



2020 ANNUAL GENERAL MEETING QUESTIONS AND ANSWERS

In the lead up to the 2020 Annual General Meeting, we received a number of questions from members. Given that the meeting was conducted electronically, we are now providing written answers to those questions.

Where similar questions have been asked, we have combined the questions so that we can provide one answer.

1. How will EA funds be spent to directly support riders at lower competition level?

Equestrian NSW does not receive any funding from Equestrian Australia, except for Eventing High Performance.

In Financial Year 2020-21, Equestrian NSW will spend across our disciplines:

- \$40,000 on club development
- \$40,000 on officials education

This will be in addition to the \$237,000 secured from the NSW Office of Sport (\$187,000 for clubs, \$30,000 for coaches and \$20,000 for officials).

2. I am against yet another data base being imposed on members by the horse industry council. Does EA have plans to actively oppose this move to have a national horse registry?

Equestrian NSW supports the introduction of a practical and cost-effective national horse registry, mainly for the purposes of biosecurity.

3. Marketing expenses \$60,290 (FY2019) and \$76,005 (FY2020). The marketing expenses are claimed in notation 5, to be for “the awards night plus photography support for major events” Should these two items be listed in separate categories as Awards night is not marketing, it is giving back to the members that have had successful competition results throughout the year. The Awards Night surely has its own budget? Please itemise invoices and contracts. What are they, what are they providing?

The Awards Night recognises NSW clubs, coaches, officials and volunteers, not just our champions and is regarded by the Board as marketing expenses and has been categorised in the Equestrian NSW accounts as being so for many years. The awards night does have its own budget.

About \$14,000 is spent on photography and social media administration at events across a range of service providers.

3.1. Who are the contractors for these services (photography services at major events)?

Mostly with Stephen Mowbray.

3.2. Does the Board see and approve the contracts and the terms and conditions?

Detailed event budgets are approved by the CEO under an overall budget approved by the Board.

3.3. Why was there an increase of \$15,715? What expenses accounted for this increase?

The increase in expenses is mainly due to increased costs for the Awards Night as we moved to a larger venue. Note: there was an equivalent increase in income, based on higher attendance.

3.4. Are the Board provided with these accounts for approval and provided with the contract details?

Detailed event budgets are approved by the CEO under an overall budget approved by the Board.

3.5. Are these contracts put to tender annually?

The Board has asked that photographic and social media administration services in 2021 be tendered out.

3.6. Has a more cost-effective alternative considered? If photographers can benefit financially by selling their photos, should they be charging for the photos used for marketing by Equestrian NSW?

We are always looking at ways to deliver value for money to our members. This will be taken into consideration when tendering for services in 2021.

4. Provide detail for “General Administration” \$52,8989 (sic) FY20, \$72,445 FY19?

Major items included: Postage \$10,813, Computer Maintenance and Software \$9,499, Printing and Stationary \$8,975, Insurance \$5,395, Subscriptions \$3,904 and Meeting Expenses \$3,215.

The \$20,000 reduction was due to COVID-19 related efforts to minimise costs.

5. Provide detail for “Professional Services - \$101,230 FY20, \$52,113 FY19?

The main difference in this category of expenditure includes an additional \$40,000 contributed to the Agrifutures Hendra Virus Test project and the full year impact of the contract with Sports Accounting.

6. How often should auditors be changed to ensure best practice accounting? Does an independent auditor review the budget each year, so you don’t run the risk of regulatory capture? When is the current auditor going to be changed?

The Australian Institute of Company Directors recommends that the audit engagement partner should rotate every five years, however this can be extended by the entity up to a maximum of seven years (refer also s 324DAA of the Corporations Act 2001).

Our current auditor, Ross Fowler and Co, has been in place for six years.

The AGM approved the re-appointment of Ross Fowler and Co for the 2021 accounts, after which it will be tendered out.

7. Regarding Interschools and Show Horse Events, is (sic) the office staff hours and other office resources included in these event budgets?

Office staff provide support to many events, not just Interschools and Show Horse, but are not accounted for separately. We provide some additional administration support for Interschools and

Showhorse as these disciplines do not operate as separate entities like Dressage NSW, Eventing NSW and Jumping NSW.

8. What is the current ENSW member number as of today?

There were 7,211 members as at 30 Nov 20. This is made up of six categories of membership being:

- 3,013 senior competitors
- 1,748 junior competitors
- 1,786 participants
- 286 supporters
- 192 supporter officials
- 186 groups

This compares to 7,318 members at the same time in 2019, with the 1.5% reduction mainly due to the impacts of COVID-19.

9. Regarding Discipline Support - how is it determined which events will receive support and do they need to be a State Title level?

