

New Zealand Grasslands Association (Inc)

Financial Report

**For the Year Ended
31 July 2009**

New Zealand Grasslands Association (Inc)

**Financial Report
For the Year Ended 31 July 2009**

CONTENTS

Page 3	Audit Report
Page 4	Society Directory
Page 5	Publication Trading Account
Page 6	Statement of Financial Performance
Page 7	Statement of Movements in Equity
Page 8	Statement of Financial Position
Page 9-12	Notes to the Financial Statements
	Schedule of Fixed Assets & Depreciation

New Zealand Grasslands Association (Inc)

Chartered Accountants' Statement For the Year Ended 31 July 2009

Methodology

Using information that you have provided, we have compiled the financial statements of New Zealand Grasslands Association (Inc) for the period ended 31 July 2009.

The financial statements are prepared in accordance with the NZ Institute of Chartered Accountants, Service Engagement Standard No.2 which specifies mandatory standards that apply to all members and firms who undertake engagements to compile financial information.

Additional information detailing the Accounting Policies used is contained in the accompanying notes to these Financial Statements.

Responsibilities

The objective of a compilation engagement is to apply procedures involving the use of accounting expertise to present financial information. We have prepared these Financial Statements exclusively for your benefit.

You are responsible for ensuring that the Financial Statements meet your needs and that the methods applied are appropriate for the purpose that the Financial Statements have been prepared.

No audit or review engagement undertaken

A compilation is limited to the collection, classification and summarisation of financial information supplied by the client. A compilation does not involve the verification of that information. We have not carried out an audit or a review assignment on the financial statements and therefore, neither we nor any of our employees accept any responsibility or liability for the accuracy of the information from which the financial statements have been prepared.

Further, the financial statements have been prepared at the request of and for the purpose of the client only and neither we nor any of our employees accept any responsibility on any ground whatever, including liability in negligence, to any other person, and any reliance on these financial statements by such a person is entirely the decision, responsibility and at the risk of that person.

Keogh McCormack Limited
Chartered Accountants
Dunedin

30 October 2009

New Zealand Grasslands Association (Inc)

**Society Directory
as at 31 July 2009**

Nature of Business:	To facilitate the transfer of pastoral technology from the lab to the farm
Business Location:	Dunedin
IRD Number:	11-791-875
Date of Incorporation:	14 February 1951
Registered Office:	11 Montrose Street Dunedin
President:	Pat Garden
Vice President:	Anders Crofoot
Executive Secretary:	Marie Casey
Bankers:	Bank of New Zealand
Accountants:	Keogh McCormack Limited Level 7, Radio Otago House 248 Cumberland Street Dunedin
Auditors:	Clarke Craw & Partners 2 Clarke Street Dunedin

New Zealand Grasslands Association (Inc)

**Publication Trading Account
 For the Year Ended 31 July 2009**

	\$	This Year \$	Last Year \$
Income			
Sales		5,352	8,898
Less: Cost of Goods Sold			
Opening Stock	28,031		28,104
NZ Grasslands Share of Revenue	500		2,050
Publications	1,597		1,338
	<u>30,128</u>		<u>31,492</u>
Closing Stock	29,843		28,031
	<u>285</u>		<u>3,461</u>
Cost of Goods Sold		<u>5,067</u>	<u>5,437</u>

New Zealand Grasslands Association (Inc)

**Statement of Financial Performance
For the Year Ended 31 July 2009**

	Note	\$	This Year \$	Last Year \$
Operating Income				
Gross Profit/(Loss) From Publications			5,067	5,437
Sponsorship - AgResearch			10,000	10,000
Sponsorship - Conference			49,150	29,500
Conference Income			77,680	92,861
Subscriptions			57,629	46,262
Sundry Income			523	705
Total Gross Income			200,049	184,765
Less Expenses				
Accountancy Fees		2,272		2,054
Audit Fees		5,504		2,000
Bad Debts Written Off		220		158
Bank Charges		3,043		3,334
Conference Expenses		89,558		87,390
Executive Expenses		4,404		3,787
Executive Secretary		40,685		50,000
Insurance		1,633		1,584
Interest Expenses		19		760
Newsletters		1,791		2,189
Printing, Stationery & Communications		7,228		10,603
Proceedings		17,012		13,545
Promotional Expenses		142		36
Subscriptions - Royal Society of NZ		75		595
Travelling Expenses		7,428		6,360
Wages		1,200		1,600
Total Cash Expenses		182,214		185,995
Depreciation		425		1,061
Total Expenses			182,639	187,056
Operating Surplus/(Deficit)			17,410	(2,291)
Other Income				
Interest Received		5,692		8,555
			5,692	8,555
Net Surplus/(Deficit) Before Tax			23,102	6,264
Less Estimated Tax for Year	4		1,301	2,246
Net Surplus/(Deficit) After Tax			21,801	4,018

New Zealand Grasslands Association (Inc)

