for the year ending 31 March 2009 be received and approved."*

Moved **Earle Wells**, seconded, **Edmund Noonan**

### MOTION 2: Budget to year ending 31 March 2010

*"That the NZDFA budget of expenditure for the year ending 31 March 2010 be approved"*

Key points in the 2009/10 budget include:

- Break-even target with subscriptions set at \$75 + GST (a rise of \$10) and subscriptions estimated at a 1,750 target, a small decrease from 1,759 of the 2008/09 year. Branch capitation fee will be maintained at \$20. Running costs equivalent to 2008/09 are proposed.
- The reserves accounts are aimed to maintain a minimum of \$100,000; the NZDFA recognises a commitment of \$10,000 to the SFF project JRG 2 to be provided from reserves.
- Audit fees at \$2,400 + GST are subject to written confirmation from Deloitte prior to the AGM.

Moved **Earle Wells**, seconded **Edmund Noonan**

### MOTION 3: Honoraria

*"That the Executive Committee honoraria for the 2009/10 financial year be fixed at \$9,000 for the elected Chairman, and \$6,000 for each other Executive Committee member"*

This recommendation from the Executive Committee requires a mover and seconder from the floor of the AGM.

### MOTION 4: Auditors

*"That Deloitte be appointed as NZDFA auditors for the ensuing year, 2009/10"*

Moved **Earle Wells**, seconded **Edmund Noonan**

## CONSTITUTIONAL MOTIONS

The Executive Committee advises that there are no Constitutional motions notified for approval at the 34th AGM at the time of publication. Constitutional motions require 21 days' clear notification prior to the AGM and as such any notification closes on 5 May 2009 .

## EXECUTIVE COMMITTEE REMITS

### REMIT 1: National Animal Identification and Tracing (NAIT)

*"That this 34th NZDFA AGM review the current NZDFA position statement on NAIT as presented by request to the NAIT Governance Group. ( April 2009)"*

Moved **Bill Taylor**, seconded **Edmund Noonan**

### Current position April 2009:

### New Zealand Deer Farmers' Association: Opposed to mandatory inclusion from 2011.

1. The NZDFA has a diverse but generally opposed position to NAIT in its present form, particularly around timing and the mandatory inclusion of deer by 2011.
2. NZDFA holds a strong position that the biosecurity rationale, without the inclusion of sheep and pigs in particular, means that NAIT is compromised from the outset.

3. However, NZDFA recognises that the legislative framework being developed will allow the introduction of each farmed species in their own right if and when that becomes appropriate. This, to some extent, relieves the concerns around exclusion of other species (on a biosecurity basis) if the intent is to incorporate sheep and pigs in time.
4. NZDFA accepts that while there are considerable market-related reasons in terms of competitive trade and an inevitable requirement to further assure traceability and food safety as a prerequisite to doing business in our major discerning markets, the current timing of NAIT development for deer, cost related to overall benefit and needs analysis do not persuade NZDFA deer farmers to support the proposed NAIT programme at present.
5. NZDFA argues that current identification systems under the Biosecurity Act and the requirements of the AHB, have been proven to allow tracing and recall on a product batch basis. NZDFA contends that additional benefits are not currently cost effective and believes that even if NAIT was in place on the basis of whole of lifetime tracing, the proposed NAIT system would not have made recent product recall cases any easier.
6. Deer farmers note that as an estimated 70 percent of their animals pass direct to slaughter as one movement, they believe that the current low cost direct to slaughter tag and recording systems should be maintained for these animals as the current system adequately provides robust traceability and there is a minimal biosecurity risk. Any capital stock or trading stock could then be included in an appropriate NAIT system as it is proposed.
7. However, NZDFA does not support joining NAIT on the proposed timeframe of a mandatory inclusion with cattle by end 2011.  
In promoting that view NZDFA also has concerns related to the effectiveness of low frequency RFID technology to meet NAIT's specifications under present use and management systems for deer farmers based on some practical experience. The NZDFA also supports the logical development of UHF technology and the DINZ position in this area as priority based on pilot work.
8. The NZDFA advocates that NAIT must evolve to require the simplest and most minimal of information which is sufficient to meet lifetime traceability of animals. It should evolve and incorporate existing systems where possible, be capable of rapidly assimilating proven new technology and be delivered in the most efficient cost-effective structure possible, where all parties involved fairly share the cost burden and benefits. To that extent they support the development and evolution of the current proposed functionality of NAIT.

