



NEW ZEALAND INSTITUTE OF FORESTRY FOUNDATION

ANNUAL REPORT

Year Ended 31 March 2014

MESSAGE FROM THE CHAIR

The New Zealand Institute of Forestry Foundation ("NZIF Foundation") was established by the New Zealand Institute of Forestry ("NZIF") under a Deed of Trust dated 1st December 2011. It is a registered charity and has been approved by Inland Revenue as a donee organisation.

The purpose of the NZIF Foundation is to raise funds that can be used to encourage and support forestry related research, education and training through the provision of grants, scholarships and prizes; promote the acquisition, development and dissemination of forestry related knowledge and information and other activities that do not conflict with the Foundation's charitable purpose. In the Trust Deed, forestry has been given a broad definition to include all those activities involved in the management and use of forests and their products, the objects of which are the production of wood or other forest benefits and the maintenance of the environment in its most beneficial form.

Subject to certain powers retained by NZIF under the Trust Deed (e.g. appointment of Trustees, approval of any name change, approval to any changes the Deed and approval to winding up the Foundation) and to the provisions of the Deed, all activities of the Foundation are under the control of the Trustees.

The Trustees in the year to 31 March 2014 were:

Andrew McEwen (Chair)
David Evison
James Treadwell

Andrew McEwen retired as a Trustee by rotation, pursuant to clause 7.4.1 (a) of the Deed of Trust, following the 2013 AGM, held in New Plymouth on 29th June 2013. He was re-appointed as a Trustee and as Chair for a further five-year term by NZIF.

David Evison will retire as a Trustee by rotation pursuant to clause 7.4.1(b) of the Deed of Trust following the 2014 AGM. He has been reappointed by NZIF to serve a further five year term from that date.

James Treadwell will retire by rotation, pursuant to clause 7.4.1(c) of the Deed of Trust following the 2015 AGM.

During the year the Foundation receive donations totalling \$18,780, which included a \$9,700 donation from NZIF. The Board is very appreciative of all those who by making generous donations at this early stage in the life of the Foundation have ensured that it can meet the initial demands of awards during the year.

The donation from NZIF arose from accumulated funds held by the Otago Southland section of NZIF. The section has requested that the funds be used to support an award or scholarship that relates to forestry in Otago Southland. The trustees will consult with the Otago-Southland section committee to determine the nature of such award or scholarship.

The remaining 39 donations include three of \$1,000-\$2,000, 17 between \$100 and \$500 and 19 between \$20 and \$90.

I hope all donors, current and potential, are aware of the generous tax benefits available to donors, with virtually no upper limit on the level of donations eligible for a one-third charitable gift taxation rebate. I hope this will encourage even more people to follow the generous example of those who already support the Foundation.

The Foundation announced its 2013 awards at the NZ Institute of Forestry Conference Awards Dinner in New Plymouth on 2nd July 2013. The awards offered and the recipients were:

Mary Sutherland scholarship of \$1,000 – available to students enrolled for a forestry or forestry-related course at a NZ Polytechnic. Awarded to Jody Tonga, a national diploma in forest management student at Waiariki Institute of Technology.

Undergraduate scholarship of \$1,000 – available to students enrolled for a forestry or forestry-related degree at a NZ University. Awarded to Christopher Perry, a fourth-year Bachelor of Forestry Science student at the University of Canterbury.

Frank Hutchinson scholarship of \$1,000 – available to postgraduate students enrolled for a forestry or forestry-related postgraduate degree at a NZ University. Awarded to Chris Meaclem, a Masters of Mechanical Engineering student at Canterbury University who is developing a teleoperated robot that would take harvesting workers out of steep slopes and allow them to operate machines from a safe, remote distance.

Chavasse travel award of up to \$3,200. Awarded to Stefania Pizzirani, a Ph.D. student at Massey University, who received \$2,615 to assist with expenses to attend and make an oral presentation at the 7th International Conference of the International Society for Industrial Ecology at the University of Ulsan in South Korea.

The Trustees have agreed to offer the same four awards, at the same monetary levels (totalling a maximum of \$6,500) during 2014. This is less than the earnings of the Foundation, excluding donations received during the year, meaning we are relying on donations to supplement interest earnings, just to maintain the status quo. In order to achieve the vision of being a significant provider of funds to encourage New Zealand forestry, a substantial increase in donations is necessary. The Trustees have set a goal of building the fund to at least \$1 million within the next few years, when they consider they will have sufficient income to offer more useful grants and scholarships. Achievement of this goal will require considerably more effort and persuasion than the surplus of \$17,000 in the current year.

The Trustees record their appreciation to NZIF for providing administrative services at no cost to the Foundation. This includes assistance to administer the Foundation by the NZIF Administrator, Mrs Jay Matthes and the Trustees record their thanks to Mrs Matthes for her assistance.



Andrew McEwen

FINANCIAL STATEMENTS

Foundation Directory

Trustees

Andrew McEwen (Chair)
David Evison
James Treadwell

Registered Office

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Level 9,
93 The Terrace
Wellington

Contacts

c/- NZ Institute of Forestry
PO Box 10 513,
The Terrace
Wellington 6143

Phone: +64 4 9748 421

Email: foundation@nzif.org.nz

Bankers

Bank of New Zealand, Wellington

Accountants

Grant Thornton, Wellington

Solicitors

Simpson Grierson, Auckland

Other Party to Deed of Trust

New Zealand Institute of Forestry

These Financial Statements are unaudited. The Statement of Accounting Policies and accompanying notes form part of the Financial Statements

**New Zealand Institute of Forestry
Trustees' Review**

For the year ended 31 March 2014

Financial Position (\$)	2014	2013
Net Income	17,238	111,038
Retained earnings as at 1 April	111,117	79
Retained earnings as at 31 March	128,355	111,117
The state of the Foundation's affairs as at 31 March was:		
Assets	128,355	111,347
These were financed by:		
Foundation funds	128,355	111,117
Liabilities	0	230
	<u>128,355</u>	<u>111,347</u>

Principal activities

The principal activities of the Foundation during the year were to seek donations and to grant a number of scholarships and awards.

