

For year ending 31st March 2023



2023 Annual Report





Contents

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KPMG

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REPORTS

President's Report 7

Chair & General Manager's Report 9

SUMMARY OF FINANCIAL STATEMENTS

Financial Report 12

Key Facts 14

Approval of Performance Report 15

Statement of Service Performance 16

Statement of Comprehensive Revenue and Expense 18

Statement of Changes in Equity 20

Statement of Financial Position 21

Statement of Cash Flows 23

Notes to the Financial Statements 25

Independent Auditors Report 34

ADDITIONAL

Board of Directors 37

Directors Fees 37

Members 38

Acknowledgements 39



The Canterbury Agricultural and Pastoral Association



The Canterbury Agricultural and Pastoral Association (CAPA) is woven into the fabric of the province. It is a name synonymous with the annual A&P Show, which has grown over the years to become the largest of its kind in the country and is now known as the New Zealand Agricultural Show.

The Show is an opportunity for town and the rural sector to meet, providing a glimpse into the backbone of the New Zealand economy.

We are the country's oldest and largest Agricultural and Pastoral Association. We have a strong heritage of celebrating excellence in agriculture and building a connected rural community.

Established in 1863, it is an association under the Agricultural and Pastoral Societies Act 1908 and membership is open to anyone interested in furthering the progress of agriculture.

While we will always celebrate our heritage and community spirit, we are also in a unique position as agricultural leaders. We work with agricultural and political leaders, to break down the rural/urban divide and help them progress agriculture in innovative and socially conscious ways.

We are highly connected across the agricultural sector due to our:

- Location in New Zealand's largest food & fibre region
- Expertise and skillset held by our Board and General Committee
- Wide diversity of knowledge and appreciation in many agricultural & pastoral areas
- Focus on the future of the sector and effecting change - not just showing

Canterbury A&P Association is more than a membership organisation or event provider, it's a community of passionate agricultural professionals who are proud of the work they do.

Our members and stakeholders celebrate successes, share ideas, advocate, grow and progress agriculture together.

CAPA's role is to be the foundation for this community, to provide spaces to celebrate excellence, share ideas and learn. To support others in their pursuit of progress and to build the foundations for the future of agriculture in Canterbury.

The CAPA annual report reflects our financial year ending 31st March 2023. In line with our sustainability endeavours, we have a limited print run of 200 copies with the report available online.



“ I believe we have learnt much from those tough (COVID) years, most particularly the importance of changing with the times. Looking at how we do things and what we can do differently to breathe fresh life into this CAPA showcase event. ”



President's Report

While CAPA continues to add to its offering, there's no doubt the New Zealand Agricultural Show remains the jewel in our crown. The 2022 Show was like no other. Record crowds, warm days, and the smiling faces of children everywhere.

Thanks to a grant from the Kiwi Gaming Foundation, nearly 20,000 children took up the Kids Go Free offer, 2000 of them using free buses to and from The Show.

The struggles with the financial fall-out from COVID have been well-documented, not just for us but for all the A&P Shows. But they were a distant memory. That's down to the utterly extraordinary planning by our revitalised management led by General Manager Tracy Ahern, the prudent oversight of the CAPA Board, the enthusiastic work of our Sub and General Committees – and the tireless efforts of our volunteers.

I believe we have learnt much from those tough years, most particularly the importance of changing with the times. Looking at how we do things and what we can do differently to breathe fresh life into this CAPA showcase event.

On a personal note, one of the highlights was hosting the current Leader of the Opposition, Christopher Luxon. I know having lunch with him made the day for my daughter, Kimberly. We were also privileged to host a variety of distinguished guests, including several local Members of Parliament.

CONGRATULATIONS

The judging of the Supreme Champion Animal is always tough with so many great winners in each section. Congratulations to Vanessa Pickens and her wonderful mare, Rubenesque, who took out the top prize. Congratulations also to Rhonda and Peter Sherrif from the Dairy Section for being awarded Continental

Ambassador of the Year. The Sherrif family has supported CAPA and has been part of The Show for over 80 years.

Hearty congratulations to Show Legend Roger Fuller who has been involved in the wool industry since 1978, donating his time to the Wool Section of The Show for at least 35 years, as both steward and judge.

A special privilege of being CAPA President is the opportunity to work with some wonderful people. One of the most extraordinary is Richard Lemon, the well-deserved recent recipient of a QSM. Richard instilled in me a passion for CAPA, and I am ever grateful for his patient guidance.

To my wife, Maria, my daughter Kimberly, and my mother, Mavis, thank you for all the support. Finally, to Anne Rogers, the new CAPA President, and Bryce Murray, Senior Vice President, good luck for the year ahead.

CHRIS HARRIS, PRESIDENT



“ Ending the year with a small cash surplus is a remarkable achievement, and testament to the relentless efforts of everyone who is part of CAPA and the NZ Agricultural Show. ”

Chair & General Manager's Report



We're proud to share our Annual Report for 2022/23, a watershed year for CAPA. In what was a pivotal year, we rebounded from the challenges of COVID and turned our sights firmly to the future with our five-year Business & Strategy Plan. This includes reimagining the New Zealand Agricultural Show for today's world.

We are resolute in our mission to advance agriculture in Canterbury and have made significant progress in CAPA's operations, thanks to our dedicated team – from the Board and General Committee, to our management staff and committee volunteers who contribute on a daily basis.

Ending the year with a small cash surplus is a remarkable achievement, and testament to the relentless efforts of everyone who is part of CAPA and the NZ Agricultural Show. We aimed to avoid a deficit in 2022 after 2021's pandemic induced losses, and we're pleased to have steadied the Association's finances. Tackling the financial effects of COVID throughout 2022 required considerable work.