## BRANCH REMITS

### REMIT 1: Canterbury – Lower Tyne Removal (From 2006)

***“That in the absence of an accepted velvet marketing restructuring, the NZDFA request DINZ to ensure that NZFSA (New Zealand Food Safety Authority) requires removal of lower tynes from velvet antler (frozen or dried) destined for the Korean market, in accordance with Overseas Market Access Requirements (OMAR). The NZDFA requests DINZ to report conclusions and progress by beginning of 2009/10 selling season.”***

## EXECUTIVE COMMITTEE CHAIRMAN'S REPORT

Welcome, Ladies and Gentlemen to this year's Deer Industry Conference and the NZDFA's 34th Annual General Meeting.

The theme of this year's conference, *Passion and Profit*, fits as far as venison production is concerned; those of us with the passion for this industry have indeed been rewarded with some profit this year and an encouraging outlook in what, even so, are difficult times in a wider sense. I look forward to all sectors of our industry enjoying increased profitability this coming season.



Today's global financial difficulties have left their mark on our industry, especially the trophy and velvet antler sectors. This report is being written at the close of the velvet season with indications from New Zealand Velvet Marketing Co Ltd and Veleco pointing towards a better than expected result, due in part, to a better-managed supply of velvet onto the market. Venison producers have enjoyed good returns this season. However, we must be aware of the effect of the low value of the New Zealand dollar, and the danger of continuing to rely on its low value for our continued prosperity.

I, like many others, am unable to predict the direction of the world's financial markets, and the impact they will have on our livelihood. I am confident, however, that the lower volumes of venison and velvet that will be produced this year will mean improved farm gate returns.

The challenge will not be surviving, as it has been in recent years, but growing the profitability and sustainability of our business without making too many of the mistakes of the past.

I challenge farmers to take a lateral view of how you sell your product: the take-it-on-the-day auction system or cash at the gate for velvet, and playing one venison processor off against another for a small extra schedule on the day, must belong in the past. Lower production over the next few years will allow us to continue to market rather than simply sell our produce if we chose to do so and consider the benefits of long-term relationships at all levels in the supply chain.

## NZDFA ACTIVITY

The Executive Committee has met regularly through the year as well as hosting a successful Branch Chairmen's meeting in October with good representation from Branches. This meeting continues to be well supported by the DINZ Executive and Board members, and is greatly valued by Branch Chairs. We have tried to add value to this meeting with the introduction of key speakers on relevant political and productivity topics. An excellent example of this was the address by economist Dr Brent Layton on the fallacies of an Emissions Trading Scheme being promoted, especially so this year.

Many of you will be aware that the Federated Farmers membership proposal presented to Branch Chairs last October has been withdrawn by the Federation. While the proposed relationship may have proved challenging at times, losing it before we had a chance to make it work was disappointing.

Falling membership has put pressure on this year's budget and I believe deer farmers should question the breadth and type of services provided by the Association, and continue to focus on ways to improve the representation at national and local level and maximise the benefits of membership.

## FINANCE

Earle Wells took on the responsibility of the Association's finances this year. While expenditure has been kept under budget and in line with last year, a drop in subscriptions (from a budget of 1,950 to 1,759) has contributed to an operating loss of \$10,676. Falling interest rates, a tax liability and the drop in membership has resulted in the Executive Committee deciding to increase the national subscription by \$10 to \$55, to enable the Association to continue to function at the current level and maintain our reserves as requested by the Branch chairs. The Branch capitation fee will remain at \$20.00.

