

# 2021 Performance Report

Hawkes Bay Forestry Group Incorporated  
For the year ended 31 March 2021

Prepared by SBA Taradale

# Contents

3	Compilation Report
4	Entity Information
5	Statement of Service Performance
6	Statement of Financial Performance
7	Statement of Financial Position
8	Approval of Financial Report
9	Statement of Cash Flows
10	Statement of Accounting Policies
11	Notes to the Performance Report
14	Statement of Profit or Loss For Tax Purposes

# Compilation Report

## Hawkes Bay Forestry Group Incorporated For the year ended 31 March 2021

Compilation Report to the Directors of Hawkes Bay Forestry Group Incorporated.

### 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 Hawkes Bay Forestry Group 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 Committee 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 Hawkes Bay Forestry Group 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.

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JR Accounting Limited

T/a SBA Taradale

281 Gloucester Street

Taradale

Napier 4112

Dated: 8 June 2021

# Entity Information

## Hawkes Bay Forestry Group Incorporated For the year ended 31 March 2021

'Who are we?', 'Why do we exist?'

### Legal Name of Entity

Hawkes Bay Forestry Group Incorporated

### Entity Type and Legal Basis

Incorporated Society

### Registration Number

2631551

### Entity's Purpose or Mission

Enhance the business environment for commercial forestry growing and processing in the Hawkes Bay Region by bringing together in association participating persons and companies with a common interest in these enterprises and to promote well-managed plantation forestry in the Bay.

### Entity Structure

A Committee Comprising of:

- a.Chairman
- b.Deputy Chairman
- c.Secretary (Who may also be the Treasurer)
- d.Treasurer
- e.Four (4) and no more than eight (8) Members (including a,b,c,d)

### Main Sources of Entity's Cash and Resources

Raise money through membership for the purposes of the society business and Sponsorship

### Main Methods Used by Entity to Raise Funds

2021 financial year was largely Membership Contribution, other fund raising put on hold due to Covid-19

### Entity's Reliance on Volunteers and Donated Goods or Services

All involvement is voluntary

### Additional Information

# Statement of Service Performance

## Hawkes Bay Forestry Group Incorporated For the year ended 31 March 2021

'What did we do?', 'When did we do it?'

### Description of Entity's Outcomes

The Hawke's Bay Forestry Group Incorporated provides a forum for forest managers in Hawke's Bay to meet and discuss issues of common interest and establish a collective voice with a view to achieving the industry's aims collectively rather than individually. To uphold a positive industry image to the public. Promote the industry as a positive employment option for workers. Advocate with regulatory authorities including submissions on district and regional plans while promoting forestry.

### Description and Quantification of the Entity's Outputs

The society is to expend monies for the advancement of the objectives of the society and such other objectives as the committee may from time to time employ such professional or other persons or services as may in the opinion of the committee be expedient or necessary for the carrying out of the execution of many of the objectives of the society. No member of the organisation or any person associated with a member shall participate in or materially influence any decision made by the organisation in respect of the payment to or on behalf of that member or associated person of any income, benefit or advantage whatsoever. Any such income shall be reasonable or relative to that which would be paid in an arm's length transaction (deemed open market value).

### Additional Output Measures

Generally do all things whatsoever directly or indirectly incidental or ancillary to the objectives of the society, provided however that the foregoing provision shall not in any way limit the rights or powers conferred upon the society as a society incorporated under the incorporated society act 1908.

### Additional Information

Funds were used to retain a CEO to cover various promotional and career support in addition to a view to look at legal options for addressing treats.

# Statement of Financial Performance

## Hawkes Bay Forestry Group Incorporated For the year ended 31 March 2021

'How was it funded?' and 'What did it cost?'

