



NZ Institute of
Primary Industry
Management

Annual Report

NZ Institute of Primary Industry Management Incorporated

For the year ended 28 February 2023



The President and Chief Executive's Report

The 2023 financial year was a year of growth for the Institute, investing in profile-building initiatives and a significant increase in Branch activity. Julian Gaffaney continued into his second term as President and the Chief Executive, Jo Finer, completed her first year with NZIPIM. Membership numbers continued to grow throughout the year, a new Branch was established in South Canterbury, and events were reactivated in five Branches where activity had waned. The Institute established a new presence at National Fielddays, in the form of a successful exhibit in the career's hub and a well-attended member's breakfast, both of which will be repeated in future years.

The Board, with support from the Chief Executive, refreshed the purpose statement and strategy of NZIPIM for the next 3-year horizon, to enable the Institute to progress with planning for the next phase. Strategic initiatives arising from the refresh included strengthening branches, lifting professional standards and promoting excellence, and growing capability and capacity of advisers for whenua Māori entities. A further initiative arising from the strategy refresh was to develop a leadership framework and implement associated capability build initiatives. A first step in this framework was running two leadership development forums for early career rural professionals in the latter half of the year, with funding support from AGMARDT.

The Institute continued to provide a broad range of relevant professional development opportunities to expand members' knowledge and capability to effectively support their farmer and grower clients, as well as providing platforms for members to grow their professional networks. During the year we held a total of 51 events with 16 of those delivered as on-line webinars. Our events continued to be well supported, reaching our greatest number of event attendees yet – 2,320 which was a 23% increase in attendance over the previous year. We are extremely grateful for our hard-working Branch chairs and committees who lead this work and continue to organise high quality and well supported events for members in the regions.

A highly successful National Conference was run in Hamilton in August 2022, themed – Thriving in 2030. The 2-day conference, attended by 180 people, involved 37 speakers and 13 sponsor organisations. 80% of attendees rated the conference 8/10 or above. NZIPIM again partnered with FARMAX to present the Emerging Rural Professional of the Year Award during the conference dinner, along with a number of prestigious Fellow and Life Member Awards.

The increase on-farm environmental regulations and growth in compliance requirements for farmers and growers has kept NZIPIM busy throughout the year as the Institute has continued to provide capability build programmes to equip members on related topics. This has included biological greenhouses gases, freshwater improvement, diversification of land use, and change management. NZIPIM partnered with Ministry for Primary Industries and the Ministry for the Environment to take a roadshow to eight locations the length of New Zealand to explain the pending Freshwater Farm Plan regulations. Additionally, there was a strong uptake of the Greenhouse Gas Seminars delivered in conjunction with the NZ

Agricultural Research Centre, with 15 workshops run on-line together with a number of informative webinars on sustainable farming practises. The Facilitation and Change Learning Programme was official transferred to NZIPIM from Beef+LambNZ and the first of these courses was delivered just prior to the close of the financial year.

Throughout the year, the Institute continued to experience strong membership support. In the year ending 28 February 2023, membership numbers lifted to 1,172, with an additional 180 student members.

Due to the investment in profile-building initiatives and Branch activities, which included bringing on a full-time event manager so support these activities, the Institute ran at a net loss before tax of \$101,117 for the year. The Board considers this an acceptable result given the pending increase in both membership and contract revenue which has been generated for the 2024 financial year, achieved by the increase in NZIPIM brand awareness and the value generated for members in the regions where Branch activity had ceased. Total income for the year lifted sharply to \$653,618, which was an increase from last year's revenue (2021: \$464,849). Expenditure for the year was \$753,337 before tax, which was up from the previous year (2021: \$477,083) as the Institute invested in growth and regional activity. Net assets held by or on behalf of members were valued at \$272,992 at the close of the financial year on 28 February 2023.

The Board and Chief Executive would like to acknowledge that NZIPIM exists only due to the loyalty and commitment of our members, the effort of Branch chairs and committees, and our strategic partners and corporate members. We would like to sincerely thank those who served on the Board throughout the financial year – Charlotte Glass, Jamie Gordon, Renee Hogg, Laura Keenan, Rob Macnab and David Macdonald as well as retiring Board members Carla Muller and Linda Townsend who finished their terms in August 2022 – plus the hard-working team at National Office who really stepped up to drive a significant increase in the Institutes activity throughout the year.



