



**AUSTRALIAN ALPACA ASSOCIATION Ltd (AAA)**  
**Minutes of the Board Meeting**  
**10 August 2018**

**1. CONVENING OF MEETING**

The AAA President, Ian Frith declared the meeting open at 0815

**PRESENT:** Ian Frith, Fiona Vanderbeek, Steve O’Keefe, Sharon Dawson, Sue Harris, Chris Williams

**IN ATTENDANCE:** Amanda Olthof

**2. APOLOGIES:** Andrew Hulme (dial-in)

**3. REGISTER OF DECLARATION OF INTEREST** – It was noted by the President that this Register was to be used by directors for any listed agenda items or anomalies that arise during the meeting where an interest needs to be declared. Ian Frith noted interests in exports to Turkey and China. Steve O’Keefe noted his interest as a Director of Waratah.

**4. CONFIRMATION OF PREVIOUS MINUTES**

Minutes of the AAA Board meeting held 17 June 2018 as circulated were considered.

**B18/M77:** The Board **RESOLVED** to confirm the Minutes of the AAA Board meetings as a true and correct record. CARRIED

**5. MATTERS ARISING FROM PREVIOUS MEETINGS**

**5.1. Karen Jiang**

Agreement with Karen Jiang has been signed and work is being completed under the agreement. This includes no work for other groups without the prior written permission of the Board. Translation of Fact Sheets is an additional special project.

**5.2. Australian Sheep and Wool Show (Bendigo)**

Attendance at the show was very positively received, with a lot of inquiries. The entire industry was showcased, including fleece, animal and meat tasting.

**B18/M78:** The Board **RESOLVED** to commit to the Bendigo ASWS for 2019. CARRIED

**5.3. GDPR compliance**

Compliance with EU General Data Protection Regulation 2016/679 discussed (necessary as we hold personal data). CEO to check compliance and report back to Board

#### 5.4. ET Progeny

Correspondence received from M Bissels and T Kotsiakos regarding the rule to require a female over 48 months of age in the showing to have had a registered cria discussed.

**B18/M79** The Board **RECOMMENDS TO THE S&J COMMITTEE FOR CONSIDERATION** that wording be amended to:

*To be eligible for entry into mature class, a female alpaca must have given birth to a cria registered or recorded on the IAR.*

CARRIED

#### 5.5. eAlpaca new exhibitor information

New show entrants in eAlpaca will get a pop-up message to a PDF with information for new exhibitors.

### 6. PRESIDENT'S UPDATE

- 6.1. President's report accepted as read.
- 6.2. President reported on recent trip to New Zealand and positive meeting with AANZ President to build relationships. Collaboration discussed regarding judges, training program, eAlpaca. AANZ representatives will be attending the AAS.

### 7. CEO UPDATE

CEO updated the Board on the set up of the Canberra office and the planned implementation of strategic priorities.

### 8. TREASURER'S UPDATE

- 8.1. The unaudited financial statements for the 12 months ended 30th June 2018 showed a surplus for the year of \$23,533 after the inclusion of a \$5,736 loss from the NSW Region. The loss from the other regions was \$18,268 leaving an overall bottom line of \$5,265 compared to an overall surplus of \$22,378 in 2016/17. The regional loss included an \$11,215 loss from the Sydney Royal which operates as its own region with all funds controlled by an unelected committee. In 2016/17 Sydney Royal reported a profit of \$8,258.

The surplus for the year is after some significant abnormal items, including termination payments to the former Mitcham staff; office relocation expenses; staff recruitment costs associated with the recruitment of the ACT staff; Mitcham office maintenance costs, largely associated with roofing and guttering repairs but also attributable to storm damage, warehouse restoration works and fire compliance maintenance and upgrades; as well as less rental income from the Mitcham warehouse with the tenant having vacated the premises in September 2017 leaving the warehouse unrented.

We still report a net surplus and one significantly greater than budgeted for with significant savings in the areas of Research & Development, and Education & Training though there was an increase in investment of \$23,000 into Market Access & Trade

with 2 successful Chinese trade missions and the engagement of a Chinese marketing consultant. A further \$34,614 was invested into showing & judging with the judges show levy raising \$13,080.

The 2017 National Spectacular Show was a financial success and returned a surplus of \$23,000 after convenor fees. This compares to a \$24,860 surplus in 2016 and a \$76,984 loss in 2015.

Membership income was down by \$5,988 or 2.3 per cent compared to 2016/17, however registration and transfer fees were up by \$30,515 or 10.2 per cent. This appears to be largely attributable to the introduction of eAlpaca and a new fee schedule.