We had to quickly adapt to changing revenue forecasts, alter cost structures and constantly find ways to save. Everyone involved in the Show played a part in this result, and we're grateful for their flexibility and understanding. Given the above, we are comfortable with where we have landed financially. There were many unknowns as we transitioned from an externally run Event Management contract to in-house employees, most of whom hadn't been involved in running the Show before.

MANY HIGHLIGHTS

The year was marked by many significant accomplishments:

- The clean-up and extensive maintenance of Canterbury Agricultural Park was made possible through the support of the Department of

Corrections, who provided 3100 hours of work. We were able to utilise the diverse skills of their workforce to significantly enhance the park and its amenities.

- The long-term partnership and income from tenant Hirepool, positioned onsite, brings benefits to CAPA, the Show, and other events.
- Our CAPA office has been rejuvenated with a full refurbishment including repainting, new flooring and maintenance tasks.
- Thanks to a grant from NZ Community Trust for a ride-on mower and the purchase of a second-hand Trimax mower, lawn maintenance has been significantly streamlined, taking up only 30% of the previously allocated time.
- Sustainability initiatives led to a notable reduction in waste at the Show and Park all year round. Generous funding from ChristchurchNZ and Nestlé enabled us to sort and compost Show waste as a pilot project. This gave us clean, measurable data and produced 7000 bags of "Showstopper Soil", transforming a former expense into an income-generating solution while reducing waste to landfill.
- The introduction of a new website, an out-of-the-box solution dubbed "Super Show," offers management capabilities for the Show and competitions. We now anticipate the automation of judging and prize money

allocation through Super Show in 2023, moving away from the current time-consuming manual process.

- As referenced above, the 2022 NZ Agricultural Show was the first we have managed in-house for over 20 years – in fact since 2001. With limited knowledge passed on to us, Board and staff relied heavily on the General Committee, led by President Chris Harris, and the dedication of our volunteers. The data now gathered will help us streamline future Shows and lay a solid foundation for the years ahead.

FUNDING BOOST

The Christchurch City Council granted CAPA a \$1 million loan to sustain us while we resurrected ourselves post the pandemic. Their event arm, ChristchurchNZ, also funded a project with MI Consultants, an Australian firm specialising in A&P shows.

This project, in part, was to determine whether we qualify as a major event or a community event, with potential funding and city support differing significantly between the two categories. The outcome determined that the NZ Agricultural Show is, indeed, a 'major event' for Ōtautahi, Christchurch, thus ensuring significant future funding, as we continue to grow our brands, within the new city narrative, "City of Balance".

In line with our digital asset commercialisation strategy, we extend our gratitude to ASN Media for delivering our 2022 TVNZ programme, livestreaming, and digital assets. Whilst our move into the digital world has been a deliberate strategy, we acknowledge this will take some time to monetise, as we build content, reach and revenue, beyond just the three days of the Show.

As we set our sights on 2023, we are confident that the groundwork laid in 2022 has prepared us well to initiate the implementation of "Strategy 2025", including the longer term funding from the Wigram Road project and commercialisation of our digital assets. Our Board, General Committee, and Management team worked tirelessly in 2022, ensuring we now have a comprehensive and diverse plan in place, projecting an optimistic and strategic vision for CAPA's growth and development.

Significantly, for the first time in our history, we joined forces with mana whenua for the official opening of the

2023 Show, demonstrating our commitment to gain understanding and advocate for te reo Māori and tikanga Māori as we progress into the future.

ACKNOWLEDGEMENTS

CAPA would like to extend its gratitude to our corporate sponsors, and also ChristchurchNZ, and Kiwi Gaming Foundation for their generous grants. Their support is integral to fostering CAPA's annual funding, publicity, and development. In particular, the focus on children coming free aligns with our educational strategy and supports our intergenerational sustainability goals. Our sincere appreciation also goes to the Christchurch City Council for their unwavering backing and support as we all strive to ensure this iconic Canterbury event endures another 160 years on the Christchurch event calendar.

Heartfelt thanks to our committees, members, and volunteers for their steadfast commitment and fervour amid another year of uncertainty. We look forward to welcoming you to this year's Show, marking our 160th anniversary with what is expected to be our BEST Show ever.

Lastly, we would like to acknowledge and express our gratitude to the General Committee and the Board, who have had to make some big decisions, as well as give a special commendation to the dedicated management team and staff at CAPA. Your resilience and enthusiasm have significantly influenced our promising position today, and have set us up well for the future. Your work truly embodies our mission to advance agriculture in Canterbury.

NOHO ORA MAI

TRACY AHERN, GENERAL MANAGER

STEWART MITCHELL, CHAIR



Financial Report

2023 delivered a significantly improved financial result compared to the COVID affected years of 2020 and 2021, but it fell short of that targeted by the Canterbury Agricultural & Pastoral Association (CAPA).

Despite achieving higher than budgeted ticket and exhibitor sales, lower than expected sponsorship support, coupled with increased costs in many key areas, contributed to this variation.

The knowledge we gained and intellectual property we captured in 2023 was significant, and the benefits of this are already flowing through to the planning and execution of this year's Show. For many years, this IP sat with the external event management companies contracted by CAPA. This exposed us to a material risk and that has now been rectified – an important strategic step for the Association.

THE RESULT

The 2023 result is summarised below and is shown for comparative purposes alongside the 2020, 2021 and 2022 years.

Accounting for the full financial benefit the Association derives from the various types of support it receives is complex, especially where it comes without specific and or quantifiable exchange of value. This support can take the form of donated prizes, labour and materials, plant and equipment, access to significant discounted products or services. In many cases, these occur informally in the ordinary course of business.

Given the challenge of putting a figure to this benefit, audit requirements prevent it from being included in the financial statements. The Board estimates the value of such support received during the 2023 year at \$300,000. It is important that the significance of this is disclosed to members and stakeholders, to ensure a full understanding of how the activities of CAPA are funded.

