

Special Purpose Financial Statements

New Zealand Kiwifruit Growers Incorporated
For the year ended 31 December 2021

Prepared by Sutcliffe Graham + Co

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Entity Information

New Zealand Kiwifruit Growers Incorporated For the year ended 31 December 2021

Legal Name

New Zealand Kiwifruit Growers Incorporated

Entity Type

Incorporated Society

Incorporated Societies Number

610750

Entity Purpose of Mission

To act as Kiwifruit Growers Representative Body

Main Sources of Entity's Cash

Revenue generated from levies.

Incorporation Date

16 August 1994

Chairman

Mark Mayston

Vice-Chairman

Whetu Rolleston

Executive

Robert Humphries
Sally Gardiner
Sean Carnachan
Tammy Hill

Auditors

Baker Tilly Staples Rodway Audit Limited, Tauranga

Physical Address

25 Miro Street, Mount Maunganui

Postal Address

PO Box 4246, Mount Maunganui South 3149

The accompanying notes form part of these financial statements.

These financial statements must be read in conjunction with the accompanying Notes to the Accounts and Audit Report.

Approval of Financial Report

New Zealand Kiwifruit Growers Incorporated For the year ended 31 December 2021

The Executive Committee are pleased to present the approved financial report including the historical financial statements of New Zealand Kiwifruit Growers Incorporated for year ended 31 December 2021.

APPROVED

NZKGI Chairman

Date

NZKGI Vice-Chairman

Date

The accompanying notes form part of these financial statements.

These financial statements must be read in conjunction with the accompanying Notes to the Accounts and Audit Report.

Statement of Financial Performance

New Zealand Kiwifruit Growers Incorporated For the year ended 31 December 2021

	NOTES	2021	2020
Revenue			
Revenue from Provision of Services			
Commodity Levy		1,763,522	1,568,775
Project Income	7	262,627	218,968
Total Revenue from Provision of Services		2,026,149	1,787,743
Interest and Investment Revenue			
Interest Income		1,858	4,018
Total Interest and Investment Revenue		1,858	4,018
Total Revenue		2,028,007	1,791,761
Total Revenue		2,028,007	1,791,761
Expenses			
Executive Committee & Forum Members	8	225,922	242,531
Staff	9	1,014,685	889,306
Overhead Expenses	10	162,921	160,431
Industry Stability		1,830	1,043
Communications		74,502	50,839
Performance		31,125	32,307
Labour / Education		296,626	209,119
Environment & Policy		83,388	45,999
Organisational Management		23,614	23,336
Total Expenses		1,914,612	1,654,911
Net Operating Profit / (Loss) Before Tax		113,395	136,850
Provision for Tax			
Provision for Tax	15	240	845
Total Provision for Tax		240	845
Net Profit / (Loss)		113,155	136,005

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Statement of Changes in Equity

New Zealand Kiwifruit Growers Incorporated For the year ended 31 December 2021

	2021	2020
Equity		
Opening Balance	1,391,326	1,255,321
Increases		
Net Surplus for the Period	113,155	136,005
Total Increases	113,155	136,005
Total Equity	1,504,481	1,391,326

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Statement of Financial Position

New Zealand Kiwifruit Growers Incorporated As at 31 December 2021

	NOTES	31 DEC 2021	31 DEC 2020
Assets			
Current Assets			
Accrued Income	3	183,085	18,775
Bank Accounts and Cash	4	1,243,345	1,325,067
Debtors		260,259	251,101
Stock on Hand		-	3,013
Total Current Assets		1,686,690	1,597,956
Non-Current Assets			
Fixed Assets		29,710	15,545
Intangibles		4,455	4,455
Total Non-Current Assets		34,165	20,000
Total Assets		1,720,855	1,617,956
Liabilities			
Current Liabilities			
Accruals and Provisions	5	38,307	44,168
Accrued Holiday Pay		27,787	44,998
Credit Cards		1,634	2,989
Creditors		67,794	34,413
GST Payable		19,457	25,673
Income in Advance	6	61,339	74,248
Tax Provision	15	56	141
Total Current Liabilities		216,374	226,630
Total Liabilities		216,374	226,630
Net Assets		1,504,481	1,391,326
Equity			
Retained Earnings		1,504,481	1,391,326
Total Equity		1,504,481	1,391,326