Julian Gaffaney
President



Jo Finer
Chief Executive

ENTITY INFORMATION

NZ INSTITUTE OF PRIMARY INDUSTRY MANAGEMENT INCORPORATED
AS AT 28 FEBRUARY 2023

REGISTERED OFFICE

Level 3
69 The Terrace
Wellington

INCORPORATION NUMBER

212853

ENTITY STRUCTURE**President**

Julian Gaffaney

Board Members

Charlotte Glass
Jamie Gordon
Laura Keenan
Rob Macnab
Renee Hogg

Independent Members

David Macdonald

ACCOUNTANTS

Bookkeeping & Accounting Solutions
9 Dart Crescent
Island Bay
Wellington 6023

AUDITORS

Kendons Chartered Accountants Limited
Kendon House
69 Rutherford St
Lower Hutt 5010

BANKERS

Bank of New Zealand
38 Willis Street
Wellington

ANZ
265 Jackson Street
Petone
Lower Hutt

APPROVAL OF FINANCIAL REPORT

NZ INSTITUTE OF PRIMARY INDUSTRY MANAGEMENT INCORPORATED
FOR THE YEAR ENDED 28 FEBRUARY 2023

On this date the President approves and issues the annual report including the financial statements for New Zealand Institute of Primary Industry Management Incorporated for the year ended 28 February 2023.

For and on behalf of the Council

APPROVED

A handwritten signature in black ink, appearing to read 'J. Gaffaney', with a small dot at the end.

Julian Gaffaney

President

Date 10 May 2023

STATEMENT OF PROFIT OR LOSSNZ INSTITUTE OF PRIMARY INDUSTRY MANAGEMENT INCORPORATED
FOR THE YEAR ENDED 28 FEBRUARY 2023

	NOTE	FEB-2023	FEB-2022
Revenue			
Membership Subscription		349,564	313,035
Journal Subscription		1,800	1,500
Registration Fee		2,927	2,650
Certification Fees		850	3,100
Conference Revenue		100,155	39,509
Strategic Partnership		20,000	20,000
Interest Income		7,884	2,868
Other Revenue	1	170,438	82,187
Total Revenue		653,618	464,849
Operating Expenses			
Auditor Remuneration		4,000	3,350
Certification Expense		3,253	4,069
Depreciation		7,465	1,773
Conference Expenses		49,592	16,937
Employment Costs		371,515	287,610
Journal Production Costs		60,216	51,369
Interest Expense		1,890	931
Other Expenses	2	255,406	111,044
Total Operating Expenses		753,337	477,083
Net Operating (Loss)/Profit before tax		(99,719)	(12,234)
less Income Tax Expense	3	1,398	262
Net (Loss)/Profit after tax		(101,117)	(12,496)

Notes:

This statement is to be read in conjunction with the Notes to the Financial Statements and accompanying audit report.

STATEMENT OF CHANGES IN EQUITYNZ INSTITUTE OF PRIMARY INDUSTRY MANAGEMENT INCORPORATED
AS AT 28 FEBRUARY 2023

	NOTE	FEB-2023	FEB-2022
Member Funds			
Opening Balance		202,260	214,756
Current Year Earnings		(101,117)	(19,666)
Transfer from/(to) Disciplinary Reserve Fund		0	7,170
Closing Balance Members Fund		101,143	202,260
Disciplinary Reserve Fund			
Opening Balance		23,235	30,405
Transfers (to) / from Member Funds		0	(7,170)
Closing Balance Disciplinary Reserve Fund		23,235	23,235
Registration Reserve Fund			
Opening Balance		39,257	39,257
Transfers from/(to) Member Funds		0	0
Closing Balance Registration Reserve Fund		39,257	39,257
Strategic Initiatives Reserve Fund			
Opening Balance		109,357	109,357
Transfers from/(to) Member Funds		0	0
Closing Balance Strategic Initiatives Reserve Fund		109,357	109,357
TOTAL EQUITY		272,991	374,109

Notes:

This statement is to be read in conjunction with the Notes to the Financial Statements and accompanying audit report.

