



Financial Statements

for the year ended 31 March 2015

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Kiwifruit New Zealand

Directory

for the year ended 31 March 2015

Nature of Business

Regulatory Body

Sir Brian Elwood (Chairman)
Hendrik Pieters (Deputy Chairman)
Andrew Fenton
Ian Greaves
Ruth Lee

Chief Executive

Richard Procter

Auditors

Bennetts Proactive Accountants Limited, Te Puke

Bankers

ANZ Bank, Tauranga

Kiwifruit New Zealand

Income & Expenditure

for the year ended 31 March 2015

	2015 \$	2014
Income		
Funding from Zespri Group Ltd	390,309	351,487
Collaborative Marketing Fees	252,235	222,984
Interest Received	4,176	3,804
O.I.A Investigation Income	-	5,474
Miscellaneous Income	-	-
Total Income <i>(refer note 2, page 10)</i>	646,719	583,748
Less Expenses		
Board	165,257	166,161
Executive	128,340	112,707
Collaborative Marketing	306,162	271,139
Operations	20,622	12,266
Overheads	24,785	20,690
Total Expenses	645,166	582,963
Net Operating Surplus / (Deficit) Before Income Tax	1,553	785
Income tax expense	(652)	(785)
Net Surplus (Deficit) after Prior Period Adjustments and Income Tax	901	(0)
Accumulated Funds at the beginning of the financial year	20,241	20,241
Accumulated Funds at the end of the financial year	21,142	20,241

These financial statements must be read in conjunction with the Audit Report, Accounting Policies and Notes set out on pages 9-12

Kiwifruit New Zealand

Schedule of Expenses

for the year ended 31 March 2015

	2015	2014
	\$	\$
Board		
Chairmans Honorarium 67%	52,930	55,878
Members Honorarium 62%	74,790	72,912
Elections	4,357	1,260
General Expenses	1,364	1,783
Industry Relations	-	-
Insurance - D & O	9,158	9,158
Memberships	609	-
O'seas Travel; Flight/Accom 25%	8,215	9,951
O'seas Travel; Per Diem 25%	2,109	3,000
Spec Meet, Conference, Seminar	122	-
Travel NZ; Accom/ Meals	2,764	3,411
Travel NZ; Flights/Taxi/Rental	4,939	5,717
Vehicle Mileage	3,902	3,092
Total Board Expenses	165,257	166,161
Executive		
Salaries - 47%	116,213	98,708
KNZ Kiwisaver Contribution 47%	2,921	2,199
General Expenses	1,807	3,595
Industry Relations	200	232
Insurance - D & O	1,832	1,832
Staff Training & Conferences	-	-
Travel NZ; Accom/ Meals	19	151
Travel NZ; Flights/Taxi/Rental	585	451
O'seas Tvl; Flight/Accom 25%	3,439	2,277
Temp Wages	943	2,498
Vehicle Mileage (Executive)	381	765
Total Executive Expenses	128,340	112,707