	31/03/2023	COVID 31/03/2022	COVID 31/03/2021	(15 Months) 31/03/2020
Total Income	3,022,437	865,652	1,198,644	2,791,782
Cash Surplus/Deficit	39,414	-597,615	-5,790	-318,529
Depreciation and Amortisation	-102,380	-88,533	-148,875	-132,941
Surplus/Deficit	-81,075	-686,148	-154,665	-451,470



The Audit completed in 2023 has been very thorough. This has highlighted several minor areas where improvements have already been implemented.

The Audit report from KPMG does note that our treatment of the Digital Assets produced as intangible assets on the balance sheet, differs from their interpretation of the relevant accounting standards.

The Board has considered the Auditors opinion on this and remains of the view that these assets form part of a long-term business initiative, that they have a viable economic life and will create a future income stream and return on the investment to the Association.

On that basis, the Board is of the opinion that these assets should remain on the balance sheet and be amortised over time at 15% per annum. We already have a contract in place with Air New Zealand for the TVNZ documentaries to be aired on domestic and international flights, with other opportunities currently being investigated.

2024

The budget for the 2024 financial is under close and ongoing review by the Board with clear reference to:

1. The substantial learnings from the 2023 Show and areas in which both income gains and expense reductions can be achieved.
2. The challenging economic outlook and pressures on business and household incomes.

CAPA must continue to focus on improving its financial performance to become resilient and able to capitalise on opportunities to grow and evolve as an organisation. The foundations are being set, but ongoing fiscal

responsibility will become an important part of the organisation's strategy and culture into the future.

The rezoning of the Wigram Road land, over which the Association has a 100-year lease from the CCC, has the potential to deliver a significant opportunity to both parties and to be the source of the repayment of the \$1.0m CCC loan.

This opportunity is being actively explored on a collaborative basis. If successful, it will have a transformational impact on CAPA and its future.

STEVE BARRY,
DIRECTOR, AUDIT & RISK



Key Facts

3M

Income of \$3,022,437 was the highest in the Show's 159-year history.

-81K

2023 deficit of -\$81,075, is a \$370,395 improvement on the 2020 deficit, being the last year when a full show was run.

275K

\$275,402 was invested in plant and equipment and intangible assets during the year, including the digital film assets produced.

100K

\$100,000 (\$8,333 per month) has been placed into a newly established Canterbury Sale Yards Building Maintenance Fund for future reinvestment in that asset.

285K

Kiwi Gaming Foundation's \$285,000 in grants meant children attended the Show for free and assisted with transport costs for certain Canterbury schools. This was the single most significant grant or sponsorship support in CAPA's history. They have, at the time of this report, already committed \$300,000 to the 2024 Show. The impact of support at this level is significant and is acknowledged accordingly.


Approval of Performance Report

CANTERBURY AGRICULTURAL
AND PASTORAL ASSOCIATION
FOR THE YEAR ENDED 31 MARCH 2023

The Directors are pleased to present the approved financial report including the historical financial statements of Canterbury Agricultural & Pastoral Association for year ended 31 March 2023.

APPROVED

For and on behalf of the board:

DIRECTOR 
DATE 05/08/2023

DIRECTOR 
DATE 05/08/2023

Statement of Service Performance

This report has been prepared in accordance with PBE FRS 48 Service Performance Reporting.

OUR PURPOSE

To showcase achievements in our agricultural sector and promote pride in those achievements in both our rural and urban communities.

OUR VISION

To act as a leader in New Zealand by encouraging, promoting, and celebrating excellence and innovation in agriculture.

OUR MISSION

To celebrate our heritage and community spirit, and to work with agricultural and political leaders to break down the rural/urban divide and to progress agriculture in innovative and socially conscious ways.

WE EXIST TO:

- Progress agriculture across the region.
- Create a platform to tell our stories.
- Advocate industry best practice.
- Be authentic.
- Bring urban and rural together.
- Foster engagement and collaboration between our members to grow professional relationships. Share our history.

WE DO THIS BY:

- Showcasing local produce.
- Creating safe and trusted spaces for collaboration and connection.
- Growing youth in agriculture.
- Embracing diverse and cultural agricultural relationships and farming practices.

- Being trusted advisors to our rural communities.
- Supporting the sector including pastoral care addressing mental health and encouraging conversation.
- Bringing the "Country to Town" positively by connecting urban and rural communities.
- Delivering an annual agricultural show that is recognised internationally as "best in class", and that is a "must attend" for both rural and urban people.

WE'RE ON A MISSION TO:

Be known in New Zealand as encouraging, promoting, and celebrating excellence and innovation in sustainable agriculture.

AT THE HEART OF EVERYTHING WE DO IS:

To be a leader in New Zealand's agricultural and pastoral community.

OUR STRATEGY

Successful Event Venue and Delivery

- Annual Show- 65,000+ unique(*) visitors with positive customer satisfaction experience rating.
- For the Annual Show to be confirmed as a major event in the City by ChristchurchNZ for 2023.
- To host 5 or more other events each year.
- To manage and present the Canterbury Agricultural Park to the standards required by the Christchurch City Council as its Owner.

(*) A unique visit, records only 1 visit for an individual who may attend the show on multiple days.

**CANTERBURY AGRICULTURAL
AND PASTORAL ASSOCIATION
FOR THE YEAR ENDED 31 MARCH 2023**

Develop Digital Capability

- Produce 2 x Television documentaries and other digital assets to showcase New Zealand's rural sector and its diversity.
- Explore pathways to share the New Zealand Agricultural Show, rural innovation, and rural leadership with communities outside of Christchurch and New Zealand.

