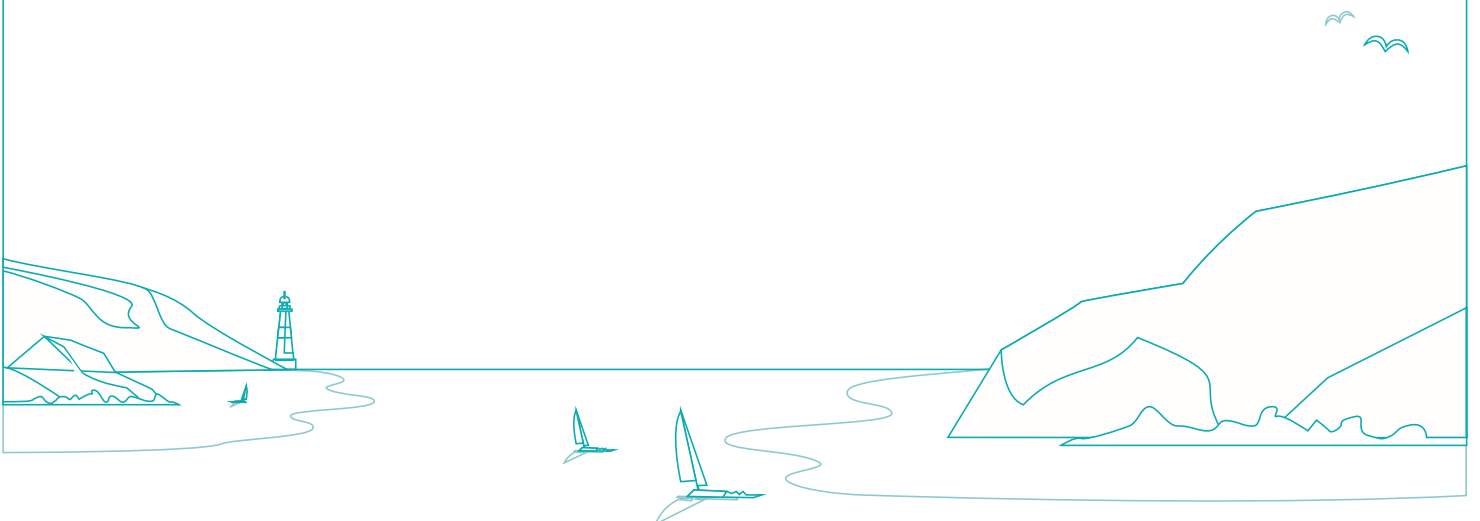


**DM&Co.**

# The Soil & Health Association of New Zealand Incorporated

## Performance Report

FOR THE YEAR ENDED 31 MARCH 2021



# Contents

3	Compilation Report
4	Entity Information
5	Approval of Financial Report
6	Statement of Financial Performance
7	Statement of Financial Position
8	Statement of Accounting Policies
12	Notes to the Performance Report

# Compilation Report

## The Soil & Health Association of New Zealand Incorporated For the year ended 31 March 2021

Compilation Report to the National Council of Soil & Health Association of NZ.

### Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of The Soil & Health Association of New Zealand Incorporated for the year ended 31 March 2021.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

### Responsibilities

The National Council are solely responsible for the information contained in this financial report and have determined that the accounting policies used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

### No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

### Independence

We have no involvement with The Soil & Health Association of New Zealand Incorporated other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

### Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on this financial report.

*Darvill Mellors & Co Limited*

Darvill Mellors & Co Limited

Dated: 16 August 2021

# Entity Information

## The Soil & Health Association of New Zealand Incorporated For the year ended 31 March 2021

### Legal Name of Entity

The Soil And Health Association Of New Zealand Incorporated

### Nature of Business

Publishing

### Registration Number

CC36749

### Physical Address

Level 31 Plimmer Towers

2-6 Gilmer Terrace

Wellington 6011

### Postal Address

PO Box 9693

Marion Square

Wellington 6141

New Zealand

### IRD Number

010-919-711

### Accountant

Darvill Mellors & Co Limited

### Banker

Bank of New Zealand Limited

### Entity's Purpose or Mission

Promote the development of the best physical health and spiritual well being of all people by:

- promoting an understanding of the community's responsibility to ensure the perpetuity of the soil's sustainable fertility
- the foundation for the existence the prosperity and health of all life on earth;

### Entity Structure

National Council, supported by General Manager and Magazine Assistant.

# Approval of Financial Report

## The Soil & Health Association of New Zealand Incorporated For the year ended 31 March 2021

The Executive Committee is pleased to present the approved financial report including the historical financial statements of Soil & Health Association of NZ for year ended 31 March 2021.

