

Performance Report

Olives New Zealand

As at 31 December 2020

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Entity Information

Olives New Zealand

For the year ended 31 December 2020

'Who are we?', 'Why do we exist?'

Legal Name of Entity

Olives New Zealand

Entity Type and Legal Basis

Registered Incorporated Society

Registration Number

803630

Entity's Purpose or Mission

Olives New Zealand exists:

- to set and maintain quality standards for NZ produced olive products
- provide quality research & development to create and maintain a sustainable integrated olive industry
- implement an ongoing consumer awareness programme to promote the benefits, and create a preference for NZ olive products
- provide a focal organisation which facilitates progressive direction for stakeholders in the olive industry.

Entity Structure

Executive Structure: Our Constitution specifies that there is an elected President, Vice President and Treasurer plus four Executive members from the pool of Branch Chairs. There is also potential to co-opt an Executive member.

Operational Structure: The administration of the organisation is managed by the Executive Officer, which is a contracted service.

1. President / Chairperson - Craig Leaf-Wright
2. Vice President - Tricia Noble-Beasley
3. Treasurer - Charles Chinnaiyah
4. Four (4) Committee members - Niall Holland, Andrew Priddle, Geoff Crawford, Ray Gregory
5. Executive Officer - Gayle Sheridan

Main Sources of Entity's Cash and Resources

The main source of income is from membership fees. Other main income streams are the Certification Programme and the New Zealand Extra Virgin Olive Oil Awards however these are generally matched by expenditure.

Other special projects undertaken are funded separately by a combination of membership contribution, grants, etc.

Main Methods Used by Entity to Raise Funds

Membership fees are set annually by the Executive.

Entity's Reliance on Volunteers and Donated Goods or Services

Olives New Zealand has a branch structure which enables regions to provide direct support to members. These are operational in Hawke's Bay, Kapiti, Wairarapa, Nelson and Canterbury. Outside of these regions support is also provided to other regions such as Northland/Auckland and Central Otago.

Fund raising is undertaken for special projects by pledges from members. This may also include in-kind contributions such as donated goods.

Accountants & Auditors

Parkers Business Solutions Limited , 69 Scott Street, Blenheim 7201

Bankers

ASB Bank, Paraparaumu

Physical Address

196 Tutere Street, Waikanae, 5036

Postal Address

196 Tutere Street, Waikanae, 5036

Phone

06 877 1447, Mob 021057 7635

Email/Website

Email admin@olivesnz.org.nz

Website www.olivesnz.org.nz

Facebook https://www.facebook.com/Olives-NZ-14324224236599991

Statement of Service Performance

Olives New Zealand

For the year ended 31 December 2020

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

To create the environment for the New Zealand Olive industry to produce premium quality Extra Virgin Olive Oil and olive products, and to market them successfully nationally and internationally.

	ACTUAL 2020	BUDGET 2020	ACTUAL 2019
Description and Quantification of the Entity's Outputs			
Membership	185	170	202
Certification Programme - samples submitted	194	150	179
NZ EVOO Awards - entries received	128	110	125
Conference attendees	55	55	-
Processing Practices Course attendees	-	25	-

Additional Output Measures

Olives New Zealand developed the Certification Programme and trademarked the OliveMark. To qualify for Olives New Zealand Certification, New Zealand olive oil must meet specific requirements. These include bottling and labelling standards as well as the mandatory chemical and sensory criteria that Olives New Zealand has based on the International Olive Council (IOC) standards for extra virgin olive oil. Products that meet the Certification requirements are able to use the red OliveMark to signify this. This is a huge differentiator for New Zealand producers and is recognised and acclaimed internationally.

Olives New Zealand runs a project approved by the Ministry of Primary Industries under the Sustainable Food and Fibres Future. This project is the "Meeting the increasing demand for New Zealand extra virgin olive oil" and runs for three years from October 2019. The total project cost is funded as follows:

MPI	\$43,520
Olives NZ (members)	\$43,980
Olives NZ (in kind)	\$21,300

Further information on the project is available on the Olives New Zealand website.

Additional Information

Olives New Zealand provides a variety of resources to support members. This ranges from the development of the Best Practice Manual, the Food Safety Template to Fact Sheets. Also a variety of merchandise has been developed - health benefit cards, recipe pads, market bags, etc. These products are made available with minimal overhead to assist members in promotion and selling of their products.

The implementation of the new Food Safety Act has required all olive growers to register a National Programme. Olives New Zealand successfully worked to gain an exemption for National Programme Three for growers who package their own EVOO (subject to set criteria) which means that the majority of members register under National Programme One with a one off verification visit unless any issues arise.

Covid-19 Level 4 lockdown came at a time when many groves were about to harvest. Fortunately olive harvesting and processing were seen as “essential services” so were able to be completed but this meant that strict processes had to be implemented. Olives NZ produced a series of Fact Sheets to make members aware of the required processes.