BALANCE SHEET

NZ INSTITUTE OF PRIMARY INDUSTRY MANAGEMENT INCORPORATED
AS AT 28 FEBRUARY 2023

	NOTE	FEB-2023	FEB-2022
ASSETS			
Current Assets			
Cash & Bank		238,894	169,614
Accounts Receivable		7,320	1,013
Term Deposits	4	168,981	367,089
Other Receivables	5	10,183	18,385
Total Current Assets		425,378	556,101
Non-Current Assets			
Property, Plant & Equipment	6	14,871	6,451
Total Non-Current Assets		14,871	6,451
TOTAL ASSETS		440,249	562,552
LIABILITIES			
Current Liabilities			
Accounts Payable		19,866	33,673
Income Tax Payable	3	1,398	262
Income Received in Advance		29,840	55,786
Other Current Liabilities	7	19,778	4,732
Total Current Liabilities		70,882	94,453
Non-Current Liabilities			
Branch Funds held in Trust	8	96,375	93,990
Total Non-Current Liabilities		96,375	93,990
TOTAL LIABILITIES		167,257	188,443
NET ASSETS		272,992	374,109
EQUITY			
Members Funds		101,143	202,260
Disciplinary Reserve Fund		23,235	23,235
Registration Reserve Fund		39,257	39,257
Strategic Initiatives Reserve Fund		109,357	109,357
TOTAL EQUITY		272,991	374,109

Notes:

This statement is to be read in conjunction with the Notes to the Financial Statements and accompanying audit report.

President
10 May 2023

Chief Executive Office
10 May 2023

STATEMENT OF ACCOUNTING POLICIES

NZ INSTITUTE OF PRIMARY INDUSTRY MANAGEMENT INCORPORATED
FOR THE YEAR ENDED 28 FEBRUARY 2023

Reporting Entity

New Zealand Institute of Primary Industry Management Incorporated (the Institute) is an incorporated society registered under the Incorporated Societies Act 1908.

The Institute is the peak industry body for the rural profession and is primarily funded by an annual membership subscription. The core purpose of the organisation is to build the capability, capacity and professional excellence of primary industry professionals within New Zealand. Our members come from a diverse range of occupations, including farm management advisors, rural bankers, farm accountants, fertiliser consultants, rural valuers, representatives from industry good organisations, CRIs, universities, and agribusiness service providers.

Basis of Preparation

The financial statements have been prepared in accordance with the Special Purpose Financial Reporting Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand and considered by the Institute to be an appropriate framework on which to prepare the financial statements.

The financial statements have been prepared for its members and to meet the reporting requirements set by the Incorporated Societies Act 1908 and Inland Revenue Department.

It is considered by the Board to be an appropriate framework on which to prepare the Institutes financial statements. Reliance is placed on the Institute continuing as a going concern.

Measurement Basis

These financial statements have been prepared on a historical cost basis, unless otherwise stated. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied.

a) Accounting Policies

The company transitioned on 1 March 2019 from preparation of general-purpose financial reporting in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) to special purpose financial reporting in accordance with SPFR for FPEs. The transition had no impact on the accounting policies of the Institute.

Polices have been applied on a consistent basis with those of the previous reporting period.

b) Comparatives

Where appropriate, the comparative figures have been restated to conform with this year's presentation.

c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for membership fees, to the extent it is probable that the economic benefits will flow to the entity and revenue can be reliably measured.

Revenue from grants and contracts are recognised as income when earned. If conditions are attached to a grant or contract that would require it to be repaid if those conditions were not met, then the income received is recorded as a liability under Income Received in Advance to the extent that the conditions have not yet been met at the reporting date.

STATEMENT OF ACCOUNTING POLICIES CONTINUED

d) Accounts Receivable

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

e) Investments

Investments are stated at cost.

f) Property, Plant & Equipment

Property, plant and equipment and investment property are stated at historical cost less any accumulated depreciation. Depreciation is calculated on a diminishing value basis using depreciation rates published by Inland Revenue. The following depreciation rates have been used:

Computer Equipment - 20% Diminishing Value
Office Equipment - 20% Diminishing Value
Software - 50% Diminishing Value

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

g) Income Tax

Income Tax expense shown in the Statement of Profit and Loss recognises the current obligations for the period, calculated using the Taxes Payable method.