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Kiwifruit New Zealand

Schedule of Expenses

for the year ended 31 March 2015

	2015 \$	2014 \$
Collaborative Marketing		
Chairmans Honorarium 33%	26,070	27,522
Members Honorarium 38%	45,839	44,688
Executive Salary 53%	131,049	109,541
KNZ Kiwisaver Contribution 53%	3,294	2,480
CM Investigation	12,807	1,764
General Expenses	906	341
Media Advertising	2,500	2,500
Member CMC Fees	19,465	18,400
O'seas Travel; Per Diem 75%	7,500	9,000
O'seas Travel; Flight/Accom 75% (Directors)	25,145	29,852
O'seas Travel; Flight/Accom 75% (Exec)	9,817	6,639
Overheads - CM Share 46%	21,021	17,625
Travel NZ; Accom/ Meals	148	-
Travel NZ; Flights/Taxi/Rental	601	787
Vehicle Mileage	-	-
Total Collaborative Marketing Expenses	306,162	271,139
Operations		
O.I.A Investigation Costs	670	516
Chairman/CEO Recruitment	9,029	-
Consultancy	1,667	2,875
Legal, Prof Fees & Research	1,340	3,845
Communications	7,917	5,030
Total Operations Expenses	20,622	12,266
Administration and Overheads		
General Expenses	282	-
Insurance - Other (non-D&O)	904	785
ACC Levies	650	653
Accounting	280	280
Bank Service Charge	453	396
Depreciation Expense	2,745	4,001
External Audit Fee (refer note 4, page 10)	3,000	2,950
Information Systems	15,441	8,905
Material Damage Insurance	99	-
Postage & Courier	596	648
Printing & Stationery	6,006	5,694
Rent & Outgoings	12,244	10,836
Share of General Overheads	(21,021)	(17,625)
Telephone & Fax	3,108	3,167
Total Administration and Overheads	24,785	20,690
Other Income/Expense		
Income tax expense	652	785
Total Other Income/Expense	652	785

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Kiwifruit New Zealand

Statement of Movements in Equity

for the year ended 31 March 2015

for the year ended 31 March 2015

Total Recognised Revenues and Expenses for the Year

Total Income

Movement in Equity for the Year

Equity at End of the Year

2015 \$	2014 \$
20,241	20,241
901	(0)
901	(0)
21,142	20,241

Kiwifruit New Zealand

Statement of Financial Position

for the year ended 31 March 2015

	2015	2014
	\$	\$
Current Assets		
ANZ Bank Savings Account	216,987	216,169
ANZ Bank Cheque Account	14,130	-
Accounts Receivable	25,433	95,540
Income Tax Receivable (refer note 7, page 11)	-	236
Foreign Currency Held	6,313	5,547
Southern Cross Clearing Account	1,066	1,052
Resident Withholding Tax	142	-
Total Current Assets	264,072	318,543
Fixed Assets		
Per Schedule (Page 13)	9,620	6,399
Total Non Current Assets	9,620	6,399
Total Assets	273,692	324,942
Current Liabilities		
ANZ Bank Cheque Account	-	49,777
Creditors Accruals	189,107	237,419
GST Control Account	822	1,981
Accounts Payable	22,565	6,263
PAYE Clearing Account	9,557	9,262
Reporting Pre-Payment	30,500	-
Total Current Liabilities	252,550	304,702
Total Liabilities	252,550	304,702
Net Assets	21,142	20,241
Accumulated Funds		
Accumulated Funds	21,142	20,241
Total Accumulated Funds	21,142	20,241

For and on behalf of Kiwifruit New Zealand:

Chairman

Board Member

Date

Date

These financial statements must be read in conjunction with the Audit Report, Accounting Policies and Notes set out on pages 9-12

Kiwifruit New Zealand

Statement of Cash Flows

for the year ended 31 March 2015

	2015 \$	2014 \$
Cash flows from operating activities		
Receipts from Zespri & Collaborative Marketers	681,737	632,320
Payments to suppliers and employees	(613,124)	(550,822)
Interest received	4,176	3,804
Tax Paid on interest	(731)	(666)
Total cash flows from operating activities	72,058	84,637
Cash flows from investing activities		
Investment in fixed assets	(6,567)	(5,445)
Total cash flows from investing activities	(6,567)	(5,445)
Net increase/(decrease in cash held	65,492	79,192
Reconciliation of surplus/(deficit) to cash flows cash flows from operating activities		
Operating surplus/(deficit) after tax for the year	901	0
Non - cash items		
Depreciation & loss on disposal of fixed assets	2,745	4,001
Deferrals or accruals of past or future operating cash		
Decrease (increase) in receivables	70,107	(78,390)
Decrease (increase) in payables	(8,355)	153,462
Decrease in interest payable	-	-
Decrease in income tax payable	93	119
Net Cash Inflow / Outflow from Operating Activities	65,492	79,192
Movement in Cash and Cash Equivalents		
Cash at the beginning of the financial year	171,939	92,747
Cash inflow / outflow for the year	65,492	79,192
Cash at the end of the financial year	237,430	171,939
Represented by:		
National Bank Cheque Account	14,130	(49,777)
Foreign Currency	6,313	5,547
National Bank Savings Account	216,987	216,169
	237,430	171,939