## SUBMISSIONS

While it was a quiet year for submissions, the NZDFA spent considerable time supported by the Branches, in developing its view and expressing our concerns related to NAIT. These cover development and implications for the producers in terms of cost benefit, the appropriateness of the technology and the apparent biosecurity anomaly seen with the exclusion of the other key livestock species. While the DFA recognises the market importance of traceability, we believe that there is some distance to go before the current form of NAIT as proposed is suitable for purpose for deer farmers. I encourage wider discussion at this forum and other opportunities to interact with NAIT.

A change of Government has taken some of the urgency out of the Emissions Trading Scheme debate; however, the NZDFA is continuing to partake in discussion around this issue and remains firmly against agriculture being included in any such scheme.

The most important submission the NZDFA will be associated with is the Animal Health Board's next National Pest Management Strategy (NPMS) for bovine Tb (in development). Again, we urge deer farmers to take an active interest in this, and the high-level goal to eradicate Tb from New Zealand

## AHB

This year has seen Ponty Von Dadelszen take over from Errol Croad as our representative on the AHB members' committee. On behalf of all deer farmers I thank Errol for the time, effort and commitment he put into the role over the past six years, including two years as Chairman of that committee.

The introduction and development of the new NPMS and reaching agreement on the industry share of funding will provide numerous challenges in the year ahead. We are fortunate, bearing in mind the size of the deer industry, that we have two representatives on the members' committee.

## JOHNE'S DISEASE

The industry has been successful in gaining a further significant Sustainable Farming Fund grant for ongoing work with new emphasis in Johne's disease. JRG 2 links skills and resources within Johne's Management Ltd and Jamie Hunnam (née Glossop), and a detailed HACCP plan seeking to reduce the risk of the bacterial infection (*MAP*) across the supply chain. The two-year project is financed through support from JML, DINZ and the NZDFA. The national body has committed to \$10,000 per year, following the \$130,000 granted by the Branches to JRG1 over its productive lifetime.

JRG1 is complete, with the final report from the epidemiology study now available.

JRG 2 will concentrate on supporting a network of Johne's disease veterinary and other expertise available via JML and feature detailed case studies in management diagnostics and control, linkage with the Johne's Research Consortium, and science groups and a wide approach to communication across the supply chain. The milestones also include developing a simple herd status classification scheme and feature case studies in Johne's disease identification and management programmes.

## RESEARCH

Noel Beatson continues to represent the NZDFA on the Board of DEEResearch and I thank him for his efforts.

The NZDFA remains supportive of the current range of research that DEEResearch invests in: Johne's disease, methane emissions and improved pasture productivity via pan-pastoral consortia; venison quality; and on-farm productivity in the form of the Venison Supply Systems programme (VSS).

The consortia are predominantly strategic in focus but already pasture productivity work is showing some very promising closed containment results. If replicated in the field, these would hugely enhance farmers' ability to provide more feed in adverse conditions.

Similarly, the VSS is showing good progress with its linkage and knowledge transfer operating via the Focus Farm network. The NZDFA does, however, have concerns that the VSS parasitology project requires more attention – as an area of great significance for the industry, this project needs to deliver better solutions for the management of internal parasites. The NZDFA, along with other stakeholders, will closely monitor this project.

## DEER INDUSTRY FOCUS FARMS

While these farms are funded by DINZ, the support given to each by the local NZDFA Branches and deer farmers in general has been excellent, with field days attracting regular attendances between 50 and 100. A successful Focus Farm conference in October brought key people from each farm together and proved very worth while. The NZDFA thanks all those involved with the project for their time and effort.

The establishment of a similar project in the Otago/Southland region involving Landcorp is under development and I look forward to seeing similar benefits being delivered to farmers in the South in the near future.

## IN CONCLUSION

Last year in seconding my report, Clive Jermy issued a challenge to the industry suggesting we should be promoting the profitability of deer farming as the first step to growing production. The release of deer gross margin figures earlier in the year, the positive media coverage from the Focus Farms and strengthening venison prices have gone some way towards answering that challenge, with articles on deer farming once again featuring in many farming publications.

Unfortunately the publicity may have been too late, with another large kill of capital stock, especially stags, taking place over the last 12 months. As deer farmers we have the biggest investment in this industry, and I remain convinced we have a positive future. The challenge from here on will be to build on our success and promote our industry positively and passionately.

