

Consolidated Financial Statements

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

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Audit Report

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

Entity Information

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

Legal Name of Entity

The Soil & Health Association of New Zealand Incorporated Group

Nature of Business

Publishing

Registration Number

CC55704

Physical Address

Level 31 Plimmer Towers

2-6 Gilmer Terrace

Wellington 6011

Postal Address

PO Box 9693

Marion Square

Te Aro

Wellington 6141

Accountant

Darvill Mellors & Co Limited

Auditor

Crowe

Banker

Bank of New Zealand

Entity's Purpose or Mission

Promote the development of the best physical health and spiritual wellbeing 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

The Soil & Health Association is a national membership based charity that is governed by an elected 7 person national council. The Association owns Biogro Limited which has a governing board nominated by The Soil & Health Association National Council.

Statement by the Executive Committee

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

The Executive Committee are pleased to present the approved consolidated financial statements including the historical financial statements of The Soil & Health Association of New Zealand Incorporated Group for year ended 31 March 2021.

APPROVED

Chairperson

Date

Treasurer

Date

Statement of Comprehensive Revenue and Expenses

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

	NOTES	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020
Revenue					
Revenue from Non-Exchange Transactions					
Donations, fundraising and other similar revenue		22,911	120,486	22,911	120,486
Grants received		26,144	-	26,144	-
Total Revenue from Non-Exchange Transactions		49,055	120,486	49,055	120,486
Revenue from Exchange Transactions					
Audit travel charge		117,753	136,135	-	-
Certification administration		94,976	101,189	-	-
Certification fees	6	2,063,287	1,967,898	-	-
Interest income		6,130	13,069	2,567	2,367
Magazine advertising		110,876	118,581	110,876	118,581
Magazine revenue		130,680	49,581	130,680	49,581
Merchandise		1,904	2,022	-	-
Sponsorship / Fundraising		2,609	22,391	2,609	22,391
Subscriptions		74,733	69,258	74,733	69,258
Other income		6,093	7,044	29,814	31,293
Total Revenue from Exchange Transactions		2,609,040	2,487,168	351,279	293,471
Total Revenue		2,658,095	2,607,654	400,334	413,957
Expenses					
Accreditation costs		95,444	129,837	-	-
Advertising commission		29,418	20,434	29,418	20,434
Appeal		248	2,522	248	2,522
Campaign costs		4,825	324	5,131	880
Certification costs		638,402	658,732	-	-
Computer and IT expenses		33,840	42,208	435	18
Depreciation and loss on disposal of assets	8	75,546	20,648	9,923	220
Magazine production		208,493	153,896	208,493	153,896
Other overhead and operational expenses	7	152,015	246,078	36,637	31,835
Rent		76,025	66,662	7,265	1,665
Wages, salaries and other employee costs		1,281,276	1,076,919	76,628	64,286
Total Expenses		2,595,531	2,418,260	374,178	275,756
Surplus/(Deficit) for the Year		62,565	189,394	26,156	138,201

These Financial Statements must be read in conjunction with the attached Notes to the Performance Report and Audit Report.

Statement of Changes in Net Assets

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

	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020
Accumulated Funds				
Opening Balance	609,766	420,374	568,449	430,247
Surplus / (deficit) for the year	62,565	189,394	26,156	138,201
Total Accumulated Funds	672,331	609,768	594,606	568,448

These Financial Statements must be read in conjunction with the attached Notes to the Performance Report and Audit Report.