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

New Zealand Kiwifruit Growers Incorporated For the year ended 31 December 2021

1. Reporting Entity

New Zealand Kiwifruit Growers Incorporated is a society registered in New Zealand under the Incorporated Societies Act 1908.

2. Statement of Accounting Policies

Basis of Preparation

These financial statements are special purpose reports prepared for the purpose of reporting to members.

The Accounting Policies that have been applied in respect to the preparation of these special purpose financial statements are set out below.

Changes in Accounting Policies

There have been no changes in Accounting Policies. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Revenue

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the Society, and measured at the fair value of the consideration received or receivable.

Industry Levy

The Society has the power to raise a levy from kiwifruit growers on kiwifruit grown in New Zealand that is exported to any place other than Australia under the Commodity Levies (Kiwifruit) Order 2017. Revenue from the industry levy is recognised in the statement of financial performance when the levy becomes receivable.

For levy receipting purposes an assessment of the annual levy revenue is based on Zespri's regular production forecasts. The levy is invoiced monthly from April to November and then a final invoice is raised upon availability of the December/January quantities for the prior season.

Income Received in Advance

Income received in advance is recorded when there are unfulfilled obligations for the Society to provide services in the future. The income is recorded as the obligations are fulfilled and the income earned.

The Society holds sufficient funds to enable the refund of unearned income should the Society be unable to provide the services to which the income relates.

Historical Cost

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

Bank Accounts and Cash

Bank accounts and cash comprise cash balances and bank balances with original maturities of 90 days or less.

Debtors and Accrued Income

Accounts Receivable are stated at estimated realisable value. Bad debts are written off during the year as they are identified with appropriate adjustment being made as at balance date for any doubtful debts that may exist.

Levies are accounted for on an accrual basis.

Creditors and Accrued Expenditure

Creditors and accrued expenditure includes amounts owing to suppliers and employees. Expenditure is accrued at the amount invoiced.

Income Tax

Income tax is accounted for using the taxes payable method. Levy income received from members is not assessable for income tax, and expenses relating to providing benefits to members are not deductible. Tax is payable on interest revenue.

Goods and Services Tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Property, Plant and Equipment

Property, plant and equipment is stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets.

Depreciation

Account	Method	Rate
Office Equipment	Diminishing Value (100%)	10% - 67%
Office Equipment	Full Depreciation at Purchase (100%)	100%
Building Fit-out	Diminishing Value (100%)	10%

Depreciation has been calculated using the rates provided for taxation purposes in the Income Tax Act.

	2021	2020
3. Accrued Income		
Commodity Levy	143,135	18,775
Coordinator Co Funding	20,000	-
Pool Audit	19,950	-
Total Accrued Income	183,085	18,775
	2021	2020
4. Cash and Bank		
ANZ - Cheque Account	300,712	184,118
ANZ - Savings Account	9,127	9,122
ANZ - Retained Earnings	933,506	1,131,826
Total Cash and Bank	1,243,345	1,325,067