These financial statements must be read in conjunction with the Audit Report, Accounting Policies and Notes set out on pages 9-12

Kiwifruit New Zealand

Notes to the Financial Statements

for the year ended 31 March 2015

1 Statement of Accounting Policies

Reporting Entity

These financial statements are for Kiwifruit New Zealand, and are a general purpose report which has been prepared in accordance with generally accepted accounting practices.

Measurement Base

The accounting principle recognised as appropriate for the measurement and reporting of earnings and financial position on a historical basis is followed by the entity except as may be indicated in specific accounting policies below.

Specific Accounting Policies

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

Differential Reporting

The Company and Group are qualifying entities within the Framework for Differential Reporting. The Company and Group qualify on the basis that they are not publicly accountable and the entity is not large, having revenue, assets and employees of number less than the respective thresholds. The entity has taken advantage of all differential reporting exemptions with the exception that the entity has prepared a Statement of Cashflows that complies with Financial Reporting Standard 10.

(a) Accounts Receivable

Accounts Receivable are stated at their anticipated realisable value. Bad debts are written off during the year they are identified, with appropriate adjustment being made as at balance date for any doubtful debts that may exist.

(b) Income Tax

In previous years the Directors received a written tax opinion that Kiwifruit New Zealand is only liable to pay tax on interest income received, and that any surplus retained at the year end from all other activities is non taxable. The basis of this tax opinion is that Kiwifruit New Zealand is prohibited from making a profit under Regulation 35 of the Kiwifruit Regulations 1999 under which it was established. A reassessment of the 2001 taxation assessment has been sought from Inland Revenue which is expected to result in a refund of tax paid.

(c) Fixed Assets

Fixed Assets are stated at cost (unless otherwise noted below) less accumulated depreciation, and are as recorded on the Schedule of Fixed Assets and Depreciation that form part of these financial statements.

These financial statements must be read in conjunction with the Audit Report, Accounting Policies and Notes set out on pages 9-12

Kiwifruit New Zealand

Notes to the Financial Statements

for the year ended 31 March 2015

(d) Depreciation

Depreciation has been calculated using the rates provided for taxation purposes in the Income Tax Act. The particular rates and method of depreciation applied are as recorded on the Schedule of Fixed Assets and Depreciation that form part of these financial statements.

(e) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, where income and Fixed Assets have been recorded exclusive of GST. Accounts Receivable and Accounts Payable are recorded in the Statement of Financial Position inclusive of GST. GST owing to or by the entity at balance date, as recorded in the Statement of Financial Position, has been determined on an accruals basis.

(f) Changes in Accounting Policies

There have been no changes in Accounting Policies, which have been applied on a basis consistent with those used in previous years.

2 Operating Income

The income of Kiwifruit New Zealand is from Zespri Group Limited and Collaborative Marketing fees, (as provided for in the Kiwifruit Export Regulations), interest on surplus cash held from time to time, and charges made in respect of requests for information under the Official Information Act. (OIA)

	2015	2014
	\$	\$
Zespri Group Ltd (Regulation 39 (a))	390,309	351,487
Collaborative Marketing Fees (Regulation 39 (b))	252,235	222,984
Interest Received	4,176	3,804
O.I.A Investigation Income	-	5,474
Miscellaneous Income	-	-
Total Operating Revenue	646,719	583,748

3 Related Party Transactions

During the year the entity had transactions with related parties. Board Members received payments for Members Fees and per diem allowances for overseas travel and collaborative marketing committee meetings, and reimbursement of expenditure incurred on behalf of Kiwifruit New Zealand. In addition, the Chairman was reimbursed from some additional work undertaken during the year. This work was undertaken at below market rates, and resulted in KNZ's costs being understated by an estimated \$20,000. These amounts are disclosed in the accounts under Board and Collaborative Marketing Expenses.