2023 IMPACT HIGHLIGHTS

Annual Show - November 2022

- 64,243 unique visitors (no event in 2021 due to COVID)
- 77% of surveyed customers(*) either satisfied or very satisfied with their experience at the Show (No event in 2021 due to COVID).
- Confirmed by ChristchurchNZ as being eligible for financial support as a major event in the City in 2023 (2022 status as an event was not confirmed at the time).

(*) This survey was completed by Feshinfo under the control of ChristchurchNZ. Customers surveyed included members of the public, competitors and trade exhibitors.

Digital Assets

- 2 x documentaries produced showcasing the NZ Agricultural Show, rural leadership and innovation in the agricultural and pastoral sectors.
- The 2022 Show aired on TVNZ December 2022 and the 2021 Show aired on TVNZ in December 2021 and April 2022.
- The 2 documentaries are now showing on all domestic and International Air NZ Flights with that capability.

The Park and Events

- 3954 NZ Corrections managed hours, contributing to the presentation of the Park to the standard required by the CCC as its Owner (O in 2022).
- \$98,534 of roading, electrical infrastructure and other works completed at the Park (\$10,372 in 2022).
- 3 large events hosted at the NZ Agricultural Park by CCC and CAPA (1 in 2022).



Statement of Comprehensive Revenue and Expense

	NOTES	2023	2022
Revenue			
Administration		-	270
Events		73,007	54,631
November Show		2,522,159	368,621
Donations Recieved		7,113	5,600
Operations		363,877	389,031
Saleyards Overhead & Expense Recoveries	12	3,177	(3,825)
Member Subscriptions	10	37,780	50,559
Interest Recieved		15,323	676
Total Revenue		3,022,437	865,562
Direct Expenditure			
Administration		1,182,683	736,069
Events		42,122	52,640
November Show		1,548,387	539,469
Operations		181,268	113,556
Total Direct Expenditure		2,954,461	1,441,374

CANTERBURY AGRICULTURAL
AND PASTORAL ASSOCIATION
FOR THE YEAR ENDED 31 MARCH 2023

	NOTES	2023	2022
Overhead Expenditure			
Fees Paid to Auditors		11,000	10,000
Bank Charges		618	1,071
Interest Expense		35,053	10,372
Total Overhead Expenditure		46,671	21,443
Surplus/Deficit from Operating Activities Before Depreciation & Amortisation		21,304	(597,615)
Depreciation & Amortisation			
Depreciation & Amortisation		102,380	88,533
Total Depreciation & Amortisation		102,380	88,533
Surplus/(Deficit) for the Year		(81,075)	(686,148)
Other Comprehensive Revenue and Expenses			
Revaluation of Land & Buildings		-	225,560
Total Other Comprehensive Revenue and Expenses		-	225,560
Total Comprehensive Revenue and Expense for the Year		(81,075)	(460,588)

Statement of Changes in Equity

CANTERBURY AGRICULTURAL
AND PASTORAL ASSOCIATION
FOR THE YEAR ENDED 31 MARCH 2023

	NOTES	2023	2022
Accumulated Comprehensive Revenue, Expenses & Reserves			
Opening Balance		2,187,426	2,648,014
Recognised Revenue & Expenses			
Profit/ (Deficit) after Tax		(81,075)	(460,588)
Total Recognised Revenue & Expenses		(81,075)	(460,588)
Total Accumulated Comprehensive Revenue, Expenses & Reserves		2,106,351	2,187,426

Statement of Financial Position

CANTERBURY AGRICULTURAL
AND PASTORAL ASSOCIATION
FOR THE YEAR ENDED 31 MARCH 2023

	NOTES	2023	2022
Assets			
Current Assets			
Cash and cash equivalents	4	392,723	716,386
Trade Debtors		39,517	51,037
Sundry Debtors and Prepayments		-	39,029
Stock on hand	5	78,242	35,790
Goods and services tax receivable		15,797	-
Total Current Assets		526,279	842,242
Non-Current Assets			
Property, Plant and Equipment	7	2,572,206	2,562,077
Intangible Assets	7	175,467	12,574
Investments		607	607
Total Non-Current Assets		2,748,280	2,575,258
Total Assets		3,274,560	3,417,501

Statement of Financial Position (cont.)

CANTERBURY AGRICULTURAL
AND PASTORAL ASSOCIATION
FOR THE YEAR ENDED 31 MARCH 2023

	NOTES	2023	2022
Liabilities			
Current Liabilities			
Trade Creditors		43,051	36,947
Sundry Creditors and Accruals		32,385	37,120
Income in Advance		32,160	79,977
Goods and services tax payable		-	4,971
Total Current Liabilities		107,596	159,015
Non-Current Liabilities			
Income in Advance		60,613	71,060
Loan from Christchurch City Council	13	1,000,000	1,000,000
Total Depreciation & Amortisation		1,060,613	1,071,060
Total Liabilities		1,168,209	1,230,075
Net Assets		2,106,351	2,187,426
Equity			
Accumulated Comprehensive Revenue, Expenses & Reserves	15	2,106,351	2,187,426
Total Equity		2,106,351	2,187,426

Statement of Cash Flows

CANTERBURY AGRICULTURAL
AND PASTORAL ASSOCIATION
FOR THE YEAR ENDED 31 MARCH 2023

	NOTES	2023	2022
Cash Flows from Operating Activities			
Cash was received from:			
Donations, fund raising and other similar receipts		7,113	5,600
Receipts from providing goods or services		3,049,047	981,584
Interest, dividends and other investment receipts		15,323	672
Cash was applied to:			
Payments to suppliers and employees		(3,066,222)	(1,612,518)
Interest paid		(35,0530)	(10,369)
Net Goods and Services Tax		(18,469)	(5,484)
Net Cash Flows from Operating Activities		(48,261)	(640,515)
Cash Flows from Investing Activities			
Cash was applied to:			
Payments to acquire property, plant & equipment		(87,146)	(28,903)
Payments to acquire Intangible Assets		(188,256)	-
Net Cash Flows from Investing Activities		(275,402)	(28,903)

Statement of Cash Flows (cont.)