Each year, the Discipline Councils of Dressage, Eventing and Jumping as well as the Discipline Committees of Show horse, Vaulting and Driving nominate the major events for their sports. The amount of funding provided by Equestrian NSW for these major events is determined each year by way of agreement between the Equestrian NSW Board and the Discipline Councils and Committees.

The major events that receive Equestrian NSW support do not need to be at State Title level.

9.1. Are there policies and procedures to determine this funding allocation?

Discipline support is negotiated on an annual basis between the Equestrian NSW Board and Discipline Councils and Committees, based on available funds and the individual needs of each sport and their strategic plans.

The main categories for which funding allocations are made include Club Development, Officials Education, High Performance, Events, Swabbing and Administration.

10. Can any "event" or "club" apply direct to ENSW for funding? What is the application criteria?

The Equestrian NSW Board recognises the Discipline Councils and Committees as the peak bodies for their sports in NSW. Individual Clubs and Events may apply for funding through their peak body. Each application is considered on merit.

11. Club Development – is this funding via the Discipline Committees available to all ENSW Affiliated Clubs?

The Equestrian NSW Board recognises the Discipline Councils and Committees as the peak bodies for their sports in NSW. Individual Clubs and Events may apply for funding through their peak body. Each application is considered on merit.

12. For the ENSW members who do not have access to adequate level of services provided by the Discipline Committees to warrant the extra fee charged, how are these members supported in their chosen discipline?

The Discipline Councils and Committees, with support from Equestrian NSW, provide a number of services that benefit all affiliated clubs both directly and indirectly. For example, the training of our official stewards and judges benefits all affiliated clubs so they can run events..

13. Administration Support – why is there a variation between disciplines?

Funding for administration support for the individual Discipline Councils and Committees is provided on an as needs basis, which is negotiated each year.

The Discipline Committees of Dressage, Eventing and Jumping are separate entities to Equestrian NSW, and are responsible for their own income and expenses. Year on year, the amount that Equestrian NSW provides to these entities may change.

Equally, the Discipline Councils of Show horse, Vaulting and Carriage Driving are Committees of Equestrian NSW and year on year, their administration support requirements change depending on the needs of their sport.

14. High Performance – why does ENSW providing (sic) funding for this over and above that provided by EA? Shouldn't this be a national responsibility?

Equestrian Australia provides \$21,600 to Equestrian NSW, specifically for Eventing High Performance programs only.

Equestrian NSW provides \$40,000 across all disciplines to run High Performance Programs.

Equestrian NSW riders make up more than 50% of EA's High Performance squads.

15. During the recent voting process for the three new Board Directors, did any of the ENSW Staff or board or any other individual, have access to the tally during the process and prior to closing of voting on Monday 23rd November at 5pm?

The November Board Elections were conducted using a firm called Vero. This firm provides secure voting processes for a range of organisations, including ASX listed companies.

Equestrian NSW takes member privacy seriously. That is why there was a unique member identifier in place to ensure voting was secure.

While the Equestrian NSW CEO had access to the running tally of votes, there was no way to identify which members had voted, or how they voted.

16. Regarding the SIEC Arena upgrade which is now under an ICAC investigation – did any current, past or previous board Director supply 2nd hand materials for the SIEC arena upgrade? If so, did this Director donate the materials or receive payment or receive new materials in exchange?

The Sydney International Equestrian Centre received significant NSW Government funding to upgrade the indoor and related warm up arenas, based on a submission from Equestrian NSW. As the SIEC Arena project has been referred to ICAC, it is inappropriate to comment, except to advise that there have been three investigations into the SIEC Arena Project by the NSW Office of Sport,

including a review by an independent probity consultant, with no impropriety found and NSW Government Procurement Policies followed.

17. Regarding ENSW Board meeting minutes - EQ, ESA, and as of their AGM, also EVic are publishing their board minutes. What is the reason that ENSW cannot do this?

This issue will be considered by the new Board.

18. Can you please provide an update on what is being done to enable spectators to safely attend events next year?

Equestrian NSW, assisted by Professor Brad Frankum, submitted an application to NSW Health, to increase the site limit for equestrian community sport activities from 500 to 1,000. It was not approved. Subsequently, the community sport site limit was increased to 3,000, effective 7 Dec 20.

19. What is the current stand of ENSW on mandatory HeV vaccination of horses and in Events?

Equestrian NSW currently does not support mandatory Hendra vaccination (HeV) of horses.

Equestrian NSW is supportive of alternatives to mandatory vaccination. That is why we have made a \$40,000 contribution to the Agrifutures Hendra Virus Test project which is looking at the development of a stall side test.

20. Do you have to have been at the meeting to vote on the minutes?

Yes.

ENDS