

Special Purpose Financial Statements

New Zealand Kiwifruit Growers Incorporated
For the year ended 31 December 2022

Prepared by Sutcliffe Graham + Co

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Entity Information

New Zealand Kiwifruit Growers Incorporated For the year ended 31 December 2022

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.

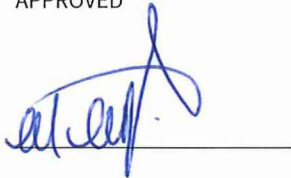
These financial statements must be read in conjunction with the accompanying Notes to the Accounts and Audit Report.

Approval of Financial Report

New Zealand Kiwifruit Growers Incorporated For the year ended 31 December 2022

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 2022.

APPROVED



NZKGI Chairman

Date 21/6/23



NZKGI Vice-Chairman

Date 21/6/23

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 2022

	NOTES	2022	2021
Revenue			
Revenue from Provision of Services			
Commodity Levy		1,775,913	1,763,522
Project Income	7	101,339	262,627
Total Revenue from Provision of Services		1,877,252	2,026,149
Interest and Investment Revenue			
Interest Income		12,841	1,858
Total Interest and Investment Revenue		12,841	1,858
Total Revenue		1,890,093	2,028,007
Total Revenue		1,890,093	2,028,007
Expenses			
Executive Committee & Forum Members	8	282,192	225,922
Staff	9	996,563	1,014,685
Overhead Expenses	10	191,643	162,921
Industry Stability		23,163	1,830
Communications		53,528	74,502
Performance		36,163	31,125
Labour / Education		162,575	296,626
Environment & Policy		232,189	83,388
Organisational Management		51,416	23,614
Total Expenses		2,029,431	1,914,612
Net Operating Profit / (Loss) Before Tax		(139,338)	113,395
Provision for Tax			
Provision for Tax	15	3,315	240
Total Provision for Tax		3,315	240
Net Profit / (Loss)		(142,653)	113,155

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 Changes in Equity

New Zealand Kiwifruit Growers Incorporated For the year ended 31 December 2022

	2022	2021
Equity		
Opening Balance	1,504,481	1,391,326
Increases		
Net Surplus / (Loss) for the Period	(142,653)	113,155
Total Increases	(142,653)	113,155
Total Equity	1,361,827	1,504,481

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 Position

New Zealand Kiwifruit Growers Incorporated As at 31 December 2022

	NOTES	31 DEC 2022	31 DEC 2021
Assets			
Current Assets			
Accrued Income	3	-	183,085
Bank Accounts and Cash	4	1,323,256	1,243,345
Debtors		191,331	260,259
GST Receivable		2,730	-
Total Current Assets		1,517,317	1,686,690
Non-Current Assets			
Fixed Assets		26,106	29,710
Intangibles		4,455	4,455
Total Non-Current Assets		30,561	34,165
Total Assets		1,547,878	1,720,855
Liabilities			
Current Liabilities			
Accruals and Provisions	5	95,358	38,307
Accrued Holiday Pay		34,566	27,787
Credit Cards		2,350	1,634
Creditors		52,709	67,794
GST Payable		-	19,457
Income in Advance	6	-	61,339
Tax Provision	15	1,068	56
Total Current Liabilities		186,051	216,374
Total Liabilities		186,051	216,374
Net Assets		1,361,827	1,504,481
Equity			
Retained Earnings		1,361,827	1,504,481
Total Equity		1,361,827	1,504,481

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.



Notes to the Financial Statements

New Zealand Kiwifruit Growers Incorporated For the year ended 31 December 2022

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%

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

	2022	2021
3. Accrued Income		
Commodity Levy	-	143,135
Coordinator Co Funding	-	20,000
Pool Audit	-	19,950
Total Accrued Income	-	183,085
	2022	2021

4. Cash and Bank

ANZ - Cheque Account	122,219	300,712
ANZ - Retained Earnings	1,191,861	933,506
ANZ - Savings Account	9,176	9,127
Total Cash and Bank	1,323,256	1,243,345

	2022	2021
5. Accruals and Provisions		
Creditor Accruals	95,358	38,307
Total Accruals and Provisions	95,358	38,307
	2022	2021
6. Income in Advance		
Educator Coordinator Funding in Advance	-	61,339
Total Income in Advance	-	61,339
	2022	2021
7. Project Income		
Kiwifruit Co-ordinator Funding	101,339	153,182
Ministry for Primary Industries Funding	-	108,682
Pioneers Book Sales	-	762
Total Project Income	101,339	262,627
	2022	2021
8. Executive Committee & Forum Members		
Chairman & Vice-Chairman Honorarium	103,713	101,167
Domestic Travel & Accommodation	30,677	31,743
International Travel & Accommodation	53,920	-
Members Fees	83,712	83,225
Other Meeting Costs	10,169	9,787
Total Executive Committee & Forum Members	282,192	225,922
	2022	2021
9. Staff		
Administration Support	49,999	43,750
Benefits	-	164
Contractors	750	74,563
International Travel	12,617	-
Recruitment	2,546	46,445
Salaries	928,166	849,113
Training	2,485	650
Total Staff	996,563	1,014,685
	2022	2021
10. Overheads		
ACC Levies	1,792	1,797
Accountancy	24,047	22,565
Audit	8,000	6,600