CANTERBURY AGRICULTURAL
AND PASTORAL ASSOCIATION
FOR THE YEAR ENDED 31 MARCH 2023

	NOTES	2023	2022
Cash Flows from Financing Activities			
Cash was received from:			
Proceeds from Loans borrowed from other parties		-	1,000,000
Net Cash Flows from Financing Activities		-	1,000,000
Net Increase/ (Decrease) in Cash and cash equivalents		(323,663)	330,582
Opening Cash and cash equivalents		716,386	385,804
Closing Cash and cash equivalents	4	392,723	716,386

Notes to the Financial Statements

CANTERBURY AGRICULTURAL
AND PASTORAL ASSOCIATION
FOR THE YEAR ENDED 31 MARCH 2023

1. REPORTING ENTITY

The Canterbury Agricultural & Pastoral Association (CAPA) is a Society governed by the Agricultural & Pastoral Societies Act 1908.

Canterbury Agricultural & Pastoral Association is registered as a Charitable Entity under the Charities Act 2005. Registration Number CC39172.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. They comply with the PBE Accounting standards as appropriate for Tier Two not-for-profit benefit entities. As a registered charity, the Canterbury Agricultural and Pastoral Society is required to prepare financial statements in accordance with NZ GAAP as specified in standard XRB A1. The Association is a Tier Two reporting entity as it has expenditure less than \$30m and greater than \$2m.

Measurement Base

The Financial statements have been prepared on the basis of historical cost except for the following material items in the statement of financial position:

- Buildings are stated at valuation.
- Livestock is measured at market value.

These financial statements are presented in New Zealand Dollars(\$), which is the Association's functional currency. All amounts have been rounded to the nearest dollar unless otherwise stated.

Going Concern

The financial statements have been prepared on a going concern basis. Further information on the basis

for going concern can be found under note 16 of the financial statements.

3. SPECIFIC ACCOUNTING POLICIES

a) Depreciation & Amortisation

Depreciation has been charged on the basis of cost or valuation, at rates based on the expected economic life of the asset. The following rates have been used:

- Buildings - 2% - 6% SL
- Furniture & Fittings - 8%-40% DV
- Office Equipment - 12% - 67% DV
- Plant & Machinery - 2%- 67% DV
- Motor Vehicles - 10% - 30% DV

The depreciable amount of an intangible asset with a finite useful life shall be allocated on a systematic basis over its useful life. The following rates have been used:

- Software - 15%SL
- TV Documentary - 15%SL

b) Valuation of Property, Plant & Equipment

Buildings (not including the Saleyards building), are included at depreciated replacement cost, due to the specialised nature of buildings, the buildings are revalued at least every three years, and more frequently if necessary to ensure carrying amounts are not materially different from replacement cost, Other assets are stated at cost less depreciation to date. Property, plant & equipment are written down immediately if an impairment in the value of the asset causes the recoverable amount to fall below carrying amount.

c) Bank Accounts and Cash

Bank accounts and cash in the statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less. There are no restrictions over any of the cash and cash equivalent balances held by the company.

d) Trade Debtors

Trade debtors are valued at net realisable value after due allowance for doubtful debts.

e) Leases

Payments made under operating leases are recognised in the statement of financial performance on a basis representative of the pattern of benefits expected to be derived from the leased assets.

f) Canterbury Sale Yards

On the 18 December 2017, the Association renewed the lease with Canterbury Sale Yards (1996) Limited for a second term. Under the lease renewal document a number of key terms were changed with Canterbury Sale Yards (1996) Limited paying all outgoings going forward. Canterbury Sale Yards (1996) Limited has the right to claim nine rights of renewal, each for 20 years - potentially a further 180 years from December 2017. If the lease is not renewed, all ownership and occupancy benefits and costs revert to the Association.

Key terms

- Beyond 2017 and for so long as Canterbury Sale Yards (1996) Limited has renewed its lease, rentals shall be zero. Canterbury Sale Yards (1996) Limited assumes responsibility for all outgoings including repairs and maintenance, property expenses, etc., subject only to an apportionment based on the availability of the premises to the Association.
- The Saleyards lease meets the definition of a "Finance Lease" under Accounting Standards. The Standard requires that the economic substance of the transaction be reported in the accounts, rather than emphasising the legal ownership. The Association's gross investment in finance leases and the amount of unearned finance income has not been disclosed, as it cannot be calculated owing to the variable nature of the payments.

The unguaranteed residual value of the leased assets cannot be calculated because the potential length of the lease including all available renewal terms cannot be ascertained.

- At the time of the renewal of the Canterbury Sale Yards lease on 18 December 2017, responsibility for the maintenance of the building passed to Canterbury Sale Yards (1996) Limited (CSY) as the lessee. CSY has advised CAPA that they believe that certain maintenance that was the responsibility of CAPA prior to this date, was not undertaken as it should have been in the ordinary course of business and as would be normal practice of a reasonable owner.

They are therefore of the view, that when assessing the current maintenance needs of the building in accordance with the new lease terms and conditions, that reasonable consideration should be given to the deferred maintenance inherited by them and that some of the responsibility for and costs associated with this sits with CAPA.

Determination of what the cost of any deferred maintenance that may have existed as at 18 December 2017, is a difficult and complex exercise. CSY and CAPA have agreed to jointly engage a specialist consultant to consider this matter and to provide an independent report for both Boards to review and consider.

This report will form the basis of further discussions with CSY as to the maintenance now required, a programme to address such maintenance and the sharing of these costs, if any, in accordance with the above.

g) Valuation of Livestock

Livestock has been valued using market value.

h) Income Taxation

CAPA is wholly exempt due to Charitable Status from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

i) Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for

accounts payable and accounts receivable which are stated inclusive of GST.

j) Revenue from Exchange and Non-Exchange Transactions

Service

Revenue from services rendered is recognised in the statement of financial performance when the service is provided.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Revenue is measured net of returns and trade discounts.

