



New Zealand Institute of Forestry (NZIF)
Te Pūtahi Ngāherehere o Aotearoa Inc.

ANNUAL REPORT

Year Ended 31 March 2012

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OBJECTS

The objects of the Institute shall be:

- to be an independent advocate for forestry;
- to serve its members by:
 - affording them opportunities to express and exchange views;
 - overseeing members' ethics;
 - encouraging fraternity and “esprit de corps”;
 - providing for the recognition of professional standards.

(NZIF Articles of Association)

VISION

The NZIF vision is to be a vibrant professional organisation:

- Demonstrating leadership;
- Well respected for its independent and considered views;
- Advocating forestry in its widest sense; and
- Relevant to current and new members.

In determining this vision, NZIF distinguishes itself from other forestry sector organisations by:

- Having a membership comprised solely of individuals, who are forestry professionals or are otherwise interested in the profession of forestry;
- Focussing primarily on forests and on those activities that affect them; and
- Defining forestry in the broadest sense set to encompass all forests in New Zealand, not just some particular types of forest.

The vision will be achieved when:

- NZIF attracts most forestry professionals to be members; and
- Government (national and local), forestry groups, the media and the public generally seek the views of NZIF as a matter of course on New Zealand forestry issues and those views are listened to and taken into account in decision making.

In order to achieve this vision, NZIF will need to:

- Develop the ability to and react promptly and effectively to issues as they arise;
- Deliver services of value to members;
- Attract and retain a broad membership that reflects the NZIF vision;
- Develop relationships with other organisations that can help NZIF; and
- Obtain additional funding, particularly from sources other than members.

DIRECTORY

(At 31 March 2012)

NZIF Council

| | |
|-----------------|----------------|
| Andrew McEwen | President |
| John Vaney | Vice President |
| James Treadwell | Secretary |
| Chayne Zinsli | Treasurer |
| David Evison | Councillor |
| Chris Goulding | Councillor |
| Bert Hughes | Councillor |
| Murray Parrish | Councillor |
| Geoff Thorp | Councillor |
| John Schrider | Councillor |

Administration

New Zealand Institute of Forestry
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 Level 4
 85 The Terrace
 WELLINGTON 6143
 NEW ZEALAND

Phone: +64 4 974 8421

Email: admin@nzif.org.nz

Website: www.nzif.org.nz

Administrator

Jay Matthes

Registration Board

| | |
|-----------------|-------|
| John Schrider | Chair |
| David Lowry | |
| Ian Page | |
| Peter Gorman | |
| Don Hammond | |
| Alex Sutherland | |

| | |
|-------------|-----------|
| Mike Marren | Registrar |
|-------------|-----------|

Fellows' Committee

| | |
|----------------|-------|
| John Galbraith | Chair |
| Peter Berg | |
| Russell Dale | |

Banker

Bank of New Zealand
 North End
 Wellington

Accounting Advisor

Grant Thornton
 Wellington

Solicitor

Simpson Grierson
 Auckland

PRESIDENT'S REPORT

It is a pleasure to present the NZIF Annual Report for the year ended 31 March 2012. It has been a year full of highlights and achievements, including:

- The ANZIF Conference in Auckland in May was a huge success. People came and participated and enjoyed themselves. Attendance from Australia was good and there was good turn-out of forestry professionals from Pacific island countries, enabling conference attendees to go home with a much better understanding of the issues our neighbours face. A comprehensive conference recommendation was addressed to NZIF, the Institute of Foresters of Australia and the Commonwealth Forestry Association and is being worked on. The conference was also a financial success;
- Five workshops on the ETS Field Measurement Approach. Over 200 people, including 70 non-members attended. Thanks to assistance from the Ministry of Agriculture and Forestry, a lot of voluntary assistance with the organisation and several venues being provided at no cost, the attendance fees were reasonable and NZIF finances benefitted from a surplus;
- The appearance of NZIF representatives on TVNZ's Fair Go programme in an item on the Emissions Trading Scheme. We were able to get across the message that the ETS is complex and those seeking to enter it need to get professional advice, preferably from a Registered Member of the Institute;
- Submissions and representations on a wide range of issues;
- A number of interesting local section meetings and events;
- Four issues of the Journal of Forestry were produced, processes around Journal production have been improved and Council agreed to seek proposals for future production of the Journal;
- The NZIF Foundation has been established and registered with the Charities Commission. The Institute has made a donation of \$85,000 to the Foundation and has asked it to take over a number of awards previously offered by the Institute;
- The Institute mounted displays at the Forest Industries Expo and at the NZ Ecological Society Conference, both held in Rotorua;
- NZIF participated in the NZ organising committee for the International Year of Forests, the Land and Water Forum and a number of other committees;
- Preparations are well in hand for the 2012 conference to be held in Christchurch in the first week of July. We are encouraged by the support from speakers, sponsors and members;
- Membership increased by 38 (4.5%) over the year to an all-time record of 880. This included an increase in the proportion of women members from 8.4% of total membership to 9.1% and an increase in student members from 72 to 97. Registered Member numbers increased by six to 90;
- The Institute had a net financial deficit for the year of \$15,404, compared with a deficit the previous year of \$1,100. This included the donation to the NZIF Foundation of \$85,000, without which there would have been a surplus. Members funds stand at \$233,493, compared with \$248,897 in the previous year;
- A successful election for the Council that takes office for two years from 1st June 2012 and for two members of the Registration Board. This was conducted using the electronic voting facility in the membership database and considerably reduced the cost that would otherwise have been incurred;
- Increasing recognition of the importance of our registration scheme and the need for members to become registered, if we really want to demonstrate that forestry is a profession that is willing to measure up to the standards that other professions demand of their members. This is being

assisted by legislative changes affecting the activities of some of our members including those who are not registered;

- As President I represented NZIF on a number of organisations including:
 - The Land and Water Forum;
 - As a representative of the social chamber on the standards development group preparing the *National standard for certification of plantation forest management in New Zealand*;
 - The Royal Society of New Zealand Vice President's Advisory Panel for Biological and Life Sciences;
 - The New Zealand International Year of Forests coordinating committee.

I was invited to attend a meeting of forestry representatives at a Secretariat for the Pacific Community meeting in Nadi, Fiji and to make a presentation on the recommendations from the ANZIF conference.

What is next for the NZIF?

In my report to last year's AGM I said that the time has come for NZIF members to make some hard decisions. Were we prepared to build on the base that has been consolidated over the last few years and to agree to do what it takes to turn the Institute into a fully professional body or should we reject that challenge and allow the Institute to drift and wither? The options were there, but it was the members that must decide and then to whole-heartedly support whatever choice is made.

I made those comments with the intention of sparking some debate to enable a clear direction on the way ahead to be decided at this year's AGM in order that the new Council would have a mandate to proceed in whatever direction the AGM decides.

During the year, the Council continued work on the professional body approach, which was the message individual Councillors believed they were getting from members. This involved continued work on financial reporting and accountability, promotion of registration and greater enforcement of registration standards and improved administration. The increase in membership over the year to a record high added to the impression that the Council was fulfilling members' desires. The work during the financial year culminated with the drafting of a new set of proposed rules for the Institute – rules that would place more emphasis on NZIF as a professional body, that would improve the efficiency and effectiveness of the Institute and which would set in place the opportunities for greater paid assistance for Council. The latter feature was important to the Council who believed that this was inevitable if the Institute was to be able to mature into a fully professional body, not reliant on an elected Council providing unsustainable levels of voluntary input.

It is also relevant that those who were nominated for and elected to the 2012-14 Council all included the move to more professionalism in their nominee statements.

Shortly after the end of the financial year the Council began to discuss features of the proposed rules with members as the document was finalised for placing before this year's AGM. The outcome of that AGM is going to be a defining moment in the history of the Institute.

Conclusion

I thank the members of the Council, the Registration Board, the Fellows' Committee, the Valuation Working party, the local section committees and special interest group convenors, Administrator Jay Matthes, Helen McDonald who produces the newsletter, Piers Maclaren and Mike Smith who produce the Journal and Don Campbell the Journal web master for all their efforts during the year. The Institute is served by a remarkable and diverse group of people and we are the stronger for it.

In closing I wish to acknowledge the support that I have received from so many members over the last year. It is the interaction with members that makes being President worthwhile, so thank you all.

Andrew McEwen
President

HONOURING OUR MEMBERS

Deaths

It was with sadness that the Institute noted the death of former member and Journal editor Dr D.S. (Bob) Jackson in August 2011. Bob was a member from the early 1950s until the mid 1980s. He edited 14 issues of the *Journal of Forestry* (Vol 8(3) to 14(2)) from 1961 to 1969 inclusive.