**Statement of Movements in Equity
 For the Year Ended 31 July 2009**

	\$	This Year \$	Last Year \$
Equity at Start of the Year		115,816	111,798
Net surplus/(deficit) for the year	21,801		4,018
Total recognised revenues and expenses for the year		21,801	4,018
Equity at End of the Year		137,617	115,816

New Zealand Grasslands Association (Inc)

**Statement of Financial Position
as at 31 July 2009**

	Note	\$	This Year \$	Last Year \$
Equity				
Equity at End of the Year			137,617	115,816
Equity is represented by:				
Current Assets				
BNZ - Cheque Account		2,952		10,083
Accounts Receivable		30,671		15,452
Stock on Hand		29,843		28,031
Prepayments		13,410		5,000
GST Receivable				3,325
Total Current Assets		76,876		61,891
Non Current Assets				
Investments	3	82,942		90,210
Fixed Assets as per Schedule	2	282		707
Total Non Current Assets		83,224		90,917
Total Assets			160,100	152,808
Current Liabilities				
Accounts Payable		14,589		24,652
GST Payable		894		
Taxation Payable	4	2,557		2,948
Subscriptions Received in Advance		4,443		9,392
Total Current Liabilities		22,483		36,992
Total Liabilities			22,483	36,992
Net Assets/(Liabilities)			137,617	115,816

Pat Garden

_____ President

_____ Date

New Zealand Grasslands Association (Inc)

Notes to the Financial Statements For the Year Ended 31 July 2009

Note 1

Statement of Accounting Policies

Reporting Entity

The financial statements presented here are for the reporting entity New Zealand Grasslands Association (Inc). The financial statements have been prepared in accordance with the Incorporated Societies Act 1908 and generally accepted accounting practice.

Measurement Base

Unless otherwise stated the accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis have been followed.

Audit

These financial statements have been subject to Audit. A copy of the Auditors Report is included at page 3.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

Accounts Receivable are stated at their estimated realisable value. Debts considered uncollectible are written off. There is no other provision for doubtful debts.

Stock on Hand has been valued at the lower of cost or market selling value. Cost is determined using the permitted cost valuation method per the IRD, being either cost, replacement value, or discounted selling price.

The market selling value of stock calculated under tax rules, does not materially differ from net realisable value, calculated under GAAP (FRS4).

Fixed Assets are stated at cost less accumulated depreciation. Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2004. The depreciation rates used are shown in the Fixed Asset Schedule.

Taxation expense charged against the profit for the year is the estimated total tax for the year in accordance with the taxation return to the Inland Revenue Department.

The Association is only subject to Income Tax on income beyond \$1,000 outside its circle of membership.

Investments are valued at cost.

New Zealand Grasslands Association (Inc)

**Notes to the Financial Statements
For the Year Ended 31 July 2009**

Goods and Services Tax: The Statement of Performance has been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of accounts receivables and payables.

Subscriptions: Member subscriptions are accounted for upon receipt, together with an accrual for subscriptions related to the current year expected to be collected.

Differential Reporting: The entity qualifies for differential reporting as it is not publicly accountable and the entity does not qualify as a large entity.

The entity has therefore taken advantage of all applicable differential reporting exemptions.

Changes in Accounting Policies

There have been no changes in accounting policies which have been applied on bases consistent with those used in previous years.

Note 2

Fixed Assets

	Cost \$	Accum Depn. \$	This Year Book Value \$	Last Year Book Value \$
Plant & Equipment	502	442	60	150
Web Site	6,610	6,388	222	557
Total Fixed Assets	<u>7,112</u>	<u>6,830</u>	<u>282</u>	<u>707</u>

Note 3

Investments

	This Year \$	Last Year \$
BNZ - Term Investment 3012	42,407	39,191
BNZ - Term Investment 3013	-	51,019
BNZ - Term Investment 3018	40,535	-
Total Investments	<u>82,942</u>	<u>90,210</u>

New Zealand Grasslands Association (Inc)

**Notes to the Financial Statements
For the Year Ended 31 July 2009**

Note 4

Taxation

The Association is only subject to Income Tax on income beyond \$1,000 outside its circle of membership.

	This Year	Last Year
	\$	\$
Net Surplus/(Deficit) for Year	23,102	6,264
Estimated Tax on Surplus	1,301	2,246
Balance to Pay Current Year	1,301	2,246
Add Prior Years Balance to Pay	1,256	703
	2,557	2,949

Note 5

Capital Reserves

There have been no movements in Capital Reserves this year.

Note 6

Revenue Reserves

The following movements in Revenue Reserves have occurred:

	This Year	Last Year
	\$	\$
Retained Earnings		
Opening Balance	115,816	111,798
Net Income Earned This Year	21,801	4,018
Closing Balance	137,617	115,816

Note 7

Capital Commitments

There are no capital commitments at balance date. (2008:\$ Nil)

New Zealand Grasslands Association (Inc)

**Notes to the Financial Statements
For the Year Ended 31 July 2009**

Note 8

Contingent Liabilities

There are no contingent liabilities at balance date. (2008:\$ Nil)