	2022	2021
Bank Fees	548	533
Depreciation	15,798	7,913
Events	-	3,823
Fringe Benefit Tax	-	102
Loss on Disposal of Fixed Assets	322	-
General	12,115	9,345
Information Systems	19,523	16,321
Insurance	8,173	5,891
Interest	27	-
Lease Vehicle	7,818	7,950
Legal Fees	6,800	-
Payroll	1,450	1,158
Petrol	2,783	2,474
Postage & Courier	1,900	1,084
Printing & Stationary	7,193	5,411
Rent	59,891	54,378
Subscriptions/Publications	2,616	5,030
Tax Penalties	259	-
Telephone & Tolls	10,588	10,546
Total Overheads	191,643	162,921

11. Capital Expenditure Commitments

There were no commitments for capital expenditure as at balance date (2021: NIL).

12. Contingent Liabilities

There were no known contingent liabilities outstanding as at balance date (2021: NIL).

13. Lease Obligations

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

	2022	2021
Operating Leases		
Less than one year	49,257	44,490
Later than one year	455,932	465,150
Lease payments recognised as an expense	67,709	62,328

14. Related Parties

Executive Committee and Forum Members transact with NZKGI in the ordinary course of business under arms length terms. All related party transactions were individually below \$200 during the 2022 year (2021: NIL).

2022 2021

15. Income Tax Expense**Net Operating Profit / (Loss) Before Tax**

Current Year Surplus	(139,338)	113,395
Total Net Operating Profit / (Loss) Before Tax	(139,338)	113,395

Adjustments

Non Taxable Income	(1,877,252)	(2,026,149)
Non Deductible Expenses	2,029,431	1,914,612
Deduction for Non-Profit Organisations	(1,000)	(1,000)
Total Adjustments	151,179	(112,537)

Taxable Profit (Loss)	11,841	858
Tax Payable at 28%	3,316	240

Tax Liability

Opening Tax Balance	(56)	141
RWT	(2,247)	(325)
Tax Paid	142	-
Tax Refund Received	(85)	-
Total Tax Liability	(2,247)	(184)

Total Tax to Pay	1,069	56
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Depreciation Schedule

New Zealand Kiwifruit Growers Incorporated For the year ended 31 December 2022

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	-	-	-	-	-	-	-
Electronic Whiteboard	39.60%	DV	1 Sep 2005	693	-	-	-	-	693	-	-
HP Elite Laptop (TV)	50.00%	DV	1 Apr 2014	2,650	13	-	13	-	-	-	13
Server	50.00%	DV	1 Sep 2015	2,984	39	-	-	19	2,965	19	-
Website Design & Build	50.00%	DV	18 Nov 2016	10,700	307	-	-	153	10,547	153	-
Toshiba Portege Z30T Notebook (MC)	50.00%	DV	13 Mar 2017	3,729	136	-	-	68	3,661	68	-
Microsoft Surface Laptop 13.5" i5-7200 (DH)	50.00%	DV	22 Jan 2018	3,126	195	-	195	-	-	-	195
Samsung S9 (GS)	67.00%	DV	25 Jan 2019	1,150	41	-	-	28	1,136	14	-
Laptop HP Elite (GS)	50.00%	DV	30 Jan 2019	3,144	393	-	-	197	2,947	196	-
Laptop HP Elite (MM)	50.00%	DV	30 Jan 2019	3,160	395	-	-	198	2,963	198	-
Laptop HP Elite (NJ)	50.00%	DV	30 Jan 2019	3,160	395	-	-	198	2,963	198	-
Screen Monitors	50.00%	DV	30 Jan 2019	394	49	-	-	25	370	25	-
Office Chairs	16.00%	DV	29 Mar 2019	2,792	1,707	-	-	273	1,358	1,434	-
Monitors & Connectors	50.00%	DV	9 Apr 2019	274	43	-	-	21	253	21	-
Office Furniture	18.00%	DV	19 Jul 2019	2,175	1,331	-	-	240	1,084	1,091	-
Booth Seat	10.00%	DV	8 Aug 2019	3,126	2,427	-	-	243	942	2,184	-
HP Elitebook, Docking Station & Monitors (SC)	50.00%	DV	25 Oct 2019	3,472	760	-	-	380	3,092	380	-
Cellphone (DH)	67.00%	DV	29 Oct 2019	564	51	-	51	-	-	-	51
Coffee Table	16.00%	DV	31 Oct 2019	844	572	-	-	92	364	480	-
Office Furniture (Chairs)	16.00%	DV	16 Dec 2019	2,998	2,087	-	-	334	1,245	1,753	-
Phone (SC)	67.00%	DV	10 Jan 2020	577	63	-	63	-	-	-	63

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.