Queen's Birthday Honours

The Institute congratulates NZIF Member **Mark Farnsworth** of Mangawhai, who was appointed by the Queen to be a Member of the New Zealand Order of Merit for services to the community in the 2011 Queen's Birthday Honours List.

NZIF Fellows

A Fellow of the Institute is a Retired (but not Retired Associate) Member, Registered Member or Member who has been recognised by members as having achieved eminence in the profession.

Candidates for election as a Fellow:

- Have been nominated by two Honorary Members, Retired (but not Retired Associate) Members, Registered Members or Members;
- Have been a Retired (but not Retired Associate) Member, a Registered Member or Member at the time of nomination and must have been such a member for at least five years immediately prior to the nomination;
- Have had at least 15 years' experience in the practice, administration or teaching of, or research in, some branch of forestry, of which at least five years must have been in New Zealand.

Election as a Fellow requires the approval of a majority of the Honorary Members, Retired (but not Retired Associate) Members, Registered Members and Members present at an annual general meeting of the Institute.

The 2011 Annual General Meeting at Auckland elected five new Fellows.

James Barrack (Jim) Carle MNZIF, Rome

Jeremy Christmas MNZIF, Rotorua

Dennys William Guild, Registered Member, Christchurch

| | |
|------------------------------------|----|
| Number of Fellows at 1 April 2011 | 41 |
| New Fellows elected | 3 |
| Number of Fellows at 31 March 2012 | 44 |

Forester of the Year 2011

The New Zealand Institute of Forestry Forester of the Year Award for 2011 was presented to **Peter Weir** of Christchurch at the ANZIF conference in Auckland.

The award recognises leadership, excellence and personal integrity. Consideration is given to the nominee's contribution to New Zealand's economic, social and environmental development, the use of innovation and new technologies or the creation of a new product or business of significance to forestry. Further consideration is given to professional and academic achievements, broad community involvement, cultural and other achievements.

Mr Weir is Corporate Support Manager for Ernslaw One Ltd., based in Christchurch. But it is his role in promoting the needs of the wider forestry sector for which he is better known.

As a member of the executive council of NZ Forest Owners Association and chair of the FOA Environment & Resources Committee, Mr Weir represents the forest industry on the National Environment Standard for forestry working group, the FSC International forest carbon policy working group, the Land and Water Forum, the Primary Sector Water Partnership, the Wilding Conifer project group the Douglas Fir Association and the FSC cluster group.

Previously he has been a member of the Forest Owners Association Health, Safety & Training Committee, chaired the Division of Engineers and Geoscientists in the Forest Sector in British Columbia, Canada and chaired the NZ Mountain Safety Council Snow and Avalanche Committee, contributed to the NZFOA Environmental Code of Practice and was a NZ forest industry representative at the United Nations Framework Convention on Climate Change meeting in Montreal in 2005.

Peter's tireless and professional approach to representing forestry in a wide range of issues has earned the respect of his peers and led to the award of NZIF 2011 Forester of the Year.

The Forester of the Year award is a large carved wall panel, a 1989 work of Rotorua carver Lyonel Grant. The principal elements portrayed in the carving are Papa Tuanuku and the children of Tane Mahuta (the forests, both native and exotic) as well as an effort to capture their respective uses using traditional design techniques in a contemporary form.

Chavasse Travel Award

The Chavasse Travel Award is to enable people interested or employed in the forestry sector to travel overseas in order to increase their and the forest industry's experience and knowledge. The award was created after Geoff Chavasse left a sum of money to the Institute and this was augmented with donations from members. Geoff came to New Zealand from England in 1950 and spent time in Southland, the West Coast and Forest Service Head office, before transferring to the Forest Research Institute in Rotorua in 1968. He joined NZIF in 1951, served as Editor of the Journal from 1970 to 74, a Councillor and as President of the Institute from 1978 to 1980. In 1994 he received the Institute's supreme award, the Kirk Horn Flask.

The 2011 award went to **Hamish Levack**, who will use the funds (\$3,500) to bring a speaker to NZ to participate in an NZIF/Farm Forestry seminar on forest governance in Wellington on 30 September

Frank Hutchinson award

The Frank Hutchinson award is made to a NZ University Postgraduate student. Frank was appointed as a lecturer in forest utilisation at the first forestry school at Canterbury University College in 1924, staying there until the school closed in 1933. He was admitted as a member of the then two year old Institute in 1929 and was elected President of the Institute for a two year term in 1954. At this time he was forest superintendent at NZ Forest Products Ltd, Kinleith, Tokoroa.