The Institute has non-profit status with Inland Revenue and is exempt from Resident Withholding Tax on interest income. Generally, any surplus arising from normal transactions within the membership of the Institute is exempt from income tax under the Mutuality Principle. Any surplus reported for the Annual Conference has not accounted for any indirect operational costs incurred. The Institute has calculated that the events would not make any surplus after these costs are allocated.

h) Goods and Services Tax

These financial statements have been prepared on a GST exclusive basis except for accounts receivable and accounts payable which are stated inclusive of GST.

i) Branch Reserves

Branch reserves are recorded as non-current liabilities in accordance with the Society's rules and consideration of CAANZ standard SPFR for FPEs (para 2.30 – 2.32 and para 2.45). Branch reserves are held in term deposits and any movements in branch reserves are recorded as they occur in the general ledger.

j) Changes in Accounting Policy

There were no changes in accounting policies during the year.

NOTES TO THE FINANCIAL STATEMENTSNZ INSTITUTE OF PRIMARY INDUSTRY MANAGEMENT INCORPORATED
FOR THE YEAR ENDED 28 FEBRUARY 2023**NOTE 1 - OTHER REVENUE**

	2023	2022
Contract Income	118,062	78,732
Careers Pathway Scheme	8,050	0
Leadership Development Programme	40,000	0
Professional Development Events Income	539	1,596
Fieldays Revenue	2,121	0
Other Revenue	1,666	1,859
Total Other Revenue	170,438	82,187

NOTE 2 - OTHER EXPENSES

	2023	2022
ACC & Insurance	2,549	2,507
Bank Fees	2,754	2,914
Board Expenses	24,418	9,505
Branch Chair Meeting Costs	4,807	196
Branch Development	16,329	16,856
Branch Grants	9,791	3,575
Computer Expenses	6,511	4,914
Consulting	5,885	11,715
Contract Project Expenses	71,946	17,333
Database Expenses	5,400	5,400
Fieldays Expenses	10,321	0
General Expenses	6,783	5,273
General Printing & Stationery	2,211	3,447
Legal Expenses	4,415	1,250
Leadership Development Programme Costs	43,611	0
Loss on disposal of asset	630	
Presidents Honorarium	3,500	5,669
Professional Development Events Expenses	3,972	3,508
Rent Expense	9,026	9,026
Subscriptions	2,461	2,390
Telephone & Internet	1,658	2,324
Travel & Accommodation	16,428	3,297
Total Other Expenses	255,406	111,044

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

NOTE 3 - INCOME TAX EXPENSE

	2023	2022
Net Profit Before Tax	(99,719)	(12,234)
Less Tax-exempt Income	(645,734)	(461,981)
Add Expenses Incurred in Deriving Tax-exempt Income	751,447	476,152
	5,994	1,937
Less Not for Profit Income Tax Deduction	(1,000)	(1,000)
Total Taxable Income	4,994	937
Tax Payable at 28%	1,398	262
Terminal Tax Paid/(Refund)	0	0
Income Tax Payable	1,398	262

NOTE 4 - TERM DEPOSIT INVESTMENT

	2023	2022
ANZ Investments	58,621	57,729
BNZ Investments	110,360	309,360
Total Other Receivables	168,981	367,089

NOTE 5 - OTHER RECEIVABLES:

	2023	2022
Accrued Revenue	1,561	2,256
Prepayments	8,622	16,129
Total Other Receivables	10,183	18,385

NOTE 6 - PROPERTY, PLANT & EQUIPMENT

	2023	2022
Computer Equipment		
Cost	18,806	18,415
Accumulated Depreciation	(13,739)	(13,470)
Net Book Value - Computer Equipment	5,067	4,945
Office Equipment		
Cost	4,217	4,217
Accumulated Depreciation	(3,338)	(2,711)
Net Book Value - Office Equipment	879	1,506
Software/Website		
Cost	14,280	0
Accumulated Depreciation	(5,355)	0
Net Book Value - Software/Website	8,925	0
Total Property, Plant & Equipment	14,871	6,451

