



Parkers Business Solutions Ltd

SUSHEEL DUTT MBA (AU), CA, CAPP (Fiji)
ACCOUNTANTS – BUSINESS ADVISORS - AUDITORS

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF OLIVES NEW ZEALAND

We have audited the Performance Report of the Olives New Zealand on pages 1 to 16, which comprise the entity information, the statement of service performance, the statement of financial performance, statement of cash flows and the statement of financial position as at 31 December 2021, and the income statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion:

- i. The reported outcomes and outputs, and qualification of the outputs to the extent practicable, in the statement of service performance are suitable;
- ii. The accompanying performance report fairly, in all material respects:
 - The entity information for the year ended 31 December 2021;
 - The service performance for the year then ended; and
 - The financial position of the Society as at 31 December 2021, and its financial performance and cash flows for the year then ended

In accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not for Profit) issued by the New Zealand Accounting Standards Board.

The Responsibility of the Members for the Performance Report

The Members are responsible for:

- i. Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- ii. The preparation and fair presentation of the performance report on behalf of the Society which comprises:
 - The entity information;
 - The statement of service performance; and
 - The statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report.

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not For Profit) issued by the New Zealand Accounting Standards Board; and

- iii. Such internal control as the Members determine is necessary to enable the preparation of the performance report is free from material misstatement, whether due to fraud or error.

Basis for Opinion

Our responsibility is to express an opinion on these Performance Report based on our audit. We conducted our audit of the statement of financial performance, Statement of financial position, statement of cashflow, statement of accounting policies and notes to the performance report in accordance with International



Standards on Auditing (New Zealand) ("ISAs (NZ)"), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISEA(NZ) 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information* ("ISAE (NZ) 3000 (Revised)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of the Society in accordance with Professional & Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriated to provide a basis for our opinion.

Other than in our capacity as auditors we have no relationship with, or interests in, the Society.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report is free from misstatement, whether due to fraud or error, and to issue as auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that as audit conduct in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of uses taken on the basis of this performance report.

As part of an audit accordance with ISAs (NZ) and ISAEs (NZ) 3000 (Revised), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Members and, based on the use of the audit evidence obtained, weather a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to drawn attention in our auditor's report to the related disclosures in the performance report or, if such disclosures ~~are~~



inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Who we Report to

This report is made solely to Olives New Zealand's members, as a body. Our audit work has been undertaken so that we might state those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members, as a body, for our audit work, for this report or opinions we have formed.



PARKERS BUSINESS SOLUTIONS LIMITED

SUSHEEL DUTT (MBA) CA CAPP (FIJI)

CHARTERED ACCOUNTANT

BLLENHEIM

NEW ZEALAND

14 February 2022



Performance Report

Olives New Zealand
For the year ended 31 December 2021

Prepared by Parkers Business Solutions Ltd



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Entity Information

Olives New Zealand For the year ended 31 December 2021

'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 - Alan Blakemore, 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.



Entity Information

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

43 Redwood Grove, RD1

Levin 5571

Postal Address

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Levin 5571

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 2021

'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 2021	BUDGET 2021	ACTUAL 2020
Description and Quantification of the Entity's Outputs			
Membership	182	185	185
Certification Programme - samples submitted	218	200	194
NZ EVOO Awards - entries received	165	130	128
Conference attendees	-	-	55
Processing Practices Course attendees	-	-	-

Additional Output Measures

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 arrive.

Covid-19 restrictions continue to cause challenges for many members. Farmers Markets and seasonal markets were cancelled in many regions. For Auckland in particular lockdown was more than three months and Northland also experienced extended restrictions.



Olives NZ was unable to run courses or use international guest judges for the NZ EVOO Awards because of border lockdowns. None of our Auckland or Northland members and judges could attend the Awards dinner.



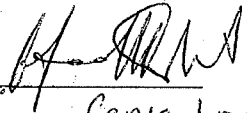
Approval of Financial Report

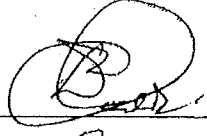
Olives New Zealand

For the year ended 31 December 2021

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 2021.

APPROVED


Chairperson CRAIG LEAF-WRIGHT
Date 13-02-2022


Treasurer CHARLES CHINNALYAM
Date 09/03/2022



Statement of Financial Performance

Olives New Zealand

For the year ended 31 December 2021

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

	NOTES	2021	2020
Revenue			
Revenue from providing goods or services	1	145,567	155,401
Interest, dividends and other investment revenue	1	560	1,138
Total Revenue		146,127	156,539
Expenses			
Costs related to providing goods or service	2	74,343	80,185
Other expenses	2	67,230	61,561
Total Expenses		141,573	141,746
Surplus/(Deficit) for the Year		4,554	14,793

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 2021

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

	NOTES	31 DEC 2021	31 DEC 2020
Assets			
Current Assets			
Bank accounts and cash	3	30,414	22,358
Debtors and prepayments	3	(31)	(6,382)
Inventory	3	2,000	2,416
Total Current Assets		32,383	18,393
Non-Current Assets			
Property, Plant and Equipment	5	9,518	179
Investments	3	50,000	70,000
Other non-current assets	3	4,889	4,889
Total Non-Current Assets		64,407	75,068
Total Assets		96,791	93,460
Liabilities			
Current Liabilities	4	362	3,436
Non-Current Liabilities	4	1,851	-
Total Liabilities		2,213	3,436
Total Assets less Total Liabilities (Net Assets)		94,578	90,024
Accumulated Funds			
Accumulated surpluses or (deficits)	6	94,578	90,024
Total Accumulated Funds		94,578	90,024