I would like to thank Sharon Love for the commitment and support she has given as an Executive Committee member and acknowledge the work she has put into coordinating and managing the NZDFA's role in velvet competitions. I wish her well for her future endeavours.

I would also like to thank Ed Noonan and Earle Wells for their continued support, as I would the Branch Chairmen. Without your combined efforts, the Association would not be able to function as it does.

Lastly, I would thank Tony Pearse and Natalie Fraser for their combined commitment to the NZDFA, which far exceeds their job descriptions, which has made my job all the easier.

I have much pleasure in moving the adoption of this report.

**Bill Taylor,**  
**Chairman Executive Committee:**  
**April 2009**



# NZDFA FINANCIAL REPORT

## REVIEW OF ACCOUNTS FOR THE YEAR TO 31 MARCH 2009

The result for this financial year was a deficit of expenditure over income of \$10,676 against a break-even budget. This result is due to a number of factors, principally a 7 percent decrease in the number of subscription-paying members, (in line with the continuing exit of deer farmers from the industry) and a contribution of \$3,600 to the Otago Southland Sustainable Farming Fund for the parasitism study. This was carried over from the previous year, was not budgeted for in the 2008/09 expenditure, but has had an overall impact of a small reduction in reserves. Finally with NZDFA no longer being in a tax loss position, interest income is taxable with only a \$1,000 deduction available for an incorporated society.

Subscription income generated was \$79,000, based on 1,759 voluntary membership payments received. The 2008/09 subscription was maintained at the same level as the 2007/08 year and the decline in membership from 1,900 members last year resulted in subscription income being 10 percent lower than the budget which was based on 1,950 members.

DINZ's contribution through the Producer Manager budget substantially increased support for the servicing of DFA during the period. Assisting the Branch Chairmen's meeting funding and other new added-value services have been supported by the role that the Marketing and Communications Assistant portfolio plays. These producer services remain a vital part of the NZDFA, further extending into the regions to support NZDFA national and branch funding of the Focus Farms and productivity strategy activities. That support allowed Branches to create add-on projects and additional Sustainable Farming Fund activity. This ensured more leverage gained for industry funding which adds to farmer value within these industry-good projects. This was negotiated by NZDFA because it felt these to be more effective than straight industry-good funding by Deer Industry New Zealand. As such, the straight industry-good funding was replaced this year by leveraged activity.

Expenses were kept to a minimum and in line with budget, with many general office expenses being covered by DINZ and only specific items of expense being charged to the NZDFA.

Major expense items continue to be the cost of running postal-based elections for the SAP and Executive Committee positions, somewhat balanced by the in-house services provided by M&WNZ in election scrutiniser roles and legal overview of SAP process. Telecommunications were reduced with the advent of regional Branch Chairmen's meetings prior to conference and better communication provided via the electronic *Stagline-online*. The DINZ Board attended several Branch-related functions at targeted meetings in the North and South Islands, and at the November Branch Chairmen's meeting.

The 2008 conference was maintained as an expanded event – the NZDFA AGM and DINZ FGM and two evenings, venison showcasing, an awards dinner, and a specialist Branch field day. While the conference in Invercargill was an outstanding event, registration numbers were less than anticipated with the conference just breaking even, before the fixed costs of the DFA AGM and life membership and conference reporting fees were added. Those fixed charges comprise the above-budget cost of \$4,576, being \$1,576 above budget.

Honoraria of the Executive Committee were maintained at the same level as the previous year with \$9,000 being paid annually to the Chairman and \$6,000 each for the other three committee members. The DEERResearch director's fees remaining at \$4,000 have been funded from the general fund.

SAP expenses were considerably reduced as there was only the sitting candidate for the Board nominated. The interview and appointment process were completed at the conference in May instead of the scheduled process in June. Meetings with the Board

were reduced to one additional meeting held in association with the Branch Chairmen's meeting in November.