Planned courses (Processing Practices and Judging EVOO and Flavoured Oils) had to be cancelled because of Covid-19.

Covid-19 travel uncertainty resulted in a decision to judge the New Zealand EVOO Awards remotely rather than using a centralised location. That is the entries were decanted, coded and batched into flights and sent to the judging panel rather than the judges being brought to a centralised venue. The process worked extremely well with the judges commenting that this approach allowed them to judge at their own pace and to avoid ‘palate fatigue’. The approach also resulted in significant cost savings to budget and these savings were passed back to entrants via a credit note issued. This is reflected in the Accounts Receivable showing a credit total at the end of the financial year. Those credits will be cleared against 2021 membership fees.

Approval of Financial Report

Olives New Zealand For the year ended 31 December 2020

The Committee members are pleased to present the approved financial report including the historical financial statements of Olives New Zealand for year ended 31 December 2020.

APPROVED

Chairperson
Date

Treasurer
Date

Statement of Financial Performance

Olives New Zealand

For the year ended 31 December 2020

'How was it funded?' and 'What did it cost?'

	NOTES	2020	2019
Revenue			
Revenue from providing goods or services	1	155,401	150,669
Interest, dividends and other investment revenue	1	1,138	1,066
Total Revenue		156,539	151,736
Expenses			
Costs related to providing goods or service	2	80,185	82,249
Other expenses	2	61,561	61,216
Total Expenses		141,746	143,466
Surplus/(Deficit) for the Year		14,793	8,270

This statement has been audited, and should be read in conjunction with the attached Audit Report.

Statement of Financial Position

Olives New Zealand As at 31 December 2020

'What the entity owns?' and 'What the entity owes?'

	NOTES	31 DEC 2020	31 DEC 2019
Assets			
Current Assets			
Bank accounts and cash	3	22,358	34,239
Debtors and prepayments	3	(6,382)	385
Inventory	3	2,416	3,010
Total Current Assets		18,393	37,634
Non-Current Assets			
Property, Plant and Equipment	5	179	230
Investments	3	70,000	40,000
Other non-current assets	3	4,889	4,889
Total Non-Current Assets		75,068	45,119
Total Assets		93,460	82,754
Liabilities			
Current Liabilities	4	3,436	3,817
Non-Current Liabilities	4	-	3,706
Total Liabilities		3,436	7,523
Total Assets less Total Liabilities (Net Assets)		90,024	75,231
Accumulated Funds			
Accumulated surpluses or (deficits)	6	90,024	75,231
Total Accumulated Funds		90,024	75,231

This statement has been audited, and should be read in conjunction with the attached Audit Report.

Statement of Cash Flows

Olives New Zealand

For the year ended 31 December 2020

	2020	2019
Operating Activities		
Receipts from customers	185,376	174,222
Payments to suppliers and employees	(157,387)	(159,909)
Interest received	1,138	1,066
GST	(7,153)	(7,271)
Cash receipts from other operating activities	-	(120)
Net Cash Flows from Operating Activities	21,974	7,988
Investing Activities		
Other cash items from investing activities	(29,406)	(463)
Net Cash Flows from Investing Activities	(29,406)	(463)
Financing Activities		
Repayment of long-term loans	-	(1,000)
Other cash items	(4,449)	(583)
Net Cash Flows from Financing Activities	(4,449)	(1,583)
Net Cash Flows	(11,881)	5,943
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	74,239	68,296
Cash and cash equivalents at end of period	62,358	74,239
Net change in cash for period	(11,881)	5,943

Statement of Accounting Policies

Olives New Zealand

For the year ended 31 December 2020

'How did we do our accounting?'

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Olives New Zealand is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

As a non-profit organisation income sourced within membership is exempt income under the Income Tax Act 2007 [sHF1]. Externally sourced income such as interest is taxable. Incorporated societies are entitled to a deduction to the lesser of \$1000 or the amount of their net income prior to taking the deduction. [ITA 2007,sDV8].

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Revenue

Revenue is accounted for as follows:

i) Fundraising and Grants

Fundraising and grant income is accounted for depending on whether or not it has a "use or Return" condition attached. Where no use or return conditions are attached, the revenue is recorded as income when the cash is received. Where income includes a use or return condition, it is initially recorded as a liability on receipt. The income is then subsequently recognized within the Statement on Financial Performance as the performance conditions are met.

ii) Donations

Donations, Tithes and Offering are accounted for depending on whether they have been provided with a "use or return" condition attached or not. Where no use or return conditions are attached to the donation, revenue is recorded as income when the cash is received. Where donations include a use or return condition, the donation is initially recorded as a liability on receipt. The donation is subsequently recognized within the Statement of Financial Performance as the performance conditions are met. Donated goods or services (other than donated assets) are not recognized.

iii) Interest Income

Interest income is recognized on an accrual basis.

iv) Other Income

All other income is accounted for on an accruals basis and accounted for in accordance with the substance of the transaction.