Remuneration and other benefits

No remuneration or other benefits were paid or are due and payable to the Trustees of the Foundation for services as Trustees during the year ended 31 March 2014.

Audit

No audit of the financial affairs of the Foundation has been undertaken with respect to the year ended 31 March 2014.


Andrew McEwen
Trustee


David Evison
Trustee


James Treadwell
Trustee

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Statement of Financial Performance for the Year Ended 31 March 2014

	Notes	2014	2013
Revenue			
Donations		18,780	113,496
Commission on book sales		123	55
Interest		4,136	2,986
Total Revenue		<u>23,038</u>	<u>116,538</u>
Expenses			
Administration		186	0
Awards		5,615	5,500
Total Expenses		<u>5,801</u>	<u>5,500</u>
Net Surplus /(Deficit)		<u>17,238</u>	<u>111,038</u>

Statement of Financial Position at 31 March 2014

	Notes	2014	2013
Current Assets			
Bank accounts		25,984	13,378
Term Deposit		99,370	95,000
Accrued interest		2,701	2,969
Accounts Receivable		300	
Total Current Assets		<u>128,355</u>	<u>111,347</u>
Non-current Assets		0	0
Current Liabilities		0	230
Non-current Liabilities		0	0
Net Assets		<u>128,355</u>	<u>111,117</u>

Statement of Movements in Funds

	2014	2013
Opening balance at 1 April	111,117	79
Plus net surplus	17,238	111,038
Closing Balance	<u>128,355</u>	<u>111,117</u>



Andrew McEwen
Trustee



David Evison
Trustee



James Treadwell
Trustee

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Notes to the Financial Statements

For the year ended 31 March 2014

1. Statement of accounting policies for the year ended 31 March 2014

Reporting entity

The NZIF Foundation is a charitable organisation, based in Wellington, which is incorporated under the Charitable Trusts Act 1957 and registered under the Charities Act 2005. Its purpose is to raise funds that can be used to encourage and support forestry related research, education and training through the provision of grants, scholarships and prizes; promote the acquisition, development and dissemination of forestry related knowledge and information and other activities that do not conflict with the Foundation's charitable purpose.

NZIF Foundation
C/- NZ Institute of Forestry
PO Box 10 513,
The Terrace
Wellington 6143

Date of authorisation

The financial statements of the Foundation are for the year ended 31 March 2014. The comparative information is for the year ended 31 March 2013. The financial statements were authorised for issue by the Board on 23rd June 2014.

Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with New Zealand equivalents to IFRSs (NZ IFRSs) and other applicable Financial Reporting Standards, as appropriate for public benefit entities that qualify for, and apply, differential reporting concessions.

The Foundation is a public benefit entity. The Foundation is required by its constitution to prepare financial statements.

The Foundation qualifies for differential reporting concessions as it does not have public accountability and it is not large. All available differential reporting exemptions allowed under the Framework for Differential Reporting for Entities Applying New Zealand Equivalents to IFRSs Reporting Regime have been applied.

The financial statements are presented in New Zealand Dollars (NZD) rounded to the nearest dollar.

The financial statements are prepared on the historical cost basis

The Foundation was established by Deed of Trust on 1 December 2011.

Significant accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks and bank and cash balances, net of bank overdrafts. Deposits are included when they have a maturity of three months or less from the date of acquisition.

Income

Finance income (interest and dividend income)

Interest is recognised in the statement of financial performance as it accrues, using the effective interest method. Dividend income is recognised in the statement of financial performance when the right to receive payments is established.

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Grants and donations

Grant and donation income is recognised as income when it becomes receivable unless the Foundation has a liability to repay the grant if the requirements of the grant or donation are not fulfilled. A liability is recognised to the extent that such conditions are unfulfilled at the end of the reporting period. Pledges are not recognised as assets or revenue until the pledged item has been received.

Bequests

Bequests are recognised in the statement of financial performance when probate of the will has been granted, receipt of the bequest is probable and the amount of the bequest can be measured reliably. Non-current bequests are initially recognised at the present value of their expected future cash flows (or in the case of non-cash assets at their fair value), discounted at the current market rate of return for a similar asset/investment. They are regularly reviewed with any changes in value being recognised in the statement of financial position and statement of financial performance.

Volunteer services

Voluntary services are not recognised in the financial statements.

Expenses

Grants expenditure is recognised when an obligation arises to pay funds previously received as a donation for the purpose in which the funds were intended

Income tax

The Foundation is wholly exempt from New Zealand income tax and gift duty having fully complied with all statutory conditions for these exemptions.

Goods and services tax

The Foundation is not registered for GST. The statement of financial performance has been prepared so that all components are stated inclusive of GST.

2. Objectives for managing capital

The Foundation seeks to maintain sufficient equity to enable it to be able to manage its on-going operations and obligations. Surplus funds are invested having regard to the cash flow profile of future commitments.

No requirements on the level or use of the Foundation's capital have been externally imposed.

3. Related party transactions

Administration of the Foundation is provided by the New Zealand Institute of Forestry at no cost to the Foundation.

4. Contingent liabilities

At the date of this report there are no known contingent liabilities for which the Foundation may be liable.

5. Subsequent events

There were no events subsequent to balance date requiring disclosure in the financial statements.

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