This year a Frank Hutchinson award of \$1000 was made to **James McCarthy**, an MSc (Ecology) student at Canterbury University.

NZIF Undergraduate Award

The award for a NZ University Undergraduate Student has a value of \$1000. It was awarded to **Jessica Brown**, a third year BSc Forestry student at Canterbury University.

Mary Sutherland Award

The Mary Sutherland award is made to a Polytech Student. Mary Sutherland was the first woman forestry graduate from a British Commonwealth University, gaining her B.Sc. in forestry at Bangor University, North Wales. She emigrated to New Zealand and was appointed to the Forest Service in 1925. Mary was a founding member of the Institute of Forestry in 1927 and served on the Council, including a term as Vice President.

The Mary Sutherland Award for 2010, worth \$1,000, was awarded to **Alvaro Ramirez Carreno**, a final year Diploma of Forest Management student at Waiariki Institute of Technology.

Schlich Memorial Prize

This prize was established in 1971 from a trust fund, administered by the New Zealand Institute of Forestry, which was collected by public subscription in memory of Sir William Schlich, a pioneer of British forestry. In 2000, the administration and selection of the Schlich Memorial Prize was taken over by the New Zealand School of Forestry at the University of Canterbury.

The prize is awarded annually by the University Council on the recommendation of the Faculty of Forestry to the student in the fourth-year forestry examinations of the Bachelor of Forestry Science degree who displays the best all-round ability.

The current value of the prize is \$300, and one year's Associate or Graduate Membership of the New Zealand Institute of Forestry.

The recipient for 2011 was **Amy Jackson**.

Poster Prizes

During the annual conference, delegates have the opportunity to examine student posters on display and to quiz the students who prepared them. This provides a forum in which the students can present to a knowledgeable and sympathetic audience. An audience that will be able to use their experiences to make suggestions and ideas about the student's work. The students will meet some of those whose works they may have read and discover that there are real and friendly people behind those names. They make contacts that will serve them well as they embark on their careers.

Delegates have the opportunity to vote for the posters that they believe is the best, using whatever criteria they think important. The winners at the 2011 ANZIF Conference in Auckland were:

- **Susana Gonzalez Aracil**, a Spanish student studying at Waiariki, 1st prize of \$500 for her poster: "The impact of plot size on LiDAR volume relationships in forest inventories"
- **Vaeno Vigulu**, a student at Griffiths University, 2nd prize of \$300 for his poster: "Looking at competition between species in a hybrid agroforestry system for growing high value timber"
- **James McCarthy**, MSc (Ecology) student at Canterbury University, 3rd prize of \$200 for his poster: "Bugs on trees: the role of bark beetles as vectors in the colonisation of windthrown timber by fungi".

GOVERNANCE AND ADMINISTRATION

COUNCIL

The 2010/12 Council, which took office on 1 June 2010 was:

| | |
|-----------------|----------------|
| Andrew McEwen | President |
| John Vaney | Vice President |
| James Treadwell | Secretary |
| Chayne Zinsli | Treasurer |
| Piers Maclaren | Editor |
| David Evison | Councillor |
| Chris Goulding | Councillor |
| Bert Hughes | Councillor |
| Murray Parrish | Councillor |
| John Schrider | Councillor |
| Geoff Thorp | Councillor |

Following the changes made to the NZIF Articles of Association at the 2011 AGM in Auckland, which included removing the automatic inclusion of the editor of the Journal of Forestry as a member of Council, Piers Maclaren stood aside from Council.

The Council met on six occasions (April, June, August, September and December 2011 plus February 2012). All meetings were held in Wellington. Attendances at meetings were:

| Name | Attended (maximum 6) |
|-----------|-------------------------|
| McEwen | 6 |
| Vaney | 6 |
| Zinsli | 6 |
| Treadwell | 6 |
| Evison | 5 |
| Goulding | 6 |
| Hughes | 4 |
| Parrish | 6 |
| Schrider | 4 |
| Thorp | 6 |

Elections for the 2012-14 Council commenced in late 2011 when nominations were called. Voting closed at the end of March 2012. Council agreed to use the electronic voting facility in the membership database. This went off with few problems although turnout at 44% of eligible voters was a little disappointing. The process did save a considerable sum that would otherwise have been spent on postage and time to count votes.