	2021	2020
5. Accruals and Provisions		
Creditor Accruals	38,307	44,168
Total Accruals and Provisions	38,307	44,168
	2021	2020
6. Income in Advance		
Educator Coordinator Funding in Advance	61,339	71,173
Labour Coordinator Income in Advance	-	3,075
Total Income in Advance	61,339	74,248
	2021	2020
7. Project Income		
Kiwifruit Co-ordinator Funding	153,182	131,107
Pioneers Book Sales	762	1,306
Ministry for Primary Industries Funding	108,682	86,555
Total Project Income	262,627	218,968
	2021	2020
8. Executive Committee & Forum Members		
Chairman & Vice-Chairman Honorarium	101,167	92,500
Domestic Travel & Accommodation	31,743	38,690
Members Fees	83,225	99,325
Other Meeting Costs	9,787	12,016
Total Executive Committee & Forum Members	225,922	242,531
	2021	2020
9. Staff		
Administration Support	43,750	24,906
Contractors	74,563	-
Benefits	164	696
Recruitment	46,445	28,094
Salaries	849,113	828,805
Training	650	6,805
Total Staff	1,014,685	889,306
	2021	2020
10. Overheads		
ACC Levies	1,797	1,602
Accountancy	22,565	19,891
Audit	6,600	6,250
Bank Fees	533	545

	2021	2020
Depreciation	7,913	14,369
Events	3,823	1,670
Fringe Benefit Tax	102	432
Loss on Disposal of Fixed Assets	-	818
General	9,345	10,351
Information Systems	16,321	12,978
Insurance	5,891	5,487
Interest	-	11
Lease Vehicle	7,950	8,019
Legal Fees	-	2,774
Payroll	1,158	1,029
Petrol	2,474	1,874
Postage & Courier	1,084	1,569
Printing & Stationary	5,411	4,158
Rent	54,378	54,378
Subscriptions/Publications	5,030	2,424
Tax Penalties	-	40
Telephone & Tolls	10,546	9,762
Total Overheads	162,921	160,431

11. Capital Expenditure Commitments

There were no commitments for capital expenditure as at balance date (2020: NIL).

12. Contingent Liabilities

There were no known contingent liabilities outstanding as at balance date (2020: NIL).

13. Lease Obligations

Non-cancellable operating lease rentals relating to premises and a vehicle lease are payable as follows:

	2021	2020
Operating Leases		
Less than one year	44,490	47,790
Later than one year	465,150	509,640
Lease payments recognised as an expense	62,328	62,298

14. Related Parties

Executive Committee and Forum Members transact with NZKGI in the ordinary course of business under arms length terms. There were no related party transactions during the 2021 year (2020: All transactions were individually below \$1,150).

	2021	2020
15. Income Tax Expense		
Net Operating Profit / (Loss) Before Tax		
Current Year Surplus	113,395	136,850
Total Net Operating Profit / (Loss) Before Tax	113,395	136,850
Adjustments		
Non Taxable Income	(2,026,149)	(1,787,743)
Non Deductible Expenses	1,914,612	1,654,911
Deduction for Non-Profit Organisations	(1,000)	(1,000)
Total Adjustments	(112,537)	(133,832)
Taxable Profit (Loss)	858	3,018
Tax Payable at 28%	240	845
Tax Liability		
Opening Tax Balance	141	1,681
RWT	(325)	(703)
Tax Paid	-	(1,682)
Total Tax Liability	(184)	(704)
Total Tax to Pay	56	141