Statement of Financial Position

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

	NOTES	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020
Assets					
Current Assets					
Cash and cash equivalents	9	537,948	342,954	101,622	64,832
Trade debtors and other receivables	10	433,567	315,211	31,781	24,822
Prepayments		32,069	28,280	1,578	-
Inventory		2,145	645	1,920	-
Investments	15	148,929	446,390	148,929	146,390
Total Current Assets		1,154,657	1,133,478	285,830	236,043
Non-Current Assets					
Intangible assets	11	198,850	62,424	4,391	11,567
Property, plant and equipment	12	3,515	4,110	-	32
Investments	15	-	-	390,592	390,592
Total Non-Current Assets		202,365	66,534	394,982	402,191
Total Assets		1,357,022	1,200,012	680,812	638,234
Liabilities					
Current Liabilities					
Trade creditors and other payables	13	294,741	256,683	30,822	22,753
Revenue received in advance	14	211,027	185,357	55,385	46,071
Employee entitlements		178,922	148,205	-	962
Total Current Liabilities		684,691	590,245	86,207	69,786
Total Liabilities		684,691	590,245	86,207	69,786
Total Assets less Total Liabilities (Net Assets)		672,331	609,768	594,606	568,448
Accumulated Funds					
Accumulated surpluses or (deficits)		672,331	609,768	594,606	568,448
Total Accumulated Funds		672,331	609,768	594,606	568,448

These Financial Statements must be read in conjunction with the attached Notes to the Performance Report and Audit Report.

Statement of Cash Flows

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

	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020
Statement of Cashflows				
Cash flows from operating activities				
Receipts				
Receipts from goods and services provided	2,510,225	2,498,955	351,069	282,537
Receipts from grants and donations	49,055	120,486	49,055	120,486
Interest income	6,130	13,069	2,567	2,367
Total Receipts	2,565,410	2,632,510	402,691	405,390
Payments				
Payments to suppliers and employers	(2,456,498)	(2,370,680)	(360,648)	(279,818)
Total Payments	(2,456,498)	(2,370,680)	(360,648)	(279,818)
Net cash inflow from operating activities	108,912	261,830	42,043	125,572
Cash flows from investing activities				
Purchase of property, plant and equipment and intangible assets	(211,378)	(47,171)	(2,715)	(6,981)
Cash fund investments	297,461	(60,411)	(2,539)	(60,411)
Net cash outflow from investing activities	86,083	(107,582)	(5,254)	(67,392)
Net increase /(decrease) in cash and cash equivalents	194,995	154,248	36,789	58,180
Cash and cash equivalents at the beginning of the year				
Cash and cash equivalents	342,954	188,706	64,832	6,652
Cash and cash equivalents at the end of the year	537,949	342,954	101,621	64,832

Notes to the Financial Statements

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

1. Reporting Entity

These financial statements comprise the financial statements of The Soil & Health Association of New Zealand Incorporated ("Parent") and BioGro New Zealand Limited ("subsidiary") being the "Group" for the period ended 31 March 2021.

The Soil and Health Association of New Zealand Incorporated is incorporated and is domiciled in New Zealand under the Incorporated Societies Act 1908.

BioGro New Zealand Limited is incorporated under the Companies Act 1993. Both entities are registered as Charities under the Charities Act 2005.

The Soil and Health Association of New Zealand Incorporated became the governing body of BioGro New Zealand following a merger with New Zealand Biological Producers & Consumers Society on 1 October 2016.

The Parent and Group 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.

BioGro New Zealand Limited provides organic certification for BioGro licensees against BioGro, OOAP, INFOMA, POS, NATRUE standards.

2. Basis of Preparation

Statement of compliance

The financial statements have 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 (NZIPSAS 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 financial statements have been prepared on a historical costs basis, except for assets and liabilities that have been measured at fair value and except for those otherwise stated.

The accrual basis of accounting has been used unless otherwise stated and the financial statements of the Group have been prepared on a going concern basis.

Presentation of currency

The financial statements are presented in New Zealand dollars.

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.

3. Summary of Significant Accounting Policies

Basis of consolidation

The group financial statements consolidate the financial statements of the parent and the entity over which the parent has the power to govern the financial and operating policies so as to obtain benefits from their activities (defined as "subsidiaries").

Controlled entities are those entities over which the parent has the power to govern the financial and operating activities so as to obtain benefits from their activities.

The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Foreign currency translation

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transactions.

Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from then settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

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.

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.

Inventories

Inventories are stated at the lower of cost and net realisable 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.

Depreciation

Depreciation is charged on a diminishing value (DV) basis and straight value (SL) 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 classes

	Group	
	DV	SL
Computer equipment	40% - 50%	20% - 48%
Software	-	-
Website Development	50%	0%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining life of the improvements, whichever is shorter.