NOTE 7 - OTHER CURRENT LIABILITIES

	2022	2022
Accrued Expenses	13,030	13,252
PAYE Payable	9,543	1,856
Credit Card	2,377	482
GST Payable/ (Refund)	(5,172)	(10,858)
Total Other Current Liabilities	19,778	4,732

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

NOTE 8 – BRANCH FUNDS HELD IN TRUST

	2023	2022
C D Branch Reserve Fund	3,431	3,364
Canterbury Westland Fund	34,249	35,572
Hawkes Bay Branch Reserve Fund	10,933	10,078
Marlborough/Nelson Branch Reserve Fund	66	64
Northland Branch Reserve Fund	638	526
Otago/Southland Branch Reserve Funds	3,873	3,547
Rotorua/BoP Branch Reserve Funds	7,485	7,278
South Canterbury/North Otago	224	0
Taranaki Reserve Funds	201	157
Waikato Branch Reserve Fund	21,550	19,948
Wellington/Wairarapa Branch Reserve Fund	13,725	13,456
Total Other Current Liabilities	96,375	93,990

NOTE 9 – COMMITMENTS

On the 5th December 2022 notice was given that the existing lease arrangements for the rental of the office at Level3, 69 The Terrace, Wellington would not be renewed for a further term. The current lease arrangement expires on the 30 June 2023. The Institute has not entered into any new lease arrangements for rent.

OPERATING LEASE COMMITMENTS

	2023	2022
Current Commitment	3,009	9,026
Non-Current Commitment	0	3,009
Total Operating Lease Commitment	3,009	12,034

There were no other capital or operating commitments as at 28 February 2023 (2022 \$Nil).

NOTE 10 – CONTINGENT LIABILITIES

There were no contingent liabilities as at 28 February 2023 (2022 \$Nil).

NOTE 11 – RELATED PARTIES

All related party transactions have been entered into on an arm's length basis.

PERRIN AG CONSULTANTS LIMITED – CARLA MULLER

	2023	2022
NZIPIM Board Member and Shareholder of Perrin Ag Consultants Limited provided consulting services during the year.	5,885	10,615
Total Related Party Transaction	5,885	10,615

NOTE 12 – SUBSEQUENT EVENTS

There has been no events that have occurred after the balance date that would have a material impact on the Performance Report nr that might affect the continued operation of the Society.

NOTE 13 – GOING CONCERN

The financial statements have been prepared on a going concern basis, which assumes the entity will continue to operate in the foreseeable future and will have sufficient cash to pay its debts, as and when they become payable, for a period of at least 12 months from the date the performance report was authorised for issue.

The Board of Directors confirm their assumption that the Society is a going concern, and no significant uncertainty exists in this respect. This assumption is based on budgets and long-term forecasts for the following years.

INDEPENDENT AUDITOR'S REPORT

To the Members of New Zealand Institute of Primary Industry Management Incorporated

Opinion

We have audited the financial statements of New Zealand Institute of Primary Industry Management Incorporated on pages 4 to 12, which comprise the balance sheet as at 28 February 2023, and statement of profit or loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of New Zealand Institute of Primary Industry Management Incorporated as at 28 February 2023, and its financial performance for the year then ended, in accordance with Special Purpose Financial Reporting Framework for For-Profit Entities (SPFR for FPEs), issued by Chartered Accountants Australia & New Zealand.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of New Zealand Institute of Primary Industry Management Incorporated in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, New Zealand Institute of Primary Industry Management Incorporated.

Emphasis of Matter - Basis of Accounting

We draw attention to Statement of Accounting Policies to the financial statements, which describes the basis of accounting. The financial statements have been prepared for its members and to meet the reporting requirements set by the Incorporated Societies Act 1908 and Inland Revenue Department. As a result, the financial statements may not be suitable for another purpose.

Other Information

The Board are responsible for the other information. The other information comprises the information included in the Entity Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Board' Responsibility for the Financial Statements

The Board are responsible on behalf of the entity for determining that the SPFR for FPE framework adopted is acceptable in New Zealand Institute of Primary Industry Management Incorporated's circumstances, the preparation of financial statements, and for such internal control as the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

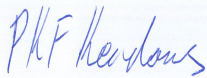
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Kendons Chartered Accountants Limited
Lower Hutt
29 May 2023