Interest Income

Interest income is earned for the use of cash and cash equivalents or any amounts due to the Association. Interest income is recognised in the statement of financial performance as it is earned. Interest income is accrued using the effective interest rate method. The effective interest rate exact discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest revenue each period.

Revenue from non-exchange transactions

Non-exchange revenue

Non-exchange transactions are those where the Association receives value from another entity (e.g. cash or other assets) without giving approximately equal value in exchange.

Inflows of resources from non-exchange transactions, other than services in-kind, that meet the definition of an asset are recognised as an asset only when:

- It is probable that the Association will receive an inflow of economic benefits or service potential; and
- The fair value of the asset can be measured reliably.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation; and
- The amount of the obligation can be estimated reliably.

The following are the specific recognition criteria in relation to the Association's non exchange transactions.

Grant and donations

Payments received under grants are recognised in the Statement of Comprehensive revenue and expense upon fulfilment of terms and conditions attached to each individual grant.

Donated Services

The Association sometimes receives donated services from volunteers. The Association has elected not to recognise these services as CAPA is unable to measure them reliably.

k) Related Parties

The Association regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Association, or vice versa. Members of key management are regarded as related parties and comprise the Directors of the Association.

l) Employee Benefits

Short-term employee benefit liabilities such as provision for holiday pay are recognised when the Association has a legal or constructive obligation to remunerate employees for services provided and that are expected to be settled wholly before 12 months after the reporting date. Short-term employee benefits are measured on an undiscounted basis and expensed in the period in which employment services are provided.

4. CASH AND CASH EQUIVALENTS

	2023	2022
Current Account Trading	34,123	335,205
Current Account Donations	17,102	24,413
Business First Oncall Account	-	13,181
Rapid Save Account	233,888	343,330
CSY Maintenance Fund Account	93,077	-
Youth Fund Account	13,081	-
Cash on Hand	1,454	257
Total Cash and cash equivalents	392,723	716,386

5. STOCK ON HAND

	2023	2022
Plates & Cups on Hand	40,010	-
Painted Cows on Hand	22,792	-
Sheep on Hand	13,240	29,640
Straw on Hand	2,200	6,150
Total Stock on Hand	78,242	35,790

6. LEASE COMMITMENTS

In 2001 the Christchurch City Council acquired the Canterbury Agricultural Park Land. The Association has entered into a license for 100 years from 1 April 2001 with the Christchurch City Council to occupy 90.14 hectares of that land for one month in each year. The Association has also entered into a lease for 20 years from 1 July 2021 with the Christchurch City Council with respect to 2.03 hectares of that land. There are no charge for the lease of the land.

The Association has a 100-year lease from the CCC over 5,0795 hectares of bare land at 141 Wigram Road expiring on 11 July 2119. The annual rental is \$1.

7. PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

	Cost/valuation 31 March 2022	2022 Additions	2022 Disposals	Depreciation Expense	Accumulated Depreciation 31 March 2022	Book Value 31 March 2022
	\$	\$	\$	\$	\$	\$
Buildings (Valuations)	2,347,560	225,560	-	42,816	85,256	2,262,304
Buildings (Improvements)	99,960	-	9,366	8,398	30,970	68,991
Furniture & Fittings	9,012	452	1,216	408	6,397	2,616
Office Equipment	25,686	9,237	8,838	4,021	12,920	12,765
Plant & Machinery	583,447	19,199	40,908	26,982	370,067	213,380
Motor Vehicles	14,858	-	2,500	1,412	12,837	2,021
	3,080,524	254,448	62,828	76,477	518,447	2,562,077
	Cost/valuation 31 March 2023	2023 Additions	2023 Disposals	Depreciation Expense	Accumulated Depreciation 31 March 2023	Book Value 31 March 2023
	\$	\$	\$	\$	\$	\$
Buildings (Valuations)	2,347,560	-	-	46,951	132,207	2,215,353
Buildings (Improvements)	112,794	12,835	-	3,628	34,598	78,196
Furniture & Fittings	28,053	19,374	-	1,436	7,500	20,555
Office Equipment	35,180	14,032	-	6,750	17,901	17,279
Plant & Machinery	620,851	36,558	-	17,321	385,465	235,386
Motor Vehicles	19,073	4,348	-	932	13,636	5,437
	3,163,511	87,147	-	77,018	591,307	2,572,206

The buildings were last independently valued in February 2022 by William Blake, a registered valuer with Bayleys Valuations Limited in association with Knight Frank. Mr Blake is a member of the New Zealand Institute of Valuers.

The indemnity insurance valuation of the buildings at February 2022 is \$2,347,560 (2021: \$2,122,000). The revised revaluation of \$2,347,560 is recognised in the financial statements at balance date.

The buildings are revalued at least every three years, and more frequently if necessary to ensure carrying amounts are not materially different from fair value as at balance date.

The Christchurch City Council has a registered first mortgage over property at 71 Wigram Road, Wigram, Christchurch and protected security interest in all present and after acquired property of the Association. Refer to note 13.

Intangible Assets

Intangible Assets consist of a Customer Relationship Management (CRM) software system and TV costs.