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 straight-line 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.

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

Computer Software	20% - 40%	SL
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Residual values and useful lives are assessed at each reporting date.

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

Computer software

Purchased computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software. Subsequent expenditure is expensed as incurred. Costs associated with maintaining computer software, i.e. expenditure relating to patches and other minor updates as well as their installation, are expensed as incurred.

Disposals

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 surplus or deficit for the year.

Investments

Interest in subsidiaries are recognised at cost.

Impairment of non-financial assets

At each reporting date, the entities assess whether there is an indication that an asset may be impaired. If any indication exists, the Parent and Group estimates the asset's recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. An asset's or CGU's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use.

Where the carrying amount of an asset or the cash-generating unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation

model is used.

Impairment losses or reversals are recognised immediately in the statement of comprehensive revenue and expenses.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

Financial instruments are comprised of trade debtors and other receivables, cash and cash equivalents, and trade creditors and other payables.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through surplus or deficit, which are measured at fair value.

Financial assets and financial liabilities are recognised when the reporting entity becomes a party to the contractual provisions of the financial instrument.

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the Group transfers the financial asset to another party without retaining control or substantial all risks and rewards of the asset. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition and re-evaluates this designation at each reporting date.

All financial assets except for those classified as fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

The classification of financial instruments into one of the four categories below, determines the basis for subsequent measurement and the whether any resulting movements in value are recognised in the reported surplus and deficit or other comprehensive revenue and expenses.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Group's cash and cash equivalents (excluding term deposits), trade debtors and most other receivables fall into this category of financial instruments.

After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

(ii) Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets 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.

Assets in this category are measured at fair value with gains or losses recognised in the surplus or deficit for the year. The fair values of financial instruments in this category are determined by reference to active market transactions or using a valuation

technique where no active market exists.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as held-to-maturity if the entity has the intention and ability to hold them until maturity. The Group's term deposits are classified in this category.

Held-to-maturity investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in surplus or deficit.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Group has no assets in this category.

Equity investments are measured at cost less any impairment charges, where the fair value cannot currently be estimated reliably.

All other available-for-sale financial assets are measured at fair value. Gains and losses are recognised in other comprehensive revenue and expenses and reported within the "available-for-sale revaluation reserve" within equity, except for impairment losses which are recognised in the surplus or deficit for the year.

When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive revenue and expenses is reclassified from the equity reserve to the surplus or deficit and presented as a reclassification adjustment within other comprehensive revenue and expenses.

Interest income or dividends on available-for-sale financial assets are recognised in the surplus or deficit.

Subsequent measurement of financial liabilities

Available-for-sale financial instruments are reviewed at each reporting date for objective evidence that the investment is impaired. Objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through surplus or deficit, that are subsequently measured at fair value with gains or losses recognised in the surplus or deficit.

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method.

Provisions

A provision is recognised for a liability when the settlement amount or timing is uncertain; when there is a present legal or constructive obligation as a result of a past event; it is probable that expenditures will be required to settle the obligation; and a reliable estimate of the potential settlement can be made.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Employee entitlements

Employee benefits, previously earned from past services, that the entity expects to be settled within 12 months of reporting date are measured based on accrued entitlements at current rate of pays.

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

Revenue

Revenue is recognised to the extent that it is probably 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 or receivable.

Donations**(1) Revenue from non-exchange transactions**

Donations are recognised as revenue upon receipt and include donations from the general public, donations received for specific entity services or campaigns.

Grants are recognised as revenue upon receipt and include grants from government organisations.

(2) Revenue from exchange transactions

The following specific recognition criteria must be met before revenue is recognised:

Sale of goods

Revenue from sale of goods is recognised when the entity has transferred to the buyer the significant risks and rewards of ownership of the goods supplied. Significant risks and rewards are generally considered to be transferred to the buyer when the customer has taken undisputed delivery of the goods.

Rendering of services

Revenue from services rendered is recognised in the surplus or deficit in proportion to the stage of completion of the transaction at the reporting date. The stage of completion for certification revenue is assessed by reference to the proportion of certification outcomes achieved, based on surveys of work performed. Under this method, revenue is recognised in the accounting periods in which the outcomes are completed.