	NOTES	2021	2020
<b>Revenue</b>			
<b>Donations, fundraising and other similar revenue</b>			
Sponsorship for Awards Dinner		2,487.06	72,543.48
Award Dinner Tickets		745.85	15,677.67
<b>Total Donations, fundraising and other similar revenue</b>		<b>3,232.91</b>	<b>88,221.15</b>
<b>Revenue from providing goods or services</b>			
Membership Fees ( OverDue)		-	5,217.39
Revenue -Membership Fees		43,500.00	43,500.00
<b>Total Revenue from providing goods or services</b>		<b>43,500.00</b>	<b>48,717.39</b>
<b>Interest, dividends and other investment revenue</b>			
<b>Interest</b>			
Interest Income		27.15	35.20
<b>Total Interest</b>		<b>27.15</b>	<b>35.20</b>
<b>Total Interest, dividends and other investment revenue</b>		<b>27.15</b>	<b>35.20</b>
<b>Total Revenue</b>		<b>46,760.06</b>	<b>136,973.74</b>
<b>Expenses</b>			
Volunteer and employee related costs	2	2,939.86	1,051.95
Costs related to providing goods or service	2	40,625.63	110,280.59
Other expenses	2	1,930.44	915.58
<b>Total Expenses</b>		<b>45,495.93</b>	<b>112,248.12</b>
<b>Surplus/(Deficit) for the Year</b>		<b>1,264.13</b>	<b>24,725.62</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

## Hawkes Bay Forestry Group Incorporated As at 31 March 2021

'What the entity owns?' and 'What the entity owes?'

	NOTES	31 MAR 2021	31 MAR 2020
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	3	66,004.18	57,567.30
Debtors and prepayments	3	-	8,668.09
<b>Total Current Assets</b>		<b>66,004.18</b>	<b>66,235.39</b>
RWT Paid		20.12	11.62
<b>Total Assets</b>		<b>66,024.30</b>	<b>66,247.01</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	4	1,134.56	2,621.41
Other current liabilities	4	1.55	1.54
<b>Total Current Liabilities</b>		<b>1,136.11</b>	<b>2,622.95</b>
<b>Total Liabilities</b>		<b>1,136.11</b>	<b>2,622.95</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>64,888.19</b>	<b>63,624.06</b>
<b>Accumulated Funds</b>			
Accumulated surpluses or (deficits)	6	64,888.19	63,624.06
<b>Total Accumulated Funds</b>		<b>64,888.19</b>	<b>63,624.06</b>

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

# Approval of Financial Report

## Hawkes Bay Forestry Group Incorporated For the year ended 31 March 2021

The Committee are pleased to present the approved financial report including the historical financial statements of Hawkes Bay Forestry Group Incorporated for year ended 31 March 2020.

APPROVED

\_\_\_\_\_  
Approved By: .....  
Position Held: .....  
Date .....

\_\_\_\_\_  
Seconded By: .....  
Position Held: .....  
Date .....

# Statement of Cash Flows

## Hawkes Bay Forestry Group Incorporated For the year ended 31 March 2021

'How the entity has received and used cash'

	2021	2020
<b>Cash Flows from Operating Activities</b>		
Fees, subscriptions and other receipts from members	-	6,000.00
Receipts from providing goods or services -Awards Dinner	5,485.94	99,686.25
Interest, dividends and other investment receipts	27.15	35.20
Cash receipts from other operating activities Membership Fees	56,925.00	43,125.00
GST	(5,391.16)	(5,337.53)
Payments to suppliers and employees	(48,601.56)	(124,733.71)
Cash flows from other operating activities	-	(96.27)
<b>Total Cash Flows from Operating Activities</b>	<b>8,445.37</b>	<b>18,678.94</b>
<b>Cash Flows from Investing and Financing Activities</b>		
Repayment received on loans made to other parties	-	10.00
Loans made to other parties	-	(10.00)
Cash Flows from Other Investing and Financing Activities	(8.49)	(10.08)
<b>Total Cash Flows from Investing and Financing Activities</b>	<b>(8.49)</b>	<b>(10.08)</b>
<b>Net Increase/ (Decrease) in Cash</b>	<b>8,436.88</b>	<b>18,668.86</b>
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	57,567.30	38,898.44
Cash and cash equivalents at end of period	66,004.18	57,567.30
Net change in cash for period	8,436.88	18,668.86

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

## Hawkes Bay Forestry Group Incorporated For the year ended 31 March 2021

'How did we do our accounting?'

