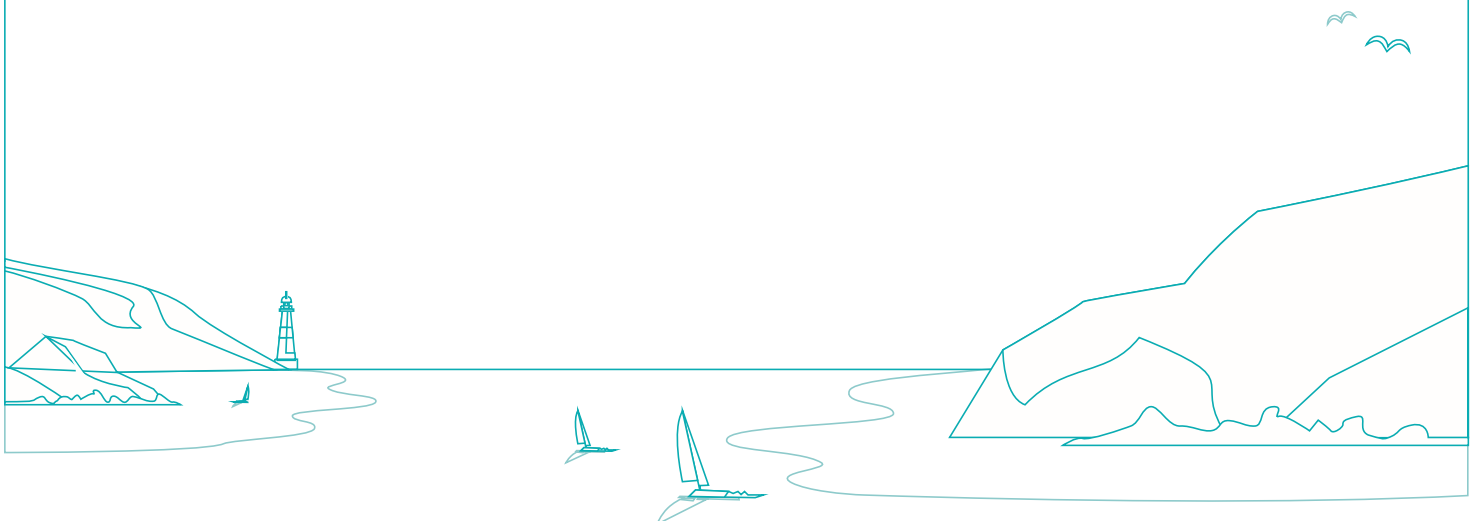


DM&Co.

Soil & Health Association of NZ Incorporated

Performance Report

FOR THE YEAR ENDED 31 MARCH 2023



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Compilation Report

The Soil & Health Association of New Zealand Incorporated For the year ended 31 March 2023

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 2023.

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: 22 September 2023

Entity Information

The Soil & Health Association of New Zealand Incorporated For the year ended 31 March 2023

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 2023

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 2023.

APPROVED



Chairperson

Date 25/09/2023.....



Treasurer

Date 26/09/2023.....

Statement of Financial Performance

The Soil & Health Association of New Zealand Incorporated For the year ended 31 March 2023

	NOTES	2023	2022
Revenue			
Donations, fundraising and other similar revenue	1	31,427	82,601
Revenue from providing goods or services	1	348,953	398,278
Interest, dividends and other investment revenue	1	17,302	22,372
Other revenue	1	2,131	2,000
Total Revenue		399,813	505,251
Expenses			
Volunteer and employee related costs	2	102,892	115,535
Costs related to providing goods or service	2	553,265	427,505
Other expenses	2	6,426	5,376
Total Expenses		662,583	548,417
Surplus/(Deficit) for the Year		(262,770)	(43,166)

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 2023

	NOTES	31 MAR 2023	31 MAR 2022
Assets			
Current Assets			
Cash and cash equivalents	3	58,750	198,722
Debtors and prepayments	3	54,905	12,996
Inventory	3	6,420	6,420
Investments (current)	3	50,217	-
Total Current Assets		170,291	218,138
Non-Current Assets			
Intangibles	5	4,392	4,392
Property, plant and equipment	6	1,009	2,018
Investments	3	179,649	390,592
Total Non-Current Assets		185,050	397,002
Total Assets		355,341	615,140
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	34,597	21,230
Income in Advance	4	49,613	60,283
Total Current Liabilities		84,210	81,513
Total Liabilities		84,210	81,513
Total Assets less Total Liabilities (Net Assets)		271,131	533,627
Accumulated Funds			
Capital contributed by owners or members	7	341,237	340,962
Accumulated surpluses or (deficits)	7	(70,105)	192,665
Total Accumulated Funds		271,131	533,627

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 2023

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	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:

Intangible Asset Type	Method
Trademarks	No Amortisation

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 2023

	2023	2022
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Annual Appeal	7,871	-
Donations	23,556	82,601
Total Donations, fundraising and other similar revenue	31,427	82,601
Revenue from providing goods or services		
Association Event Income	87	-
Books and Publications	53	457
Magazine advertising	116,564	127,500
Magazine Sales	113,592	140,163
Sponsorship / Fundraising	35,500	47,500
Subscriptions	83,158	82,659
Total Revenue from providing goods or services	348,953	398,278
Interest, dividends and other investment revenue		
BioGro Receipt	16,706	21,075
Interest Received	654	1,296
Investment Income (Loss)	(58)	-
Total Interest, dividends and other investment revenue	17,302	22,372
Other revenue		
Sundry Income	2,131	2,000
Total Other revenue	2,131	2,000
	2023	2022

2. Analysis of Expenses

Volunteer and employee related costs

ACC Levies	185	197
Contractors	4,613	26,975
Human Resources	174	1,443
KiwiSaver Employer Contributions	2,858	2,430
Salaries	94,744	84,491
Training & Development	319	-
Total Volunteer and employee related costs	102,892	115,535

Costs related to providing goods or services

Accounting services	7,876	7,824
Advertising commission	31,120	29,412
AGM and board meeting costs	1,901	-
Appeal Expenses	100	-
Association Event Expenses	1,225	18,131
Audit	4,162	4,985

	2023	2022
Bad Debts	-	3,367
Campaign costs	3,625	1,039
Closing Stock on Hand	(6,420)	(6,420)
Events & Shows	79	-
Insurance	2,667	2,509
Magazine production	240,292	280,829
Marketing and promotions	8,546	41,580
Memberships/Affiliations	2,073	2,345
Opening Stock on Hand	6,420	1,920
Payment Gateway Charges	2,627	3,161
Postage & Stationery	1,688	2,276
Rent	9,949	9,564
Grants / Sponsorships	23,800	23,500
Travel - National	594	1,483
Total Costs related to providing goods or services	342,322	427,505
Other expenses		
General administration and office expenses	5,417	4,911
Depreciation	1,009	466
Impairment Loss	210,943	-
Total Other expenses	217,369	5,376

	2023	2022
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3. Analysis of Assets

Cash and Cash equivalents

Bank Accounts	58,750	198,722
Total Cash and Cash equivalents	58,750	198,722

Debtors and prepayments

Accounts Receivable	63,385	30,818
Bond Receivable	1,572	1,530
Sundry Debtors	(10,053)	(19,352)
Total Debtors and prepayments	54,905	12,996

Inventory

Stock on Hand	6,420	6,420
Total Inventory	6,420	6,420

Investments

BioGro NZ Ltd	179,649	390,592
Simplicity Managed Fund	50,217	-
Total Investments	229,866	390,592

2023

2022

4. Analysis of Liabilities

Creditors and accrued expenses

Accounts Payable	12,044	2,662
Accruals	8,250	13,202
Credit Cards	947	453
Employee Costs Payable	4,676	-
GST	8,681	4,913
Total Creditors and accrued expenses	34,597	21,230

Other current liabilities

Income in Advance	49,613	60,283
Total Other current liabilities	49,613	60,283

5. Intangible Assets

This Year	Opening Book Value	Additions	Disposals	Amortisation for the Year	Accumulated Amortisation	Closing Book Value
Trademarks	4,392	-	-	-	-	4,392

Last Year	Opening Book Value	Additions	Disposals	Amortisation for the Year	Accumulated Amortisation	Closing Book Value
Trademarks	4,392	-	-	-	-	4,392

6. Property, Plant and Equipment

This Year	Opening Book Value	Additions	Disposals	Depreciation for the Year	Accumulated Depreciation	Closing Book Value
Office Equipment	2,018	-	-	1,009	1,475	1,009

Last Year	Opening Book Value	Additions	Disposals	Depreciation for the Year	Accumulated Depreciation	Closing Book Value
Office Equipment	-	2,484	-	466	466	2,018

2023 2022

7. Accumulated Funds

Accumulated Funds

Opening Balance	533,627	576,793
Accumulated surpluses or (deficits)	(262,770)	(43,166)
Unrealised Gain on Investments	275	-
Total Accumulated Funds	271,131	533,627

Total Accumulated Funds 271,131 533,627

2023 2022

8. Categories of Financial Assets and Liabilities

Financial Assets

Loans and receivables

Cash and cash equivalents	58,750	198,722
Trade debtors and other receivables	54,905	12,996
BioGro NZ Ltd	179,649	390,592
Simplicity Managed Fund	50,217	-
Total Loans and receivables	343,520	602,310

Total Financial Assets 343,520 602,310

Financial Liabilities

Financial liabilities at amortised cost

Trade creditors and other payables	34,597	21,230
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Other financial liabilities

Income in Advance	49,613	60,283
Total Other financial liabilities	49,613	60,283

Total Financial liabilities at amortised cost 84,210 81,513

Total Financial Liabilities 84,210 81,513

Total Categories of Financial Assets and Liabilities 259,310 520,797

	2023	2022
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9. Related Parties

Receivables

BioGro NZ Ltd	179,649	390,592
Total Receivables	179,649	390,592

10. Commitments

There are no commitments as at 31 March 2023 (Last year - nil).

11. Contingent Liabilities and Guarantees

The incorporation has no contingent liabilities at 31 March 2023 (Last year - The incorporation had contingent donation of \$23,500 as at 31 March 2022).

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.