Certification fees

Certification fee is recognised according to the outcomes completed, on average at each stage of the certification process as follows:

Stage 1	68%	Outcome: Assessment
Stage 2	28%	Outcome: Audit
Stage 3	04%	Outcome: Certification

Interest income

Interest income is recognised as it accrues, using the effective interest method.

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.

Goods and Services Tax (GST)

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.

4. Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with NZ IPSAS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements, estimates and assumptions is provided in the relevant

accounting policy or provided in the relevant note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected.

The following are significant management judgements in applying the accounting policies of the entity that have a significant effect on the financial statements:

Useful lives and residual values

The useful lives and residual values of assets are assessed annually based on the following indicators of impairment:

- The condition of the asset based on the assessment of experts employed by the Group as and when determined appropriate by management.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

Adjustments to useful life are made when considered necessary.

Impairment

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances.

Outcome completion

Management estimates the percentage of work performed in respect of each certification outcome. This may change as the underlying work processes or outcomes themselves change.

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

5. Capital Management Policy

The Group capital is its accumulated funds being the net assets. The primary objectives of the Group's capital management policy is to ensure it has sufficient funds to support its activities. The Group manages its capital structure and makes adjustment to it, in light of changes to funding requirements. To maintain or adjust the capital structure, budgetary discretionary expenditure is reduced to avoid the need for additional external borrowings.

	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020
6. Certification Fees				
Primary producers	863,919	821,508	-	-
Processor/ Processed product	410,679	332,865	-	-
Exporter	61,339	61,929	-	-
Retailer	1,950	1,326	-	-
Input Products	351,514	361,898	-	-
Service Provider	35,285	46,787	-	-
Packhouse	25,797	31,562	-	-

Distribution	35,519	31,022	-	-
Domestic	72,170	76,058	-	-
Doalnara Certification	20,230	644	-	-
JAS Certification	33,376	41,259	-	-
Canadian Organic Regime	-	1,176	-	-
Non FOAM/ Standard Programme	127,727	127,355	-	-
Natruce Certification	22,894	21,712	-	-
Fair Trade	-	9,899	-	-
IBD Ecosocial audits	888	898	-	-
Total Certification Fees	2,063,287	1,967,898	-	-
	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020

7. Other Overhead and Operational Expenses

Audit and review fees	16,644	20,500	8,044	4,500
Accounting services	7,801	4,104	7,801	4,104
AGM and board meeting costs	8,516	20,901	61	2,373
Bad and doubtful debts	(36,499)	54,786	884	-
Board fees	44,725	28,405	-	-
Consultant fees	17,784	17,127	-	-
General administration and office expenses	28,055	37,092	4,129	9,308
Insurance	21,161	21,652	2,457	2,437
Marketing and promotions	30,639	25,155	9,426	3,850
Membership fees paid	7,341	3,792	3,081	1,762
Merchandise costs	3,210	3,143	-	-
Postage and stationary	1,535	3,119	38	(816)
Project Gro campaign	-	2,611	-	2,611
Travel expenses	1,103	3,691	717	1,706
Total Other Overhead and Operational Expenses	152,015	246,078	36,637	31,835
	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020

8. Depreciation and Loss on Disposal of Assets

Depreciation	65,623	20,648	-	220
Loss on disposal of assets	9,923	-	9,923	-
Total Depreciation and Loss on Disposal of Assets	75,546	20,648	9,923	220
	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020

9. Cash and Cash Equivalents

Cash at bank and in hand	537,948	342,954	101,622	64,832
Total Cash and Cash Equivalents	537,948	342,954	101,622	64,832

The carrying amount of cash and cash equivalents approximates their fair value.

	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020
10. Trade Debtors and Other Receivables				
Trade debtors	482,317	399,042	31,781	24,822
less Provision for Doubtful Debts	(48,750)	(83,831)	-	-
Total Trade Debtors and Other Receivables	433,567	315,211	31,781	24,822

As at 31 March 2021, all overdue receivables have been assessed for impairment and appropriate allowances made. All receivables are subject to credit risk exposure.