	Cost/valuation 31 March 2022	2022 Additions	2022 Disposals	Depreciation Expense	Accumulated Depreciation 31 March 2022	Book Value 31 March 2022
	\$	\$	\$	\$	\$	\$
Software	29,977	-	-	4,497	17,403	12,574
	29,977	-	-	4,497	17,403	12,574

	Cost/valuation 31 March 2023	2023 Additions	2023 Disposals	Depreciation Expense	Accumulated Depreciation 31 March 2023	Book Value 31 March 2023
	\$	\$	\$	\$	\$	\$
Software	50,000	50,000	-	18,449	5,875	44,125
TV Documentary	138,255	138,255	-	6,913	6,913	131,342
	188,255	188,255	-	25,362	12,788	175,467

The increase in intangible assets results from the Association strategic commitment to develop long term digital assets that will be used for education purposes and income generation activities. This has included the development of two television documentaries that were screened on multiple occasions by Television NZ in 2022 and 2023. The Association is currently actively exploring opportunities to monetise these digital assets.

8. RELATED PARTY DISCLOSURE

Total Director Fees paid by the Association is \$74,629.

As provided for in Rule 3.28 of the Association, the Board has engaged and remunerated certain Directors for professional services separate to their position as a Director totaling \$24,100 (\$1,725 in 2022), excluding the reimbursements of actual costs incurred.

Apart from this disclosure, there have been no other material related party transactions.

9. SPONSORSHIPS

Significant sponsors of the Association during the year were the following: Kiwi Gaming Foundation Ltd, Vero Insurance New Zealand, Christchurch NZ Ltd, Cassells Brewery, Bayleys Real Estate and Four Winds Foundation.

10. MEMBER SUBSCRIPTIONS

The decline in membership income in 2023 is attributable to certain membership renewals in the COVID impacted years of 2021 and 2022, being honoured in the 2023 financial year.

11. REVENUE

	2023	2022
Exchange Transactions	(2,402,947)	(721,327)
Non-Exchange Transactions	(604,167)	(125,612)
Total Revenue	(3,007,114)	(846,940)

12. SALEYARDS OVERHEAD & EXPENSE RECOVERIES

	2023	2022
Revenue		
Salesyard Overhead & Expense Recoveries	(113,736)	(160,131)
Total Revenue	(113,736)	(160,131)
Expenses		
Salesyard Overhead Expenses	75,005	65,725
Insurance (Salesyards)	-	56,994
Rates	35,554	41,237
Total Revenue	110,559	163,957
Total Salesyards Overhead & Expense Recoveries	3,177	(3,825)

Insurance was paid directly by CSY this year to the Insurer.

13. LOANS & BORROWINGS

The Association secured a loan from the Christchurch City Council of \$1,000,000 on 10 November 2021. The loan is repayable in tranches over the next 10 years, is interest only until 31 March 2024 and then principle is payable on the loan from 1 April 2024 until the 31 March 2031.

The loan is secured over Buildings with the carrying amount recorded in the asset schedule. Interest rate is 3.15% (2022: 3.15%)

	2023	2022
Loan		
Christchurch City Council Loan	(1,000,000)	(1,000,000)

14. YOUTH DEVELOPMENT RESERVE

The Youth Development Reserve within equity represents the balance of public donations and bequests, whereby at the request of the donor the principal donation must be retained for Youth Development purposes within the Association, and principal and income earned on the fund may only be applied for Youth development purposes. These funds have therefore been separated from general retained earnings of the Association.

All income and expenditure in relation to the Youth Development Fund is first recognised in the reported surplus or deficit for the year taken to retained earnings. The net balance of Youth Development Fund activities for the year is then transferred to the Youth Development Fund reserve within the Statement of Movements in Members Equity.

	2023	2022
Balance 1 April 2022	15,280	14,836
Specific Expenses Incurred	-	-
Interest & Fair Value Gains Earned	457	444
Balance 31 March 2023 (From Retained Earnings)	15,737	15,280

15. STATEMENT OF CHANGES IN MEMBERS FUNDS

For the year ended 31 March 2022	Retained Earnings	Youth Development	Asset Revaluaton Reserve	Total Equity
1 April 2021 Opening Balance	783,085	14,836	1,850,093	2,648,014
2022 Surplus/(deficit)	(686,148)	-	-	(686,148)
Transfer to/(from Equity) Reserves	(444)	444	-	-
Revaluation of Property Plant & Equipment	-	-	225,560	225,560
Balance 31 March 2022	96,493	15,280	2,075,653	2,187,426
For the year ended 31 March 2023	Retained Earnings	Youth Development	Asset Revaluaton Reserve	Total Equity
1 April 2022 Opening Balance	96,493	15,280	2,075,653	2,187,426
2023 Surplus/(deficit)	(81,075)	-	-	(81,075)
Transfer to/(from Equity) Reserves	(457)	457	-	-
Revaluation of Property Plant & Equipment	-	-	-	-
Balance 31 March 2023	14,961	15,737	2,075,653	2,106,351

16. GOING CONCERN

While the financial result for the year ending 31 March 2023 fell short of expectations, significant progress was made with the organisations governance and management and in recapturing and documenting critical Intellectual property and putting in place the building blocks for success in future years.

The current economic outlook for NZ remains challenging. The Association is clearly focused on managing this risk through the year and especially as it relates to the planning and delivery of the annual show in November 2023.

The Directors are of the view that the risk associated with the going concern have reduced over the last 12 months and that the future cash flows of the Association being forecasted in the next 12 months remains positive.

Independent Auditor's Report



To the members of Canterbury Agricultural & Pastoral Association. Report on the audit of the financial report.

QUALIFIED OPINION ON THE FINANCIAL STATEMENTS

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion on the financial statements section of our report, the performance report of Canterbury Agricultural & Pastoral Association (the 'association') on pages 16 to 33 presents fairly, in all material respects:

- i. the association's financial position as at 31 March 2023 and its financial performance and cash flows for the year ended on that date;

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit) issued by the New Zealand Accounting Standards Board.

We have audited the accompanying performance report which comprises:

- the statement of financial position as at 31 March 2023
- the statements of comprehensive revenue and expense, changes in equity and cash flows for the year then ended;
- notes, including a summary of significant accounting policies.