APPROVED

\_\_\_\_\_  
Chairperson  
Date .....

\_\_\_\_\_  
Treasurer  
Date .....

# Statement of Financial Performance

## The Soil & Health Association of New Zealand Incorporated For the year ended 31 March 2021

	NOTES	2021	2020
<b>Revenue</b>			
Donations, fundraising and other similar revenue	1	22,911	120,486
Revenue from providing goods or services	1	320,846	261,840
Interest, dividends and other investment revenue	1	29,386	31,632
Other revenue	1	27,192	-
<b>Total Revenue</b>		<b>400,335</b>	<b>413,959</b>
<b>Expenses</b>			
Volunteer and employee related costs	2	75,989	64,038
Costs related to providing goods or service	2	293,054	202,190
Other expenses	2	5,134	9,529
<b>Total Expenses</b>		<b>374,177</b>	<b>275,756</b>
<b>Surplus/(Deficit) for the Year</b>		<b>26,159</b>	<b>138,202</b>

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Statement of Financial Position

## The Soil & Health Association of New Zealand Incorporated As at 31 March 2021

	NOTES	31 MAR 2021	31 MAR 2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	101,622	64,832
Debtors and prepayments	3	33,359	24,823
Inventory	3	1,920	-
Investments	3	148,929	146,390
<b>Total Current Assets</b>		<b>285,830</b>	<b>236,044</b>
<b>Non-Current Assets</b>			
Intangibles	5	4,392	11,568
Property, plant and equipment	6	-	32
Investments	3	390,592	390,592
<b>Total Non-Current Assets</b>		<b>394,984</b>	<b>402,192</b>
<b>Total Assets</b>		<b>680,814</b>	<b>638,236</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	4	30,821	23,717
Other current liabilities	4	55,385	46,071
<b>Total Current Liabilities</b>		<b>86,206</b>	<b>69,787</b>
<b>Total Liabilities</b>		<b>86,206</b>	<b>69,787</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>594,608</b>	<b>568,449</b>
<b>Accumulated Funds</b>			
Capital contributed by owners or members	7	340,962	340,962
Accumulated surpluses or (deficits)	7	253,646	227,487
<b>Total Accumulated Funds</b>		<b>594,608</b>	<b>568,449</b>

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Statement of Accounting Policies

## The Soil & Health Association of New Zealand Incorporated For the year ended 31 March 2021

### Reporting Entity

The Soil and Health Association of New Zealand Incorporated is incorporated and is domiciled in New Zealand under the Incorporated Societies Act 1908 and is registered as a Charity under the Charities Act 2005.

The Soil and Health Association of New Zealand is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

### Basis of Preparation

#### Statement of Compliance

The Performance Report has been prepared in accordance with Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards Reduced Disclosure Regime (NZ IPSAS with RDR) and other applicable Financial Reporting Standards as appropriate to Public Benefit Entities.

The Soil and Health Association of New Zealand Incorporated is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and annual expenditure does not exceed \$30 million.

### Basis of Measurement

The Performance Report has been prepared on a historical cost basis, except for assets and liabilities that have been measured at fair value and except for those otherwise stated.

All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

### Presentation Currency

The Performance Report is presented in New Zealand dollars and all values are rounded to the nearest dollar.

### Specific Accounting Policies

#### Cash and Cash Equivalents

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.

#### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

#### Creditors and Other Payables

Trade creditors and other payables are stated at cost. Trade creditors and other payables are non-interest bearing and normally settled on 30 day terms; therefore their carrying amount approximates their fair value.



## Debtors and Other Receivables

Trade debtors and other receivables are measured at their cost less any impairment losses. Trade debtors and other receivables are non-interest bearing and receipt is normally on 30 days terms. Therefore the carrying value of trade debtors and other receivables approximates its fair value. An allowance for impairment is established where there is objective evidence the entity will not be able to collect all amounts due according to the original terms of the receivable.

## Depreciation

Depreciation is charged on a diminishing value (DV) basis on all property, plant and equipment over the estimated useful life of the asset. The following depreciation rates have been applied at each class of property, plant and equipment:

Asset Type	Method	Rate
Office Equipment	Diminishing Value	40% - 50%

## Financial Instruments

Financial assets and financial liabilities are recognised when the Soil & Health Association of New Zealand becomes party to the contractual provisions of the financial instrument.

The Association derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Association has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either;

- The Association has transferred substantially all the risks and rewards of the asset; or
- The Association has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## Financial Assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Association's financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. The Association's financial assets include: cash and cash equivalents, short-term investments and investments.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, where are described below.