The \$10,000 contribution, that had been approved by the Executive Committee to be funded from reserves for the 2008/09 financial year to support the SFF JRG2 programme, was not called on as this project had just commenced in March 2008. Payment will be due in the 2009/10 and 2010/11 years.

With the absence of losses to be carried forward for tax purposes, NZDFA is now in a tax paying position, with tax to pay in the current year of \$1,952. Taxation is based solely on the interest income at a rate of 30% with an exemption of \$1,000 earned.

Closing reserves to be carried forward to the 2009 financial year are \$112,900, meeting the informal directive from NZDFA Branch Chairmen to maintain reserves where possible at \$100,000.

### BUDGET FOR THE YEAR TO 31 MARCH 2010

The budget for the year to 31 March 2010 is budgeted to break even.

Subscriptions are budgeted at a similar level of 1,750 paid membership (2008/09 year 1,759). The Executive Committee are determined to add attractiveness to full membership with a number of further services and communication initiatives like the electronic *Stagline-online* monthly newsletter and encourage further support through Branch activities and the Focus Farms.

The Executive Committee honoraria are budgeted to remain at the current year's rates and general expenditure is budgeted at a similar level to the 2007/08 year across all line items. A contribution to the JRG will be made from reserves.

This overall budget will enable reserves to be maintained in excess of \$100,000.

Income and Expenditure	Year to March 2009		Year to March 2010
	ACTUAL \$	BUDGET \$	BUDGET \$
<b>Income</b>			
Subscriptions	79,155	87,750	96,250
Interest and Sundry Income	11,991	12,700	5,000
	91,146	100,450	101,250
<b>Expenditure</b>			
Audit Fees	2,400	2,500	2,500
Conference	4,576	3,000	3,000
DEERResearch Directors Fees	4,000	4,000	4,000
General Office	78	300	300
Honoraria	27,000	27,000	27,000
Insurance	2,000	2,000	2,000
Legal Fees	2,098	2,500	2,500
Nationally Funded Projects	3,556	0	0
Postage	4,264	4,000	4,000
PR Support	1,575	2,600	2,600
Printing & Stationery	8,442	7,000	7,000
Promotions/Awards	1,723	1,500	1,500
Publications	7,341	7,000	7,000
Returning Officer Fees (SAP Process)	0	550	550
Telecommunications	165	3,000	2,500
Travel and Accommodation	30,652	33,500	33,500
	99,870	100,450	99,950
(Deficit)/Surplus Before Tax	(8,724)	0	1,300
Taxation	1,952	0	1,300
(Deficit)/Surplus After Tax	(10,676)	0	0

# AUDIT REPORT TO THE MEMBERS OF NEW ZEALAND DEER FARMERS' ASSOCIATION INC

We have audited the financial statements on pages 11 to 14. The financial statements provide information about the past financial performance of New Zealand Deer Farmers' Association Inc ('the Association') and its financial position as at 31 March 2009. This information is stated in accordance with the accounting policies set out on page 13.

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

## EXECUTIVE COMMITTEE'S RESPONSIBILITIES

The Executive Committee of the Association is responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice, of financial statements which fairly reflect the financial position of the Association as at 31 March 2009 and the results of its operations and cash flows for the year ended on that date.

## AUDITOR'S RESPONSIBILITIES

It is our responsibility to express to you an independent opinion on the financial statements presented by the Executive Committee.

## BASIS OF OPINION

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Executive Committee in the preparation of the financial statements, and
- whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditor and the provision of taxation advice we have no relationship with or interests in the Association.

## UNQUALIFIED OPINION

We have obtained all the information and explanations that we have required.

In our opinion the financial statements on pages 11 to 14 fairly reflect the financial position of the Association as at 31 March 2009 and the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 8 April 2009 and our unqualified opinion is expressed as at that date.

The logo for Deloitte, featuring the word 'Deloitte' in a stylized, cursive script font.