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 2021

	2021	2020
Operating Activities		
Receipts from customers	161,659	185,376
Payments to suppliers and employees	(151,583)	(157,387)
Interest received	560	1,138
GST	(8,561)	(7,153)
Net Cash Flows from Operating Activities	2,074	21,974
Investing Activities		
Payment for property, plant and equipment	(15,000)	-
Other cash items from investing activities	416	594
Net Cash Flows from Investing Activities	(14,584)	594
Financing Activities		
Other cash items	565	(4,449)
Net Cash Flows from Financing Activities	565	(4,449)
Net Cash Flows	(11,944)	18,119
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	92,358	74,239
Cash and cash equivalents at end of period	80,414	92,358
Net change in cash for period	(11,944)	18,119

Statement of Accounting Policies

Olives New Zealand

For the year ended 31 December 2021

'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 lessor 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 2021

	2021	2020
1. Analysis of Revenue		
Revenue from providing goods or services		
Awards Income	31,067	27,508
Certification Fees	42,884	41,927
Conference Fees	-	7,522
Field Day Income	-	261
Food Safety Template Sales	1,087	1,739
Licence Fees	3,657	3,643
Membership Fees	58,549	59,943
Olive Marks	3,227	3,552
OliveMark Promotion	508	758
Sponsorship	4,521	8,500
Stripe Fees Reimbursement	67	50
Total Revenue from providing goods or services	145,567	155,401
Interest, dividends and other investment revenue		
Interest Income	560	1,138
Total Interest, dividends and other investment revenue	560	1,138
	2021	2020

2. Analysis of Expenses

Costs related to providing goods or services		
Software Maintenance	1,151	-
Travel and Meeting Costs	1,115	1,402
Awards Costs	29,518	24,851
Accountancy Fees	551	528
Audit Fees	1,667	1,600
Bank Fees	353	438
Certification Costs	30,186	31,782
Closing Stock	(2,000)	(2,416)
Conference Costs	-	6,042
Field Day Costs	-	77
Insurance	1,800	1,800
Legal Expenses	2,570	-
Office Expenses	1,813	1,547
Olive Mark Promotion	2,540	8,789
Opening Stock	2,416	3,010
Processor Course Costs	-	87
Stripe Fees	82	61
Telephone & Tolls	581	587
Total Costs related to providing goods or services	74,343	80,185



	2021	2020
Other expenses		
Depreciation	5,660	52
Executive Director Fees	60,000	60,000
Internet & Website	1,570	1,509
Total Other expenses	67,230	61,561
	2021	2020

3. Analysis of Assets

Bank accounts and cash

Business Saver Account - 51	18,352	10,923
General Business Account - 00	1,362	1,937
OliveMark Account - 52	10,700	9,498
Total Bank accounts and cash	30,414	22,358

Debtors and prepayments

Accounts Receivable	(31)	(6,382)
Total Debtors and prepayments	(31)	(6,382)

Inventory

Stock on Hand	2,000	2,416
Total Inventory	2,000	2,416

Investments

Term Deposit 76	30,000	-
Term Deposit 2	-	30,000
Term Deposit	20,000	40,000
Total Investments	50,000	70,000

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

2021 2020

4. Analysis of Liabilities

Creditors and accrued expenses

Accounts Payable	-	1,073
GST	373	2,256
Rounding	(12)	(11)
Total Creditors and accrued expenses	362	3,318

Other current liabilities

Membership Fees Received in Advance	-	118
Total Other current liabilities	-	118

Other non-current liabilities



Project Funding	1,851	-
Total Other non-current liabilities	1,851	-

2021	2020
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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	(2,192)	(2,156)
Total Furniture and Fittings	143	179

Plant and Equipment

Plant and machinery owned

Computer Software	15,000	-
Less Accumulated Depreciation on ONZ Database	(5,625)	-
Total Plant and machinery owned	9,375	-

Total Plant and Equipment	9,375	-
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Total Property, Plant and Equipment	9,518	179
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2021	2020
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6. Accumulated Funds

Accumulated Funds

Opening Balance	90,024	75,231
Accumulated surpluses or (deficits)	4,554	14,793
Total Accumulated Funds	94,578	90,024

Total Accumulated Funds	94,578	90,024
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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

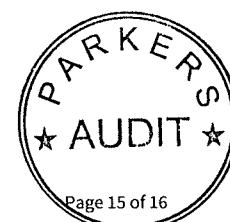
There were no transactions involving related parties during the financial year.

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 2021

NAME	RATE	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
Computer Software							
Olive NZ Master Contacts Manager Database	50.00%	15,000	-	15,000	-	5,625	9,375
Total Computer Software		15,000	-	15,000	-	5,625	9,375
Plant & Equipment							
Compaq Notebook Computer	40.00%	1,021	5	-	-	2	3
HP Pavilion Notebook Computer	40.00%	782	53	-	-	21	32
Shelving	10.00%	532	121	-	-	12	109
Total Plant & Equipment		2,335	179	-	-	35	143
Total		17,335	179	15,000	-	5,660	9,518