#### 8.2. Balance Sheet

The company's balance sheet shows \$1.073m in cash reserves at 30 June 2018 with \$355,765 in current liabilities and no borrowings. The cash reserves include \$163,111 in regional bank accounts and an additional \$178,870 in regional term deposits. The balance sheet also reflects the disposal of our AAFL shares at their prior year carrying value i.e. \$70,000. These funds were received in February 2018.

#### 8.3. 2017/18 Statutory Accounts were not finalised at the time of the meeting.

#### 8.4. 2017/18 Audit

Crowe Horwath Victoria commenced their audit of our 2017/18 financial statements on 6 August 2018.

#### 8.5. Audit & Finance Committee Meeting – 14 August 2018

A meeting of the audit and finance committee is scheduled for 14 August. It was noted that Tony Seymour from Tasmania has resigned from the committee.

#### 8.6. Regional Treasury

The national office has been attending to all treasury and financial reporting for the Tasmanian region since July 2017, with finances maintained in a separate MYOB file and treated as a separate non -registered branch for GST purposes. From 1 July 2018 Tasmania has been brought into the main national office accounting file (like NSW and the youth groups). Accordingly, Tasmania will now be able claim its GST input tax credits though similarly it must remit GST on all its taxable supplies. This will be attended to by the national office.

The national office is currently attending to all payments and financial reporting on behalf of the Queensland region.

Requirement for a Board teleconference to sign off statutory accounts following the Finance and Audit Committee meeting



## 9. ANNUAL GENERAL MEETING

Notice of the AGM must be given not less than 21 days prior to the meeting (Clause 6.4). For members who are served by post, the notice is taken to be received seven Business Days after it is posted (Clause 18.3). This means it must be posted 21 days plus 9 days before the meeting. For those who are served by sending the notice to their electronic address or by facsimile transmission notice is taken to have been delivered on the Business Day after it is sent (Clause 18.4). The AGM will be held on Saturday 22 September in the new Canberra office. CEO to attend to Notice of Meeting and advice to membership.

Nominations for Director positions closed. Four nominations received:

- Karen Caldwell
- Trevor Parry
- Ian Preuss
- Fiona Vanderbeek (re-nominating)

Discussion on election process.

- Directors are elected at an AGM (Clauses 9.4 & 7.1(a)(ii)). Every resolution submitted to a Members' meeting must be decided on a show of hands unless a poll (counting of the vote at the meeting) is required or properly demanded (Clause 7.14(c)). Where proxy votes have been received which have been left to the discretion of the proxy holder, a poll is required for each such proxy to be counted (Clause 7.14(b))
- A ballot (ballot entries forwarded to members by mail or electronically or a mixture of both by a returning officer) may also be properly demanded (Clause 7.16). A Ballot is properly demanded, and the Board must arrange to hold a Ballot to vote on a measure or to elect a Director of the Company if required by a request:
  - a) In writing signed by at least 20 of the Full and Life Members and delivered in the same manner and within the same time frame as a proxy; or
  - b) Of at least 10 of the Full and Life Members present at the meeting.
- Therefore, a Ballot is only required, and arguably only permissible, where requested by 20 members in writing and given at the same time as a proxy would be given or requested by 10 members at the AGM. If a ballot is called for the election would be postponed until the ballot was held but would be effective from the date of the AGM (at which the Ballot was demanded).

**B18/M80** The Board **RESOLVED** to move to send out notice of the AGM with a proxy form for voting on election of directors and the same or a separate proxy form for voting on other general resolutions in line with the Constitution.

## 10. REGIONAL CERTIFICATES OF APPRECIATION

DISCUSSION IN CAMERA – Five nominations for certificates of appreciation were received from regions and have been approved.



**11. LIFE MEMBERSHIP**

DISCUSSION IN CAMERA – Four nominations for Life Memberships were received.

**12. ALPACA YOUTH UPDATE**

- Discussion on funds for youth groups and the ability to provide capitations. Bank accounts have been established for NSW, Vic, SA and one opening for QLD. Capitations will be apportioned on a region basis to youth account.
- Youth groups will be addressed when the regional regulations are reviewed to ensure that there is a documented system in regulating youth groups. Establishment of a National Youth Committee with regional committees underneath. AYE reps on state level committees will approve the payments then forward to National office. This will ensure the control of expenditure at an adult level by people who have been given delegation by the Board.
- \$15k in the youth portfolio in the National accounts. Youth groups need to apply for the funding. Board to approve based on recommendation from AYE.