### **Basis of Preparation**

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. 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.

### **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.

### **Income Tax**

Hawkes Bay Forestry Group Incorporated has fully complied with all statutory conditions required for tax purposes.

### **Bank Accounts and Cash**

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.

# Notes to the Performance Report

## Hawkes Bay Forestry Group Incorporated For the year ended 31 March 2021

	2021	2020
<b>1. Analysis of Revenue</b>		
<b>Donations, fundraising and other similar revenue</b>		
Membership Fees ( OverDue)	-	5,217.39
<b>Total Donations, fundraising and other similar revenue</b>	<b>-</b>	<b>5,217.39</b>
<b>Revenue from providing goods or services</b>		
Forest Enterprises Limited -Membership Fees	3,000.00	3,000.00
Forest Management Limited (FMNA) -Membership Fees	3,000.00	3,000.00
Forest Management NZ Limited (FMNZ)-Membership Fees	6,000.00	6,000.00
Mahia Forest Forest Limited -Membership Fees	3,000.00	3,000.00
Hawkes Bay Regional Council -Membership Fees	3,000.00	3,000.00
Juken NZ Limited -Membership Fees	6,000.00	6,000.00
John Turkington Limited -Membership Fees	3,000.00	3,000.00
Matariki Forests Limited -Membership Fees	6,000.00	6,000.00
NZ Forest Mangers Limited -Membership Fees	4,500.00	4,500.00
Pan Pac Limited -Membership Fees	6,000.00	6,000.00
Sales	745.85	15,677.67
Sponsorship	2,487.06	72,543.48
<b>Total Revenue from providing goods or services</b>	<b>46,732.91</b>	<b>131,721.15</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Income	27.15	35.20
<b>Total Interest, dividends and other investment revenue</b>	<b>27.15</b>	<b>35.20</b>
	2021	2020

## 2. Analysis of Expenses

### Volunteer and employee related costs

Travel Local	2,939.86	1,051.95
<b>Total Volunteer and employee related costs</b>	<b>2,939.86</b>	<b>1,051.95</b>

### Costs related to providing goods or services

Advertising	1,952.06	500.00
Award Costs	-	46,508.23
Bank Charges	-	10.00
Career Expo Fees / Costs	-	255.00
Consultancy	13,907.94	-
Management Fees	19,739.09	26,650.88
Meeting - Catering	592.28	197.57
Office Expense	137.39	-
Promotional Material	20.00	9,021.30
Subcontractor	-	24,919.45

	2021	2020
Website	4,276.87	2,218.16
<b>Total Costs related to providing goods or services</b>	<b>40,625.63</b>	<b>110,280.59</b>

**Other expenses**

Accountancy Fees	1,930.44	811.74
Interest Other IRD Use Of Money	-	7.57
IRD Penalties	-	85.37
Realised Currency Gains	-	10.90
<b>Total Other expenses</b>	<b>1,930.44</b>	<b>915.58</b>

2021                      2020

**3. Analysis of Assets****Bank accounts and cash**

HB Forestry Group Incorporated	66,004.18	57,567.30
<b>Total Bank accounts and cash</b>	<b>66,004.18</b>	<b>57,567.30</b>

**Debtors and prepayments**

Accounts Receivable (Xero)	-	8,668.09
<b>Total Debtors and prepayments</b>	<b>-</b>	<b>8,668.09</b>

**Other current assets**

RWT Paid	20.12	11.62
<b>Total Other current assets</b>	<b>20.12</b>	<b>11.62</b>

2021                      2020

**4. Analysis of Liabilities****Creditors and accrued expenses**

Accounts Payable (Xero)	757.90	-
GST	376.66	2,621.41
<b>Total Creditors and accrued expenses</b>	<b>1,134.56</b>	<b>2,621.41</b>