Provision for doubtful debts

The movement in the allowance for doubtful debts is as follows:

	Group 2021	Group 2020	Parent 2021	Parent 2020
Opening balance	83,831	58,755	-	-
Provision recognised during the year	(35,081)	25,076	-	-
Total provision for doubtful debts	48,750	83,831	-	-

11. Intangible Assets

Computer software, website and trademark	Group 2021	Group 2020	Parent 2021	Parent 2020
Cost				
Opening balance	433,754	392,010	18,549	11,564
Additions	209,313	41,744	2,715	6,985
Disposals	16,872	-	16,872	-
Closing cost	626,195	433,754	4,392	18,549
Accumulated amortisation				
Opening balance	371,329	359,418	11,569	6,789
Amortisation	62,996	11,910	-	191
Disposals	6,980	-	6,980	-
Closing accumulated amortisation	427,345	371,329	6,980	6,980
Closing carrying value of intangible assets	198,850	62,424	4,392	11,569

12. Property, Plant & Equipment

Movements for each class of property, plant and equipment are as follows:

2021 Group	Office equipment and furniture	Leasehold improvements	Display equipment	Computer Hardware	Total
Cost					
Opening balance	-	-	-	26,003	26,003

Additions	-	-	-	1,825	1,825
Disposals	-	-	-	1,520	1,520
Closing cost	-	-	-	26,308	26,308
Accumulated depreciation					
Opening balance	-	-	-	21,893	21,893
Depreciation for the period	-	-	-	2,387	2,387
Disposals	-	-	-	-	-
Closing accumulated depreciation	-	-	-	22,793	22,793
Carrying value at 31 March 2021	-	-	-	3,515	3,515

2020 Group	Office equipment and furniture	Leasehold improvements	Display equipment	Computer Hardware	Total
Cost					
Opening balance	-	-	-	24,218	24,218
Additions	-	-	-	1,785	1,785
Disposals	-	-	-	-	-
Closing cost	-	-	-	26,003	26,003
Accumulated depreciation					
Opening balance	-	-	-	16,799	16,799
Depreciation for the period	-	-	-	5,094	5,094
Disposals	-	-	-	-	-
Closing accumulated depreciation	-	-	-	21,893	21,893
Carrying value at 31 March 2020	-	-	-	4,110	4,110

2021 Parent	Office equipment and furniture	Leasehold improvements	Display equipment	Computer Hardware	Total
Cost					
Opening balance	-	-	-	1,520	1,520
Additions	-	-	-	-	-
Disposals	-	-	-	1,520	1,520
Closing cost	-	-	-	-	-

Accumulated depreciation					
Opening balance	-	-	-	1,487	1,487
Depreciation for the period	-	-	-	-	-
Disposals	-	-	-	1,487	1,487
Closing accumulated depreciation	-	-	-	-	-
Carrying value at 31 March 2021	-	-	-	-	-

2020 Parent	Office equipment and furniture	Leasehold improvements	Display equipment	Computer Hardware	Total
Cost					
Opening balance	-	-	-	1,520	1,520
Additions	-	-	-	-	-
Closing cost	-	-	-	1,520	1,520
Accumulated depreciation					
Opening balance	-	-	-	1,458	1,458
Depreciation for the period	-	-	-	29	29
Closing accumulated depreciation	-	-	-	1,487	1,487
Carrying value at 31 March 2020	-	-	-	33	33

GROUP 2021 GROUP 2020 PARENT 2021 PARENT 2020

13. Trade Creditors and Other Payables

Creditors and accrued expenses

Trade creditors and other accruals	208,072	179,824	18,901	13,109
GST and PAYE payable	86,669	76,859	11,921	9,644
Total Creditors and accrued expenses	294,741	256,683	30,822	22,753

14. Revenue Received in Advance

	Group 2021	Group 2020	Parent 2021	Parent 2020
Certification fees	155,642	139,286	-	-
Subscriptions	55,385	46,071	55,385	46,071
Total	211,027	185,357	55,385	46,071

BioGro NZ Limited Certification Fees received are not fully recognised as income until the certification process has been completed.