**CHARTERED ACCOUNTANTS  
WELLINGTON, NEW ZEALAND**

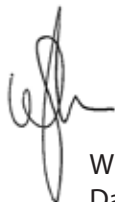
**NEW ZEALAND DEER FARMERS' ASSOCIATION INC**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
For the year ended 31 March 2009

	Note	2009 \$	2008 \$
<b>Income</b>			
Subscriptions		79,155	85,508
Interest		11,903	13,345
Sundry		88	172
		<u>91,146</u>	<u>99,025</u>
<b>Expenditure</b>			
Research	2,7	4,000	4,000
Audit Fees		2,400	2,400
Conference	11	4,576	1,982
General Office		78	230
Honoraria	2	27,000	27,000
Insurance		2,000	2,000
Legal/Professional Fees		2,098	2,269
Nationally Funded Projects		3,556	10,000
Postage		4,264	2,315
PR Support		1,575	2,676
Printing & Stationery		8,442	5,427
Promotions & Awards		1,723	1,607
Publications		7,341	9,051
Returning Officer Fees (SAP Process)		0	104
Telecommunications		165	1,897
Travel and Accommodation		30,652	23,987
		<u>99,870</u>	<u>96,945</u>
<b>Operating (Deficit)/Surplus Before Tax</b>		(8,724)	2,080
<b>Taxation</b>		1,952	0
<b>Operating (Deficit)/Surplus After Tax</b>		(10,676)	2,080

**NEW ZEALAND DEER FARMERS' ASSOCIATION INC**  
**STATEMENT OF FINANCIAL POSITION**  
As at 31 March 2009

	Note	2009 \$	2,008 \$
<b>Current Assets</b>			
Short Term Bank Deposits		119,402	129,598
Accounts Receivable		5,676	3,606
		<u>125,078</u>	<u>133,204</u>
<b>Current Liabilities</b>			
Accounts Payable		12,159	9,609
<b>Net Current Assets representing Net Equity</b>		<u>112,919</u>	<u>123,595</u>
<b>Net Equity comprises:</b>	8		
General Funds		<u>112,919</u>	<u>123,595</u>

These financial statements were approved for issue by:



William Taylor, Chairman of Executive Committee  
Date: 8 April 2009

**NEW ZEALAND DEER FARMERS' ASSOCIATION INC**

**STATEMENT OF CASH FLOWS**

For the year ended 31 March 2009

	2009	2008
	\$	\$
<b>Cash Flows from Operating Activities</b>		
<i>Cash was provided from:</i>		
Subscription Income	79,155	85,508
Interest Received	8,570	13,802
Other Operating Income	1,286	(1,178)
<i>Cash was applied to:</i>		
Payments to Suppliers	(99,207)	(101,409)
Net Cash Flow from Operating Activities	<u>(10,196)</u>	<u>(3,277)</u>
Net Increase in Cash Held	(10,196)	(3,277)
Opening Cash Balance	129,598	132,875
Closing Cash Balance	<u>119,402</u>	<u>129,598</u>

**RECONCILIATION OF OPERATING SURPLUS AFTER TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES**

	2009	2008
	\$	\$
Reported Surplus	(10,676)	2,080
Add Non-Cash Items:		
Movements in Working Capital	480	(5,357)
Net Cash Flow from Operating Activities	<u>(10,196)</u>	<u>(3,277)</u>

**NEW ZEALAND DEER FARMERS' ASSOCIATION INC**

**STATEMENT OF MOVEMENTS IN EQUITY**

For the year ended 31 March 2009

	2009	2008
	\$	\$
Opening Balance	123,595	121,515
Total Recognised Revenue and Expenditure	(10,676)	2,080
Closing Balance	<u>112,919</u>	<u>123,595</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

## 1. STATEMENT OF ACCOUNTING POLICIES

The New Zealand Deer Farmers' Association Inc is a society established to encourage, promote and advance New Zealand's deer farming industry. The financial statements of the NZDFA have been prepared in accordance with the requirements of the Financial Reporting Act 1993.

### General Accounting Policies

The going concern concept has been adopted in the preparation of these financial statements, with historical cost as the measurement base.