**Action** – Issue to be discussed at the F&A committee with a recommendation to come back to the Board.

**13. SHOWING AND JUDGING UPDATE**

13.1. Judge Training - 12 October has been arranged for a training day for judges at a sheep farm in Arlington to look at shearing and classing, fleece density class, video of the day to share

13.2. JUDGES CODE OF CONDUCT

**B18/M81** The Board **RESOLVED** to accept the Judges Code of Conduct.

**CARRIED**

**14. BIOSECURITY**

14.1. In 2015, AAA and AgriFutures Australia commissioned a research project on studies on worms (gastrointestinal nematodes) of Australian alpacas. Dr Harun Rashid, Dr Abdul Jabbar and Dr Jane Vaughan will present at the AAS in Bendigo. Dr Jabbar has presented a proposal to the Board requesting regional seminars as well as a printed booklet. Discussion resulted in alternative proposal including a webinar (with video recording), presentation in 3 central locations ACTION - Alternative proposal including a webinar with 3 presentations in central locations, as well as video recording. No printed booklet.

14.2. Q Fever trial update received. No response back. DAWR keeping AAA closely informed. Board noted correspondence from Steve Ridout to Fiona.

**15. SWING TAG AGREEMENTS**

Discussion deferred to future meeting

**16. WORLD ALPACA CONFERENCE**

Two expressions of interest received for 2020 conference.

**B18/M82** The Board **RESOLVED** to accept the NSW expression of interest CARRIED

South Australia will be advised. Committee established, including 2 Board members.

**17. AUSTRALIAN ALPACA SPECTACULAR**

- AAS scheduled for 23-26 August in Bendigo.
- 2 rings / 4 judges issues discussed.  
Action – SD to distribute email from Lee Sadler regarding the 2-ring issue.  
Action – SD to talk to Wendy Billington  
Action – letter to Lee explaining that the Board did approach convenor to appoint additional judges, but he declined.
- Official photos of Supreme Champions are to be printed onto canvas and displayed in Board room – at next Spectacular, to be gifted to winners.  
Photography competition – agreement for AAA sponsorship of 6 x prizes of \$50 which will be displayed in the Canberra office.

**18. CHINESE DELEGATION**

Following two trade missions to China, which have resulted in orders for test bales of both huacaya and suri fibre, a reciprocal visit by Chinese representatives from the CAHG is planned for the week of the National Show. CEO to accompany the delegation to visit several member's farms and the show. Through the development of these strong ongoing relationships, we expect to see an increased participation in the international fibre market.

**19. FLEECE COLLECTION AGREEMENTS**

Update on fleece collection agreements and recent discussions with Australian Wool Testing Authority regarding the difference between certified core testing and a guidance report. Fibre can be signed off as "alpaca". Discussion on agreement to allow for guidance reports collected from party issuing the guidance.

**B18/M83** The Board **RESOLVED** to accept the amendment of the draft agreement to refer to guidance report rather than core testing and provide further information  
CEO to send amended document to collection agencies and to chase up AWTA for sample guidance report.

**20. eALPACA UPDATE**

Discussion on use of leased males over multiple herds. Animals are leased to one herd code, not one membership, which may have multiple herd codes. Agreement that no changes required. FV to discuss with member who raised the query.

## 21. REGIONAL REGULATIONS

Discussion on NSW protocols for proportionality which have been drafted. Amendment of regulations re Direct election of President at regional level, then rest of Executive filled internally. Other Regions can adapt if there are further mergers.

## 22. STRATEGIC PRIORITY DISCUSSION

Whiteboard session on strategic plan development. The following draft themes identified:

- Attracting more members and widening the diversity of the membership base
- Education for members on fibre, farming and business planning
- A focus on getting fleece to the marketplace; more classer training and fleece preparation workshops; a more unified shearing system and potential partnerships with designers
- Developing a commercial herd register, separate from the stud register and ensuring the needs of stud, commercial and hobbyists are all met
- Continuing to develop markets for fibre and animals, in Australia and overseas
- A review of the current alpaca biosecurity program (Q-Alpaca) to bring it more in-line with current practice, including the potential implementation of NLIS for alpacas
- Closer collaboration with the Alpaca Association of New Zealand
- The forging of strong partnerships with other livestock industry bodies and government departments
- Development of a social media strategy

## 23. GENERAL BUSINESS

- 23.1. Correspondence received from two of the three members who had a complaint raised against them.
- 23.2. Office lease agreement to be signed and licence agreements for subletting finalised. Carpet to be replaced. AO authority to purchase office furniture required.
- 23.3. Importance of board governance discussed. CEO to investigate board training as well as company secretary course.
- 23.4. Alpaca Fiesta – October in Peru. Chris Williams will be attending the Fiesta.

The Meeting closed at 16.39



Chairman \_\_\_\_\_

Dated \_\_\_\_\_ 20 October 2018 \_\_\_\_\_