Depreciation Schedule

New Zealand Kiwifruit Growers Incorporated For the year ended 31 December 2021

NAME	RATE	METHOD	PURCHASED	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE	LOSS
Office Equipment											
Conference Phone	39.60%	DV	1 Sep 2005	330	-	-	-	-	330	-	-
Electronic Whiteboard	39.60%	DV	1 Sep 2005	693	-	-	-	-	693	-	-
HP Elite Laptop (TV)	50.00%	DV	1 Apr 2014	2,650	26	-	-	13	2,637	13	-
Server	50.00%	DV	1 Sep 2015	2,984	78	-	-	39	2,946	39	-
Website Design & Build	50.00%	DV	18 Nov 2016	10,700	613	-	-	307	10,393	307	-
Toshiba Portege Z30T Notebook (MC)	50.00%	DV	13 Mar 2017	3,729	272	-	-	136	3,593	136	-
Microsoft Surface Laptop 13.5" i5-7200 (DH)	50.00%	DV	22 Jan 2018	3,126	391	-	-	195	2,930	195	-
Samsung Galaxy Note 9 (MM)	67.00%	DV	25 Jan 2019	990	108	-	108	-	-	-	108
Samsung S9 (GS)	67.00%	DV	25 Jan 2019	1,150	125	-	-	84	1,108	41	-
Laptop HP Elite (GS)	50.00%	DV	30 Jan 2019	3,144	786	-	-	393	2,751	393	-
Laptop HP Elite (MM)	50.00%	DV	30 Jan 2019	3,160	790	-	-	395	2,765	395	-
Laptop HP Elite (NJ)	50.00%	DV	30 Jan 2019	3,160	790	-	-	395	2,765	395	-
Screen Monitors	50.00%	DV	30 Jan 2019	394	99	-	-	49	345	49	-
Office Chairs	16.00%	DV	29 Mar 2019	2,792	2,033	-	-	325	1,085	1,707	-
Monitors & Connectors	50.00%	DV	9 Apr 2019	274	86	-	-	43	231	43	-
Office Furniture	18.00%	DV	19 Jul 2019	2,175	1,623	-	-	292	844	1,331	-
Booth Seat	10.00%	DV	8 Aug 2019	3,126	2,696	-	-	270	699	2,427	-
HP Elitebook, Docking Station & Monitors (SC)	50.00%	DV	25 Oct 2019	3,472	1,519	-	-	760	2,713	760	-
Cellphone (DH)	67.00%	DV	29 Oct 2019	564	155	-	-	104	513	51	-
Coffee Table	16.00%	DV	31 Oct 2019	844	681	-	-	109	272	572	-

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Depreciation Schedule

NAME	RATE	METHOD	PURCHASED	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE	LOSS
Office Furniture (Chairs)	16.00%	DV	16 Dec 2019	2,998	2,485	-	-	398	911	2,087	-
Phone (SC)	67.00%	DV	10 Jan 2020	577	191	-	-	128	515	63	-
Samsung S20 (NJ)		Full	23 Mar 2020	1,303	-	-	-	-	1,303	-	-
HP Elitebook X360 & Docking Station (RVDJ)		Full	29 Sep 2020	3,461	-	-	-	-	3,461	-	-
Barco IT System (Half Share)		Full	30 Nov 2020	1,335	-	-	-	-	1,335	-	-
Samsung Galaxy Note (MM)	67.00%	DV	19 Apr 2021	1,069	-	1,069	-	537	537	532	-
HP Elitebook X360 (CB)	50.00%	DV	21 Apr 2021	3,960	-	3,960	-	1,485	1,485	2,475	-
Dell Latitude 9000 9420 35.6cm 14" Notebook (SC)	50.00%	DV	30 Nov 2021	4,389	-	4,389	-	366	366	4,023	-
Dell Latitude 9420 2IN1 14" (G)	50.00%	DV	30 Nov 2021	5,220	-	5,220	-	435	435	4,785	-
Dell Latitude 9420 2IN1 14" (N)	50.00%	DV	30 Nov 2021	5,220	-	5,220	-	435	435	4,785	-
iPhone 13 256GB (SC)	67.00%	DV	9 Dec 2021	1,495	-	1,495	-	83	83	1,411	-
Dell Docking Station - WD19S 180W (TV)	50.00%	DV	16 Dec 2021	519	-	519	-	22	22	497	-
HP Z24u G3 61 cm (24") WUXGA LCD Monitor	50.00%	DV	16 Dec 2021	206	-	206	-	9	9	197	-
Total Office Equipment				81,210	15,545	22,077	108	7,805	50,510	29,710	108
Total				81,210	15,545	22,077	108	7,805	50,510	29,710	108

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Audit Report

New Zealand Kiwifruit Growers Incorporated
For the year ended 31 December 2021