4 Auditors Remuneration

	2015	2014
	\$	\$
Amounts paid or due and payable to the auditors for auditing the financial statements:	<u>3,000</u>	<u>3,000</u>

These financial statements must be read in conjunction with the Audit Report, Accounting Policies and Notes set out on pages 9-12

Kiwifruit New Zealand

Notes to the Financial Statements

for the year ended 31 March 2015

5 Remuneration of Directors

Remuneration received or receivable by Board Members of Kiwifruit New Zealand is as follows:

	2015 \$	2014 \$
Chairman:		
Sir Brian Elwood	73,200	80,600
Board		
Hendrik Pieters	40,200	36,400
Ian Greaves	42,767	32,600
Ruth Lee	37,620	29,800
Alister Hawkey	18,200	36,000
Andrew Fenton	18,627	-

As from the 1st August 2014, the Chairman and other Directors of Kiwifruit New Zealand are paid a base fee of \$66,000 and \$30,000 per annum respectively. The above figures include allowance for overseas travel, collaborative marketing committee meeting fees, and work undertaken by the Chairman not connected to his role as Chairman (refer note 3).

6 Remuneration of Employees

For the year ended 31 March 2015, the number of employees whose total remuneration and value of any benefits received or receivable exceeded \$100,000 were as follows:

Number of Employees:	1
Total Remuneration and Benefits:	\$190,000 to \$195,000

7 Income Tax Expense

	2015 \$	2014 \$
Interest Income Subject to Taxation	4,176	3,804
Less \$1000 exemption	(1,000)	(1,000)
Taxable Profit / (Loss):	3,176	2,804
Tax payable:	889	785
Less RWT Deducted at Source	(731)	(666)
Taxation (Refund Due) / Payment	158	119

At the year end 31 March 2015 a net amount of RWT paid is due to Kiwifruit New Zealand as follows:

- year ended 31 March 2014, refund due	300.88
- year ended 31 March 2015, tax due	158.45
- RWT refundable and due as at 31 March 2015	142.43

Kiwifruit New Zealand

Notes to the Financial Statements

for the year ended 31 March 2015

8 Capital Expenditure Commitments

There are no capital expenditure commitments at year end.

9 Contingent Losses and Gains

There were no known contingent losses or gains outstanding as at year end.