**Other current liabilities**

Rounding	1.55	1.54
<b>Total Other current liabilities</b>	<b>1.55</b>	<b>1.54</b>

2021                      2020

**5. Property, Plant and Equipment**

2021                      2020

**6. Accumulated Funds****Accumulated Funds**

Opening Balance	63,624.06	38,898.44
Accumulated surpluses or (deficits)	1,264.13	24,725.62
<b>Total Accumulated Funds</b>	<b>64,888.19</b>	<b>63,624.06</b>

<b>Total Accumulated Funds</b>	<b>64,888.19</b>	<b>63,624.06</b>
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2021

2020

## 7. Breakdown of Reserves

The reserves will be discussed at the AGM as the second event that was planned has been cancelled due to the world covid-19 pandemic

## 8. Commitments

There are no commitments as at 31 March 2020 (Last year - nil).

## 9. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 March 2020 Last year - nil.

2021

2020

## 10. Goods or Services Provided to the Entity in Kind

Description	2021	2020
	-	-

## 11. Assets Held on Behalf of Others

Nil assets held on behalf

## 12. Related Parties

There were no transactions involving related parties during the financial year.

## 13. 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).

## 14. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

# Statement of Profit or Loss For Tax Purposes

## Hawkes Bay Forestry Group Incorporated For the year ended 31 March 2021

	NOTES	2021	2020
<b>Taxable Income</b>			
Sales		745.85	15,677.67
Sponsorship		2,487.06	72,543.48
Interest Income		27.15	35.20
<b>Total Taxable Income</b>		<b>3,260.06</b>	<b>88,256.35</b>
<b>Expenses</b>			
Foreign Currency Gains and Losses		-	10.90
Accommodation and Travel		2,939.86	1,051.95
Accountancy Fees		1,930.44	811.74
Advertising		1,952.06	500.00
Award Costs		-	46,508.23
Bank Charges		-	10.00
Career Expo Fees / Costs		-	255.00
Consultancy		13,907.94	-
Interest Other IRD Use Of Money		-	7.57
Management Fees		19,739.09	26,650.88
Meeting - Catering		592.28	197.57
Office Expense		137.39	-
Promotional Material		20.00	9,021.30
Subcontractor		-	24,919.45
Website		4,276.87	2,218.16
<b>Total Expenses</b>		<b>45,495.93</b>	<b>112,162.75</b>
<b>Net Profit (Loss) Before Taxation</b>		<b>(42,235.87)</b>	<b>(23,906.40)</b>
<b>Other Income Non Taxable</b>			
<b>Membership Fees</b>			
Forest Enterprises Limited -Membership Fees		3,000.00	3,000.00
Forest Management Limited (FMNA) -Membership Fees		3,000.00	3,000.00
Forest Management NZ Limited (FMNZ)-Membership Fees		6,000.00	6,000.00
Mahia Forest Forest Limited -Membership Fees		3,000.00	3,000.00
Hawkes Bay Regional Council -Membership Fees		3,000.00	3,000.00
Juken NZ Limited -Membership Fees		6,000.00	6,000.00
John Turkington Limited -Membership Fees		3,000.00	3,000.00
Matariki Forests Limited -Membership Fees		6,000.00	6,000.00
NZ Forest Mangers Limited -Membership Fees		4,500.00	4,500.00
Pan Pac Limited -Membership Fees		6,000.00	6,000.00
<b>Total Membership Fees</b>		<b>43,500.00</b>	<b>43,500.00</b>
Membership Fees ( OverDue)		-	5,217.39
<b>Total Other Income Non Taxable</b>		<b>43,500.00</b>	<b>48,717.39</b>
<b>Taxation and Adjustments</b>			

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	NOTES	2021	2020
<b>Non Deductible Expenses</b>			
IRD Penalties		-	85.37
<b>Total Non Deductible Expenses</b>		-	<b>85.37</b>
<b>Total Taxation and Adjustments</b>			
		-	<b>85.37</b>
<b>Net Profit (Loss) for the Year</b>		<b>1,264.13</b>	<b>24,725.62</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.