OPINION ON THE SERVICE PERFORMANCE INFORMATION

In our opinion, the performance report of Canterbury Agricultural & Pastoral Association (the 'association') on pages 16 to 33 presents fairly, in all material respects:

- ii. the service performance for the year ended 31

March 2023 in accordance with the association's service performance criteria; in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit) issued by the New Zealand Accounting Standards Board.

We have audited the accompanying performance report which comprises:

- the statement of service performance on pages 16 to 17.

BASIS FOR OPINIONS, INCLUDING BASIS FOR QUALIFIED OPINION ON THE FINANCIAL STATEMENTS

The association's intangible assets are carried in the statement of financial position at \$175,467. Included within this balance are book value (\$131,342) relating to a documentary series that, in our opinion, do not meet the recognition criteria of PBE IPSAS 31 Intangible Assets. This constitutes a departure from Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit). If this intangible asset was derecognised, direct expenses would have increased by \$131,324, and net profit and members funds would have reduced by \$131,342 respectively for the year then ended.

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'), and the audit of the statement of service performance, in accordance with the New Zealand Auditing Standard 1 The Audit of Service Performance Information ('NZ AS 1'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report (cont.)



We are independent of the association in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) and NZ AS 1 are further described in the Auditor's responsibilities for the audit of the financial report section of our report. Other than in our capacity as auditor we have no relationship with, or interests in, the association.

OTHER INFORMATION

The Trustees, on behalf of the association, are responsible for the other information included in the entity's Annual Report. Our opinion on the financial report does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OTHER MATTER

The statement of service performance for the year ended 31 March 2022, was not audited.

USE OF THIS INDEPENDENT AUDITOR'S REPORT

This independent auditor's report is made solely to the members as a body. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in the independent 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 members as

a body for our audit work, this independent auditor's report, or any of the opinions we have formed.

RESPONSIBILITIES OF THE TRUSTEES FOR THE FINANCIAL REPORT

The Trustees, on behalf of the association, are responsible for:

- the preparation and fair presentation of the financial report in accordance with generally accepted accounting practice in New Zealand (being Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit)) issued by the New Zealand Accounting Standards Board;
- implementing necessary internal control to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error;

Independent Auditor's Report (cont.)



- service performance criteria that are suitable in order to prepare service performance information in accordance with generally accepted accounting practice in New Zealand (being Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit)); and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole and the statement of service performance is free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs NZ and NZ AS 1 will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate and collectively, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of this financial report is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

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

KPMG
Christchurch
5th September 2023

Board of Directors/Directors' Fees

EXTERNAL DIRECTORS

Stewart Mitchell, Chair

Steve Barry

Melissa Davies

Mark Clarkson

GENERAL COMMITTEE NOMINATED DIRECTORS

Richard Lemon

Ian Stevenson

Chris Harris as President of the Association

BOARD PARTICIPANTS (BY INVITATION WITH NO VOTING RIGHTS)

Karena Finnie as CHCNZ Representative

Anne Rogers as Vice President of the Association

BOARD OF DIRECTORS RETIREMENTS

Mark Clarkson

Richard Lemon

OBITUARIES

Bruce Fisher

Jean Letham

Phil Fitzsimons

DIRECTORS' FEES

The Director seek the members approval of the following resolution, to reflect their collective view that a review in 2023 is not appropriate and should be deferred until 2024.

"that the current two yearly Directors Feses review cycle due in 2023 be changed from 2023, to 2024 and two yearly thereafter".



Members

The members are at the heart of any association and for CAPA, the 2022 Show marked a renewed focus on growing and diversifying our membership with youth, education agri-tech and sustainability at the forefront.

Our strategic goal is to make membership of the Association a valued commitment, not just because of what “you get” but because of how it allows you to be involved with and support us bringing country to town each year and providing a unique and fun experience for children, families and the wider community.

For membership numbers, both historic and current, refer to our website page theshow.co.nz/about-the-show/canterbury-a-p-association/member-ship-show/our-members

OFFICERS OF THE ASSOCIATION

Officers of the Association for the ensuing year:

- President: Anne Rogers
- Senior Vice-President: Bryce Murray
- Junior Vice-President: Brent Chamberlain

OFFICE

Canterbury Agricultural Park,
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PO Box 9002, Tower Junction
Christchurch 8149.
Phone (03) 343 3033
Email info@theshow.co.nz



Acknowledgements



**THANK YOU TO ALL OUR SPONSORS OF THE 2022 NEW ZEALAND AGRICULTURAL SHOW
BROUGHT TO YOU BY THE CANTERBURY A&P ASSOCIATION**

Aakland Chemicals, Addington Raceway, Allflex, Alliance, Ballantynes, Barker's of Geraldine, Bayleys Real Estate, Beaver Tree Services, Ben More Limousin, Boehringer Ingelheim, Can-Am, Canterbury Hockey, Cassels Brewing Co, CCL Construction Contracting, ChristchurchNZ, Cochranes of Canterbury, Concrete Brothers, Continental Event Hire, Department of Corrections, Donaghys Fiber Fresh, Gary Cockram Hyundai, Goom Landscapes, Harewood Tavern, Harness Racing New Zealand, Hazlett, Heartland Bank, Heiniger, Isaac Construction, KPMG, Kiwi Gaming Foundation, Lamb & Hayward, Mainland Foundation, Mediterranean Shipping Company, Mighty Mix, Ministry for Primary Industries, Nestlé, New Zealand Community Trust, New Zealand Horse Ambulance, NZME, Party Warehouse, PGG Wrightson, Pony Parties, Ravensdown, Resene, Robsons Environmental, Rotary, Spreading Canterbury, STIHL, Summit Steel & Wire, The Carlton Bar & Restaurant, The George Hotel, The Lion Foundation, Tip Top, Tom & Luke, Vero, Vetmed, Westgold, Woolworks