Kiwifruit New Zealand

Schedule of Fixed Assets and Depreciation

for the year ended 31 March 2015

Date of Purchase	Description	Location	Start of Year Book Value	Purchases Cost Price	No. Months	Depreciation rate	DV or SL	YTD Depreciation	Profit/Loss on Sale	End of Year Book value	Cost Price	Accumulated Depreciation	Book Value	
To Year Ended Mar 15					as at 31 March 2015									
20-Apr-06	6 Tier Cabinet & 5 Slotted Shelves	KNZ Office	300.09	-	12	15.6%	DV	46.81	-	253.28	1,165.50	912.22	253.28	
30-Apr-06	1 X Green Office Chair	KNZ Office	90.65	-	12	19.2%	DV	17.41	-	73.25	499.00	425.75	73.25	
09-Jun-06	1 X Everest Executive Chair	KNZ Office	87.63	-	12	19.2%	DV	16.83	-	70.81	464.00	393.19	70.81	
23-Jun-06	Workstation - CEO	KNZ Office	119.17	-	12	15.6%	DV	18.59	-	100.58	449.00	348.42	100.58	
23-Jun-06	Workstation - Assistant	KNZ Office	119.17	-	12	15.6%	DV	18.59	-	100.58	449.00	348.42	100.58	
23-Jun-06	2 X mobile drawer units	KNZ Office	98.20	-	12	15.6%	DV	15.32	-	82.88	370.00	287.12	82.88	
23-Jun-06	Board Table	KNZ Board Room	264.08	-	12	15.6%	DV	41.20	-	222.89	995.00	772.11	222.89	
23-Jun-06	1 X phone stand	KNZ Board Room	31.85	-	12	15.6%	DV	4.97	-	26.88	120.00	93.12	26.88	
23-Jun-06	1 X credenza unit	KNZ Office	118.11	-	12	15.6%	DV	18.42	-	99.68	445.00	345.32	99.68	
23-Jun-06	Speaker phone	KNZ Board Room	30.45	-	12	36.0%	DV	10.96	-	19.49	989.00	969.51	19.49	
28-Jun-06	6 Tier Cabinet & 3 Slotted Shelves	KNZ Office	286.64	-	12	15.6%	DV	44.72	-	241.93	1,080.00	838.07	241.93	
10-Jul-06	Electronic Whiteboard	KNZ Board Room	94.71	-	12	36.0%	DV	34.10	-	60.62	2,950.00	2,889.38	60.62	
14-Jul-06	Pinboard	KNZ Office	104.46	-	12	15.6%	DV	16.30	-	88.17	387.80	299.63	88.17	
14-Jul-06	Whiteboard	KNZ Office	75.26	-	12	15.6%	DV	11.74	-	63.52	279.40	215.88	63.52	
19-Jul-06	9 x Everest Executive Chair	KNZ Board Room	803.74	-	12	19.2%	DV	154.32	-	649.42	4,176.00	3,526.58	649.42	
26-Sep-06	InFocus WorkBig LP70 Projector	KNZ Board Room	136.19	-	12	30.0%	DV	40.86	-	95.33	2,004.50	1,909.17	95.33	
30-Sep-07	Kodak i1220 Scanner	KNZ Office	25.17	-	12	48.0%	DV	12.08	-	13.09	1,768.00	1,754.91	13.09	
30-Jul-09	HP Note book + doc + screen - CEO	KNZ Office	141.16	-	12	48.0%	DV	67.76	-	73.40	3,016.57	2,943.17	73.40	
30-Jul-09	HP Colour Laser Jet - Office	KNZ Office	48.15	-	12	48.0%	DV	23.11	-	25.04	1,029.02	1,003.98	25.04	
25-May-10	HP 8100 Elite & Widescreen Monitor	KNZ Office - Jo	156.32	-	12	48.0%	DV	75.03	-	81.28	1,985.22	1,903.94	81.28	
28-Jun-10	Windows 10 x 2	KNZ Office - RP / Jo	110.51	-	12	48.0%	DV	53.04	-	57.46	1,309.90	1,252.44	57.46	
23-May-11	HP Notebook Computer	KNZ Board Room	438.80	-	12	48.0%	DV	210.62	-	228.17	2,897.80	2,669.63	228.17	
25-Mar-13	HP Elitebook 8570p, docking station, software	KNZ Office - RP	1,785.74	-	12	48.0%	DV	857.16	-	928.59	3,577.21	2,648.62	928.59	
26-Mar-13	HP Z220 SFF 8GB desktop	KNZ Office - ATW	932.39	-	12	48.0%	DV	447.55	-	484.84	1,867.77	1,382.93	484.84	
21-Aug-14	GBC A25 Combbind Binding machine	KNZ Office	0.00	673.20	8	25.0%	DV	112.20	-	561.00	673.20	112.20	561.00	
05-Sep-14	Fellowes Automax 300C Shredders	KNZ Office	0.00	1,295.00	8	25.0%	DV	215.83	-	1,079.17	1,295.00	215.83	1,079.17	
18-Mar-15	New Server	KNZ Office		3,998.55	1	48.0%	DV	159.94	-	3,838.61	3,998.55	159.94	3,838.61	
To Year Ended Mar 15			6,398.65	5,966.75					2,745.45	0.00	9,619.95	40,241.44	30,621.49	9,619.95

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