

Olives New Zealand Inc

Treasurers Report for year ended 31 July, 2010

The "Statement of Income and Expenditure" for the year under review reveals an increased deficit of \$42,377 compared to that of \$36,375 for the previous year. Reduced total revenues of \$126,537 down from \$170,279 for 2009 and decreased Total Expenditure of \$168,914, down from the \$205,904 for the comparable period in 2009.

The major variations have been caused by the following:

INCOME:

Subscriptions for 2010 are down \$6,767 showing a drop off of about 32 members. The subscription level indicated that some 276 members renewed their subscriptions for the year.

Conference Income decreased some \$9,562 adding to the decrease in Conference Sponsorship of \$9,536, a total reduction of \$19,098.

Award Income and Medal Sales decreased substantially by \$12,057, this being caused by a drop in entry fees of \$2,247, Medal Sticker Receipts of \$1,516 and no award Sponsorship compared to the \$8,294 received from Perialisi in 2008.

Certification Fees are down \$12,845 comparing Financial Years but this is somewhat clouded by the very late season and the July financial year end.

Processor Course income was up on the previous year. Net increase of \$2,012

There were no sales Food Safety Templates sales compared to the \$500 of the previous year. There have been several sales since balance date however.

Grants from Agmardt for the 2009 Conference and Assistance with the formulation of the Commodity Levy still to be received have been included in the figures.

Interest received on deposits decreased by \$4,649 due to far lower funds held by the organisation.

EXPENDITURE:

The major variations in this area (decrease of \$37,740) reflecting the decrease in Revenues have seen increases in:

Net outflow towards the Sustainable Farming Fund Project of \$35,149

Travel and Meeting Costs of \$4,179 with more face to face Executive meetings held in the last year than the previous one.

Certification costs of \$5,713 due mainly to increased cost of Panels.

Costs in providing The Australasian OliveGrower and Processor Publication (offset by the Orchardist cost decrease) increased \$1,627 due to a payment timing issue.

Decreased costs compared to the previous year saw savings in running the 2009 Conference of \$13,632 but these savings only went part way to cover the overall loss incurred in running that conference of \$12,621. The loss the previous year was \$7,365.

No affiliation fees were paid to Horticulture NZ after our request for a “Subscription Holiday” due to our lack of funds. The sum of \$10,000 was paid the previous year.

Also due to shortage of funds no Capitation amounts were paid to Regional groups and with one group not presenting their cheque the previous year and the amount being written back the resulting decrease totalled \$9,095.

Savings also resulted in Telephone & Tolls due to more face to face Executive meetings of \$5,222, Printing & Stationery of \$4,490, Awards costs \$2,745, Processor Course (Olives to Oil) of \$4,558, Executive Directors Fees \$4,210 and Internet Site Costs \$2,107, when compared to the previous years costs.

Costs not incurred this year as opposed to the previous year included such items as Food Safety Programme \$3,905, Strategic Planning Expenditure \$2,674, Marketing Contributions \$1,134, Commodity Levy Introduction Expenses \$7,878, General Expenses \$1,264, IOP Manual Costs \$953 and Testing Expenses (International) of \$3,612.

Also you will see no change to the Honorarium this year. Last year Mr Jim Syme declined payment for his services as has Mr Andrew Taylor in view of our financial situation.

STATEMENT OF FINANCIAL POSITION

As pointed out last year the contribution to the SFF (\$35149) has now seriously eaten into our cash reserves.

As of the 31 July 2010 we have Cash Reserves of \$48,206, Debtors from MAF (SFF) and Agmardt totalling \$30,008 as well as Resident Withholding Tax and accrued GST Refunds.

Accounts Payable include amounts payable to Plant and Food Research for work carried out to the end of June , 2010 for the Sustainable Farming Fund Project which incidentally has been paid in September to them. Also included in Accounts payable are the accrued amounts as at balance

date for panels associated with certification testing. There remains a final net payment due to the contractors for the SFF Project due at the completion of the project of some \$17,634. This has also been accounted for in the accounts.

The Statement of Financial Position shows that as at 31st July we have a deficit of \$8,625 in our Accumulated Funds and at that point in time were technically insolvent. However subsequent income such as subscriptions received have recovered that situation however marginally.

Last year I expressed the hope that we would have a well patronised Conference for 2009 as a major loss here would be a disaster. That loss eventuated and there was no way that the planned 2010 Conference could have proceeded with the interest shown. The resultant cancellation makes it very difficult to gain the Sponsorship required to carry the organisation through

For the organisation to survive we need to pull together and ensure that the Sponsorships proposed, membership drives or Commodity Levy are revisited and introduced without delay.

Graham Keen

Treasurer

4 October, 2010