### Financial Assets at Fair Value through Surplus or Deficit

Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. The Association's investment equities fall into this category of financial instruments.

### Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance

for impairment. The Association's cash and cash equivalents, short-term investments and non-equity investments fall into this category of financial instruments.

### **Impairment of Financial Assets**

The Association assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there is any objective evidence of impairment, the Association first assesses whether there is objective evidence of impairment of financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Association determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial asset's with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

### **Financial Liabilities**

The Association's financial liabilities include trade and other creditors.

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

### **Goods and Services Tax**

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.

### **Income Tax**

Under Sections CW 42 of the Income Tax Act 2007 the Soil & Health Association of New Zealand is exempt from income tax on business income derived for charitable purposes in New Zealand. The Soil & Health Association of New Zealand is also exempt from income tax on income under CW 41 of the Income Tax Act 2007. The Soil & Health Association of New Zealand is registered with Charities Services.

### **Intangible Assets**

Intangible assets which have finite useful lives, are measured at cost less accumulated amortisation and any impairment losses.

Amortisation is recognised on a diminishing value basis over the estimated useful life of the asset, from the date they are available for use and expensed in the reported surplus or deficit for the year.

Intangible assets with infinite useful lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The following amortisation rates have been applied to each class of intangible assets:

<b>Intangible Asset Type</b>	<b>Method</b>
Trademarks	No Amortisation
Software	50% Diminishing Value
Website	50% Diminishing Value

### **Property, Plant and Equipment**

Items of property, plant and equipment are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Gains or losses on de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in the reported profit or loss for the year.

### **Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and revenue can be reliably measured. Revenue is measured at the fair value of consideration received. Revenue is derived from two broad categories - revenue from exchange transactions and revenue from non-exchange transactions.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or user of assets) to another entity in exchange.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

# Notes to the Performance Report

## The Soil & Health Association of New Zealand Incorporated For the year ended 31 March 2021

	2021	2020
<b>1. Analysis of Revenue</b>		
<b>Donations, fundraising and other similar revenue</b>		
Annual Appeal	7,346	-
Donations	15,565	120,486
<b>Total Donations, fundraising and other similar revenue</b>	<b>22,911</b>	<b>120,486</b>
<b>Revenue from providing goods or services</b>		
Advertising - Organic Directory	127	1,157
Association Event Income	304	-
Books and Publications	1,086	871
Magazine advertising	111,306	118,581
Magazine Sales	130,680	49,581
Sponsorship / Fundraising	2,609	22,391
Subscriptions	74,734	69,258
<b>Total Revenue from providing goods or services</b>	<b>320,846</b>	<b>261,840</b>
<b>Interest, dividends and other investment revenue</b>		
BioGro Receipt	26,819	29,265
Interest Received	2,567	2,367
<b>Total Interest, dividends and other investment revenue</b>	<b>29,386</b>	<b>31,632</b>
<b>Other revenue</b>		
Covid19 Publications Grant Received	12,085	-
Covid19 Wage Subsidy Received	14,059	-
Sundry Income	1,048	-
<b>Total Other revenue</b>	<b>27,192</b>	<b>-</b>
	2021	2020

## 2. Analysis of Expenses

<b>Volunteer and employee related costs</b>		
ACC Levies	41	341
Contractors	-	50
Human Resources	354	2,528
KiwiSaver Employer Contributions	2,358	1,725
Salaries	73,157	57,688
Training & Development	79	1,706
<b>Total Volunteer and employee related costs</b>	<b>75,989</b>	<b>64,038</b>
<b>Costs related to providing goods or services</b>		
Accounting services	7,801	4,104
Advertising commission	29,418	20,434
AGM and board meeting costs	61	2,373
Appeal Expenses	248	2,522

	2021	2020
Audit	8,044	4,500
Bad Debts	884	-
Campaign costs	5,130	880
Closing Stock on Hand	(1,920)	-
Computers & IT	435	18
Events & Shows	79	-
Insurance	2,457	2,437
Loss on Disposal	9,923	-
Magazine production	206,027	151,431
Marketing and promotions	9,425	3,850
Memberships/Affiliations	3,081	1,762
Payment Gateway Charges	3,302	2,464
Postage & Stationery	38	(815)
Project Gro Funding	-	2,611
Rent	7,265	1,665
Travel - National	1,357	1,953
<b>Total Costs related to providing goods or services</b>	<b>293,054</b>	<b>202,190</b>

**Other expenses**

General administration and office expenses	5,134	9,308
Depreciation	-	220
<b>Total Other expenses</b>	<b>5,134</b>	<b>9,529</b>