15. Investment

	Group 2021	Group 2020	Parent 2021	Parent 2020
Investment in BioGro NZ Limited	-	-	390,592	390,592
Term investment	148,929	446,390	148,929	146,390
Total	148,929	446,390	539,521	536,982
Total investment assets classified as follows:				
Current assets	148,929	446,390	148,929	146,390
Non-current assets	-	-	390,592	390,592
Total	148,929	446,390	539,521	536,982

16. Financial Instruments

Carrying value of financial instruments

The carrying amount of all material financial position assets and liabilities are considered to be equivalent to fair value.

Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction.

Classification of financial instruments

All financial assets held by the Parent and Group are classified as "loans and receivables" are carried at cost less accumulated impairment losses.

All financial liabilities held by the Group are carried at amortised cost using the effective interest rate method.

The carrying amounts presented in the statement of financial position relate to the following categories of financial assets and liabilities.

2021: Group	Held-to-maturity investments	Loans and receivables	Financial liabilities at amortised cost	Total
Financial assets				
Cash and cash equivalents	-	537,948	-	537,948
Trade debtors and other receivables	-	433,567	-	433,567
Other financial assets	148,929	-	-	148,929
Total	148,929	971,515	-	1,120,444
Financial liabilities				
Trade creditors and other payables	-	-	294,742	294,742
Other financial liabilities	-	-	389,949	389,949

Total	-	-	684,691	684,691
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2020: Group	Held-to-maturity investments	Loans and receivables	Financial liabilities at amortised cost	Total
Financial assets				
Cash and cash equivalents	-	342,954	-	342,954
Trade debtors and other receivables	-	315,211	-	315,211
Other financial assets	446,390	-	-	446,390
Total	446,390	658,165	-	1,104,555
Financial liabilities				
Trade creditors and other payables	-	-	258,895	258,895
Other financial liabilities	-	-	334,340	334,340
Total	-	-	593,235	593,235

2021: Parent	Held-to-maturity investments	Loans and receivables	Financial liabilities at amortised cost	Total
Financial assets				
Cash and cash equivalents	-	101,622	-	101,622
Trade debtors and other receivables	-	33,359	-	33,359
Other financial assets	148,929	-	-	148,929
Total	148,929	134,981	-	283,910
Financial liabilities				
Trade creditors and other payables	-	-	30,821	30,821
Other financial liabilities	-	-	55,384	55,384
Total	-	-	86,205	86,205

2020: Parent	Held-to-maturity investments	Loans and receivables	Financial liabilities at amortised cost	Total
Financial assets				
Cash and cash equivalents	-	64,832	-	64,832
Trade debtors and other receivables	-	24,823	-	24,823

Other financial assets	146,390	-	-	146,390
Total	146,390	89,655	-	236,045
Financial liabilities				
Trade creditors and other payables	-	-	24,968	24,968
Other financial liabilities	-	-	47,811	47,811
Total	-	-	72,779	72,779

17. Operating Leases

The parent has a non-cancellable operating lease in relation to office space in Wellington with an end date of 31 January 2022.

18. Contingent Assets, Contingent Liabilities and Commitments

The Parent and Group have no known contingent assets, contingent liabilities or commitments (2020: Nil)

19. Related Party Transactions

Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the entity. Related party disclosures have not been made for transactions with related parties that are within a normal supplier relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Parent and Group would have adopted in dealing with the party at arm's length in the same circumstances.

The Parent has a related party relationship with its subsidiary BioGro New Zealand Limited. The net value of transactions paid from BioGro to the parent during the year was \$27,969. The balances outstanding at year end were no amount receivable to the parent and no amount payable to BioGro New Zealand Limited.

Governance and key management compensation

The entity has a related party relationships with its key management personnel and members of the parent and group board . Governance and management costs were as follows:

	Group 2021	Group 2020	Parent 2021	Parent 2020
Management				
Salaries and wages paid	243,786	218,144	44,101	33,172
Governance				
AGM and board meeting costs	8,516	20,901	61	2,373
Board fees	44,725	28,405	-	-

20. 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 (2020: nil).

21. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.