### Specific Accounting Policies

- A provision has been provided for taxation on current year income as prior year's losses have all been utilised. The New Zealand Deer Farmers' Association is liable to income tax on any income not derived from its members (mainly interest income), less an allowance of \$1,000 per annum.
- There have been no changes in accounting policies during the year. All policies have been applied in a manner consistent with prior periods.
- New Zealand Deer Farmers' Association has a 25% shareholding in DEEResearch Limited, a joint venture with AgResearch Limited (50%) and Group Research Holdings Limited (25%). The objectives of this company are to research non-velvet related deer products. Payments by the New Zealand Deer Farmers' Association to DEEResearch Limited are accounted for as research expenditure.

The equity provisions of FRS 38 have not been applied in respect of this associated entity as its application would not result in any material differences. An Annual Report for DEEResearch Limited is available on request from the New Zealand Deer Farmers' Association office.

All items in the statement of financial position are stated exclusive of GST with the exception of receivables and payables. All items in the statement of financial performance and cash flows are stated exclusive of GST.

## 2. FEES

The following fees were paid by the Association to Executive Committee members:

		2009	2008
		\$	\$
Honoraria	Chairman	9,000	9,000
	Executive Committee	18,000	18,000
		<u>27,000</u>	<u>27,000</u>

Dr Noel Beatson received \$4,000 in his capacity as director of DEEResearch Limited for the period April 2008 to March 2009. These fees make up the total research expense of \$4,000.

## 3. TAX LOSSES

	2009	2008
	\$	\$
Taxable Income	7,816	13,345
Less deductible expenses	(1,000)	(11,000)
	<u>6,816</u>	<u>2,345</u>
Losses brought forward from prior years	(311)	(11,988)
Adjustment to 2008 tax calculation - deductible expenses reversed to nil in 2009	0	11,677
Profit/(Loss to be carried forward)	6,505	(311)
Tax Expense	<u>1,952</u>	<u>0</u>

In prior year the tax numbers have changed as Inland Revenue initially incorrectly assessed the return and overstated NZDFA's taxable income.

There are no further tax losses to be offset against taxable income in future years, subject to the requirements of income tax legislation being met.

## 4. SEGMENTAL REPORTING

The Association operates in one field, being the advancement of deer farming in New Zealand.

## 5. COMMODITY LEVY

From 1 October 2002, with the approval of the Annual General Meeting of members, the rates were set at nil for venison and velvet, and have remained at this rate since then by annual agreement of formal motion at the NZDFA AGM.

No Commodity Levy financial statements have been prepared due to the non collection of levies since 30 September 2002. All brought forward surplus from levy income has now been expended.

Following agreement at the 31st AGM (2006) and endorsed at the 32nd AGM (2007), the NZDFA agreed not to pursue the remandation of the current Commodity Levy (Deer Products) 2001. Consequently this levy lapsed formally on 16th September 2007. The required changes to the NZDFA constitution were passed without dissent at the 2008 AGM (14th May 2008).

## 6. FINANCIAL INSTRUMENTS

New Zealand Deer Farmers' Association is party to financial instruments as part of its every day operations. These include instruments such as bank balances, short term deposits, accounts receivables and accounts payables.

### Fair Value

The fair value of the financial instruments in the financial statements is their carrying value.

### Credit Risk

Financial instruments which potentially subject the NZDFA to credit risk consist primarily of short term bank deposits and accounts receivable. The NZDFA deposits its cash with trading banks. The credit risk with respect to accounts receivable is limited due to the number of debtors.

### Interest Rate Risk

The NZDFA receives interest on its deposits at current market rates.

## 7. RELATED PARTY TRANSACTIONS

All transactions with related parties were conducted at arm's length. During the year, \$4,000 was paid to the directors of DEEResearch Limited mentioned in note 2. There were no other transactions with related parties.

## 8. TOTAL EQUITY

Total equity is held in general funds as follows:

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
General Funds		
Opening balance	123,595	121,515
Operating surplus	<u>(10,676)</u>	<u>2,080</u>
Closing General Funds	<u>112,919</u>	<u>123,595</u>

## 9. COMMITMENTS

As the rate of collection of the commodity levy had been set at nil until its formal cessation on 16 September 2007, and the NZDFA has fully committed existing research funds, Deer Industry New Zealand has an agreement to fund research to DEEResearch Limited on behalf of the NZDFA, at a level which is consistent with the NZDFA's previous level of research funding (currently 0.8c/kg of venison and 0.4c/kg of velvet).