	2021	2020
--	------	------

**3. Analysis of Assets****Cash and Cash equivalents**

Bank Accounts	101,622	64,832
<b>Total Cash and Cash equivalents</b>	<b>101,622</b>	<b>64,832</b>

**Debtors and prepayments**

Accounts Receivable	31,781	24,823
Bond Receivable	1,578	-
<b>Total Debtors and prepayments</b>	<b>33,359</b>	<b>24,823</b>

**Inventory**

Stock on Hand	1,920	-
<b>Total Inventory</b>	<b>1,920</b>	<b>-</b>

**Investments**

Term Deposits	148,929	146,390
BioGro NZ Ltd	390,592	390,592
<b>Total Investments</b>	<b>539,521</b>	<b>536,982</b>

2021

2020

#### 4. Analysis of Liabilities

##### Creditors and accrued expenses

Accounts Payable	8,711	6,208
Accruals	9,711	9,740
Credit Card - HUGGINS PETER	479	-
Employee costs payable	-	(1,875)
GST	11,920	9,644
<b>Total Creditors and accrued expenses</b>	<b>30,821</b>	<b>23,717</b>

##### Other current liabilities

Income in Advance	55,385	46,071
<b>Total Other current liabilities</b>	<b>55,385</b>	<b>46,071</b>

#### 5. Intangible Assets

This Year	Opening Book Value	Additions	Disposals	Amortisation for the Year	Accumulated Amortisation	Closing Book Value
Software	6,985	2,715	9,700	-	-	-
Trademarks	4,392	-	-	-	-	4,392
Website Development	191	-	-	-	-	-
<b>Total</b>	<b>11,568</b>	<b>2,715</b>	<b>9,700</b>	<b>-</b>	<b>-</b>	<b>4,392</b>

Last Year	Opening Book Value	Additions	Disposals	Amortisation for the Year	Accumulated Amortisation	Closing Book Value
Software	-	6,985	-	-	-	6,985
Trademarks	4,392	-	-	-	-	4,392
Website Development	693	-	-	191	502	191
<b>Total</b>	<b>5,085</b>	<b>-</b>	<b>-</b>	<b>191</b>	<b>502</b>	<b>11,568</b>

## 6. Property, Plant and Equipment

This Year	Opening Book Value	Additions	Disposals	Depreciation for the Year	Accumulated Depreciation	Closing Book Value
Office Equipment	32	-	32	-	-	-

Last Year	Opening Book Value	Additions	Disposals	Depreciation for the Year	Accumulated Depreciation	Closing Book Value
Office Equipment	62	-	-	29	196	32

2021                      2020

## 7. Accumulated Funds

### Accumulated Funds

Opening Balance	568,449	430,247
Accumulated surpluses or (deficits)	26,159	138,202
<b>Total Accumulated Funds</b>	<b>594,608</b>	<b>568,449</b>

<b>Total Accumulated Funds</b>	<b>594,608</b>	<b>568,449</b>
--------------------------------	----------------	----------------

2021                      2020

## 8. Categories of Financial Assets and Liabilities

### Financial Assets

#### Loans and receivables

Cash and cash equivalents	101,622	64,832
Trade debtors and other receivables	33,359	24,823
BioGro NZ Ltd	390,592	390,592
<b>Total Loans and receivables</b>	<b>525,573</b>	<b>480,246</b>

#### Held to maturity investments

Term Investments	148,929	146,390
<b>Total Held to maturity investments</b>	<b>148,929</b>	<b>146,390</b>

<b>Total Financial Assets</b>	<b>674,502</b>	<b>626,636</b>
-------------------------------	----------------	----------------

### Financial Liabilities

#### Financial liabilities at amortised cost

Trade creditors and other payables	32,532	23,717
------------------------------------	--------	--------

#### Other financial liabilities

Income in Advance	55,385	46,071
<b>Total Other financial liabilities</b>	<b>55,385</b>	<b>46,071</b>

<b>Total Financial liabilities at amortised cost</b>	<b>87,917</b>	<b>69,787</b>
--	---------------	---------------

<b>Total Financial Liabilities</b>	<b>87,917</b>	<b>69,787</b>
------------------------------------	---------------	---------------

<b>Total Categories of Financial Assets and Liabilities</b>	<b>586,585</b>	<b>556,849</b>
---	----------------	----------------

	2021	2020
--	------	------

---

## 9. Related Parties

### Receivables

BioGro NZ Ltd	390,592	390,592
<b>Total Receivables</b>	<b>390,592</b>	<b>390,592</b>

## 10. Commitments

There are no commitments as at 31 March 2021 (Last year - nil).

## 11. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 March 2021 (Last year - nil).

## 12. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

## 13. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.