Property Plant and Equipment

1. Plant and Equipment

i. Recognition and measurement

Items of plant and equipment are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in surplus or deficit.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Trust. Ongoing repairs and maintenance are expensed as incurred.

iii. Depreciation

For plant and equipment, depreciation is calculated using the diminishing value method. on the cost of an asset less its residual value. Significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately. Assets under construction are not subject to depreciation.

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

The diminishing value percentages used for each class of plant and equipment are:

Plant & equipment - 10% to 40%

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Notes to the Performance Report

Olives New Zealand For the year ended 31 December 2020

	2020	2019
1. Analysis of Revenue		
Revenue from providing goods or services		
AGM Functions	-	(240)
Advertising Fees	-	100
Awards Income	27,508	41,823
Certification Fees	41,927	37,201
Conference Fees	7,522	-
Field Day Income	261	-
Food Safety Template Sales	1,739	2,739
Licence Fees	3,643	3,750
Membership Fees	59,943	51,490
Olive Marks	3,552	4,299
OliveMark Promotion	758	465
Sponsorship	8,500	8,905
Stripe Fees Reimbursement	50	137
Total Revenue from providing goods or services	155,401	150,669
Interest, dividends and other investment revenue		
Interest Income	1,138	1,066
Total Interest, dividends and other investment revenue	1,138	1,066
	2020	2019

2. Analysis of Expenses

Costs related to providing goods or services		
Travel and Meeting Costs	1,402	5,020
Awards Costs	24,851	39,625
Accountancy Fees	528	504
Audit Fees	1,600	2,471
Bank Fees	438	490
Certification Costs	31,782	27,909
Closing Stock	(2,416)	(3,010)
Conference Costs	6,042	-
Field Day Costs	77	-
Insurance	1,800	1,800
Office Expenses	1,547	1,291
Olive Mark Promotion	8,789	2,876
Opening Stock	3,010	2,547
Processor Course Costs	87	-
Stripe Fees	61	166
Telephone & Tolls	587	560
Total Costs related to providing goods or services	80,185	82,249

	2020	2019
Other expenses		
Depreciation	52	79
Executive Director Fees	60,000	60,000
Internet & Website	1,509	1,137
Total Other expenses	61,561	61,216

	2020	2019
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3. Analysis of Assets

Bank accounts and cash

Business Saver Account - 51	10,923	18,668
General Business Account - 00	1,937	1,602
OliveMark Account - 52	9,498	13,970
Total Bank accounts and cash	22,358	34,239

Debtors and prepayments

Accounts Receivable	(6,382)	385
Total Debtors and prepayments	(6,382)	385

Inventory

Stock on Hand	2,416	3,010
Total Inventory	2,416	3,010

Investments

Term Deposit 2	30,000	-
Term Deposit	40,000	40,000
Total Investments	70,000	40,000

Other non-current assets

Intangibles

Trade Marks	4,889	4,889
Total Intangibles	4,889	4,889
Total Other non-current assets	4,889	4,889

	2020	2019
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4. Analysis of Liabilities

Creditors and accrued expenses

Accounts Payable	1,073	52
GST	2,256	2,495
Rounding	(11)	(10)
Total Creditors and accrued expenses	3,318	2,537

Other current liabilities

Membership Fees Received in Advance	118	1,280
Total Other current liabilities	118	1,280

Other non-current liabilities

Project Funding	-	3,706
Total Other non-current liabilities	-	3,706

	2020	2019
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5. Property, Plant and Equipment

Furniture and Fittings

Furniture and fittings owned	2,335	2,335
Accumulated depreciation - furniture and fittings owned	(2,156)	(2,105)
Total Furniture and Fittings	179	230

Total Property, Plant and Equipment	179	230
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	2020	2019
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6. Accumulated Funds

Accumulated Funds

Opening Balance	75,231	66,961
Accumulated surpluses or (deficits)	14,793	8,270
Total Accumulated Funds	90,024	75,231

Total Accumulated Funds	90,024	75,231
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7. Commitments

There are no commitments as at 31 December 2020 (Last year - nil).

8. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 December 2020 (Last year - nil).

9. Related Parties

There were no transactions involving related parties during the financial year.

10. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

11. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

Depreciation Schedule

Olives New Zealand

For the year ended 31 December 2020

NAME	RATE	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
Plant & Equipment							
Compaq Notebook Computer	40.00%	1,021	8	-	-	3	5
HP Pavilion Notebook Computer	40.00%	782	88	-	-	35	53
Shelving	10.00%	532	134	-	-	13	121
Total Plant & Equipment		2,335	230	-	-	52	179
Total		2,335	230	-	-	52	179