## 10. CONTINGENCIES

The New Zealand Deer Farmers' Association's associated entity DEEResearch Limited has two wholly-owned subsidiary entities which have been established to hold DEEResearch Limited's interest in two unincorporated joint ventures, which are Pastoral Greenhouse Gas Research Consortium (2.34% holding) and Pastoral Genomics Consortium (1.1% holding) respectively. DEEResearch Limited has unconditional guarantees to the other partners in the unincorporated joint ventures which:

- a. guarantee the due performance and observance of the guaranteed obligations by its subsidiary companies; and
- b. indemnify against any loss or damage due to any breach of the unincorporated joint venture agreements by its subsidiary companies.

There is a contingent liability to a maximum of \$10,000 per year for two years (2009/10:\$10,000 and similarly for 2010/2011) to be funded from the reserves account for the NZDFA commitment to the Johnes' Research Group 2 Sustainable Farming Fund approved programme.

## 11. CONFERENCE DEFICIT

The conference resulted in a loss of \$4,576. Refer to the notes in the Review of Accounts.

## 12. SUBSEQUENT EVENT

There are no subsequent events noted.

# PROXY FORM 2009



New Zealand Deer Farmers' Association

To: New Zealand Deer Farmers' Association  
P O Box 10702  
**WELLINGTON**  
Fax 04 472 5549

I/We, ..... (name in full)

of..... (address)

being a member/members of the New Zealand Deer Farmers Association entitled to attend and vote at meetings of the NZDFA, hereby appoint (**Either**)

..... (name)

of..... (address)

**OR**

the Chairman of the ..... Branch (or Affiliated Breed Society) of the New Zealand Deer Farmers Association as at 27 May 2009

**OR failing him/her**, the Chairman of the Annual General Meeting,

as my/our proxy to vote for me/us at the Annual General Meeting of the Association to be held on Wednesday, 27 May 2009 at the Travelodge, Cuba Street, Palmerston North and at any adjournment thereof (*rule 29.2*).

Signed this ..... day of ..... 2009

..... NZDFA member.

**Please provide a phone number and email contact if applicable, to assist in any Proxy Verification**

Farm trading name .....

Phone (.....)..... Email.....

**NOTE: To be valid, proxy forms must be signed and either faxed, hand delivered or posted to be received at the NZDFA office by 4.00pm, Tuesday, 26 May 2009 (rule 29.4 (b)).**

*PTO for any specific voting instructions request.*

NEW ZEALAND DEER FARMERS' ASSOCIATION  
LEVEL 13, PCW TOWER, 113 THE TERRACE  
PO BOX 10702, WELLINGTON  
phone 04 473 4500 / fax 04 472 5549

# PROXY FORM, PART 2: SPECIFIC INSTRUCTIONS TO PROXY

I/We, ..... (name in full)

of ..... (address)

being a member/members of the New Zealand Deer Farmers' Association,

hereby appoint (**either**) ..... (name)

of ..... (address)

**Or** the Chairman of the ..... Branch NZDFA,

(or Affiliated Breed Society) of the New Zealand Deer Farmers' Association as at 27 May 2009,

**Or failing them**, the Chairman of the AGM

as my/our proxy to vote for me/us on my/our behalf at the Annual [or Extraordinary, as the case may be] General Meeting of the Association, to be held on the 14th day of May, 2008, or at any adjournment thereof.

Signed this ..... day of ..... 2009.

\*This form is to be used **\*in favour** or **\*against** the resolution(s) as described below.

*\* Strike out whichever is not desired.*

\* Unless otherwise instructed, the proxy will vote as he/she thinks fit.

Resolutions to which the instructions apply:

Resolution number	For	Against
	For	Against
	For	Against
	For	Against
	For	Against
	For	Against
	For	Against
	For	Against
	For	Against
	For	Against