Depreciation Schedule

NAME	RATE	METHOD	PURCHASED	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE	LOSS
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	532	-	-	356	893	175	-
HP Elitebook X360 (CB)	50.00%	DV	21 Apr 2021	3,960	2,475	-	-	1,237	2,722	1,237	-
Dell Latitude 9000 9420 35.6cm 14" Notebook (RG)	50.00%	DV	30 Nov 2021	4,389	4,023	-	-	2,011	2,377	2,011	-
Dell Latitude 9420 2IN1 14" (G)	50.00%	DV	30 Nov 2021	5,220	4,785	-	-	2,393	2,828	2,393	-
Dell Latitude 9420 2IN1 14" (N)	50.00%	DV	30 Nov 2021	5,220	4,785	-	-	2,393	2,828	2,393	-
iPhone 13 256GB (RG)	67.00%	DV	9 Dec 2021	1,495	1,411	-	-	946	1,029	466	-
Dell Docking Station - WD19S 180W (TV)	50.00%	DV	16 Dec 2021	519	497	-	-	249	270	249	-
HP Z24u G3 61 cm (24") WUXGA LCD Monitor	50.00%	DV	16 Dec 2021	206	197	-	-	99	107	99	-
New Screen (GS)	50.00%	DV	17 Feb 2022	434	-	434	-	199	199	235	-
Dell LCD Monitor	50.00%	DV	28 Feb 2022	557	-	557	-	255	255	302	-
HPE - T750 Gen5 INTL UPS	50.00%	DV	31 Mar 2022	1,989	-	1,989	-	829	829	1,160	-
Dell Monitors x 2	50.00%	DV	18 May 2022	638	-	638	-	213	213	426	-
HP EliteBook 850 G8, Docking Station & Monitor (KM)	50.00%	DV	31 May 2022	3,636	-	3,636	-	1,212	1,212	2,424	-
LCD Monitors Recycled x 7	50.00%	DV	9 Jun 2022	140	-	140	-	41	41	99	-
Laptop Charger	50.00%	DV	20 Jun 2022	112	-	112	-	33	33	79	-
Office Chair	16.00%	DV	30 Jun 2022	485	-	485	-	45	45	440	-
Keyboards & Screens (KM) (RG)	50.00%	DV	8 Jul 2022	807	-	807	-	202	202	605	-
HP EliteBook x 360 830 G9 (GS)	50.00%	DV	27 Sep 2022	3,718	-	3,718	-	620	620	3,098	-
Total Office Equipment				92,737	29,710	12,516	322	15,798	59,383	26,106	322

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.

Depreciation Schedule

NAME	RATE	METHOD	PURCHASED	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE	LOSS
Total				92,737	29,710	12,516	322	15,798	59,383	26,106	322

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.

INDEPENDENT AUDITOR'S REPORT

To the Members of New Zealand Kiwifruit Growers Incorporated

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of New Zealand Kiwifruit Growers Incorporated ('the Society') on pages 5 to 12, which comprise the statement of financial position as at 31 December 2022, and the statement of financial performance and statement of changes in equity for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at 31 December 2022, and its financial performance for the year then ended in accordance with the Basis of Preparation per Note 2.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, New Zealand Kiwifruit Growers Incorporated.

Emphasis of Matter

We draw attention to Note 2 of the financial statements, which describes the preparation, being that these financial statements are special purpose reports prepared for the purpose of reporting to members. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Society and the Members of the Society and should not be distributed to parties other than the Society or the Members. Our opinion is not modified in respect of this matter.

Responsibilities of the Executive Committee for the Financial Statements

The Executive Committee is responsible on behalf of the Society for the preparation and fair presentation of the financial statements in accordance with the Basis of Preparation per Note 2, and for such internal control as the Executive Committee determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Committee is responsible on behalf of the Society for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Committee either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>

Baker Tilly Staples Rodway

BAKER TILLY STAPLES RODWAY AUDIT LIMITED

Tauranga, New Zealand

28 June 2023