The following take office on 1 June 2012:

| | |
|----------------|-----------------|
| President | Andrew McEwen |
| Vice President | James Treadwell |
| Secretary | David Evison |
| Treasurer | Chayne Zinsli |
| Councillors | Kent Chalmers |
| | Chris Goulding |
| | Murray Parrish |
| | Bob Pocknall |
| | Simon Rapley |
| | John Schrider |

We thank those who had not sought re-election and who leave the Council on 1 June for their contributions to the Institute:

Geoff Thorp (who served three terms)

Bert Hughes (two terms)

John Vaney (one term)

FINANCE

The Financial Statements for the year ended 31 March 2012 are set out at the end of this report. They record a deficit for the year of \$15,404 (deficit of \$1,100 in the previous year) and Members' funds of \$233,493 (\$248,897) in the previous year. The deficit included a donation of \$85,000 to the NZIF Foundation.

The year has seen further improvements and simplification of accounting and reporting processes. Closing most local section bank accounts has led to better management of members' funds without loss of accountability of local section funds and has reduced the record keeping burden of local section treasurers. Outstanding membership subscriptions are regularly followed up, which is assisting cash flow.

MEMBERSHIP

Membership changes during the year to 31 March 2012 were:

| | @ 31/3/11 | Deceased | Transferred | | | | Struck Off | @ 31/3/12 | Change | Fellows | |
|-------------------|-----------|----------|-------------|----|-----|----------|------------|-----------|--------|-----------|-----------|
| | | | Joined | In | Out | Resigned | | | | @ 31/3/11 | @ 31/3/12 |
| Honorary | 11 | | | | | | 11 | 0 | 4 | 4 | |
| Retired | | | | | | | | | | | |
| Registered | 3 | | | 1 | | 1 | 3 | 0 | 0 | 0 | |
| Reg (Life) | 1 | | | | | | 1 | 0 | 0 | 0 | |
| Member | 50 | | | 5 | 1 | 1 | 53 | 3 | 9 | 9 | |
| Memb (No fee) | 0 | | | 1 | | | 1 | 1 | 0 | 0 | |
| Memb (Life) | 16 | | | | | | 16 | 0 | 4 | 4 | |
| Associate | 1 | | | | | | 1 | 0 | 0 | 0 | |
| Subtotal | 71 | 0 | 0 | 7 | 1 | 2 | 75 | 4 | 13 | 13 | |
| Registered | 84 | | | 11 | 5 | | 90 | 6 | 10 | 12 | |
| MNZIF | | | | | | | | | | | |
| MNZIF | 435 | | 24 | 14 | 21 | 12 | 439 | 4 | 14 | 15 | |
| MNZIF (hold) | 3 | | | 5 | 3 | 3 | 2 | -1 | 0 | 0 | |
| Subtotal | 438 | 0 | 24 | 19 | 24 | 15 | 441 | 3 | 14 | 15 | |
| Graduate | 40 | | 7 | 10 | 2 | 4 | 51 | 11 | | | |
| Associate | | | | | | | | | | | |
| Associate | 121 | | 8 | 3 | 6 | 11 | 113 | -8 | | | |
| Assoc (Hold) | 5 | | | 1 | 3 | 1 | 2 | -3 | | | |
| Subtotal | 126 | 0 | 8 | 4 | 9 | 12 | 115 | -11 | 0 | 0 | |

| | @ 31/3/11 | Deceased | Transferred | | | | Resigned | Struck Off | @31/3/12 | Change | Fellows | |
|----------------|-----------|----------|-------------|----|-----|----|----------|------------|----------|--------|-----------|----------|
| | | | Joined | In | Out | | | | | | @ 31/3/11 | @31/3/12 |
| Student | | | | | | | | | | | | |
| Student | 71 | | 49 | | 10 | 8 | 6 | 96 | 25 | | | |
| Stud (Hold) | 1 | | | | | | | 1 | 0 | | | |
| Subtotal | 72 | 0 | 49 | 0 | 10 | 8 | 6 | 97 | 25 | 0 | 0 | |
| Totals | 842 | 0 | 88 | 51 | 51 | 41 | 9 | 880 | 38 | 41 | 44 | |

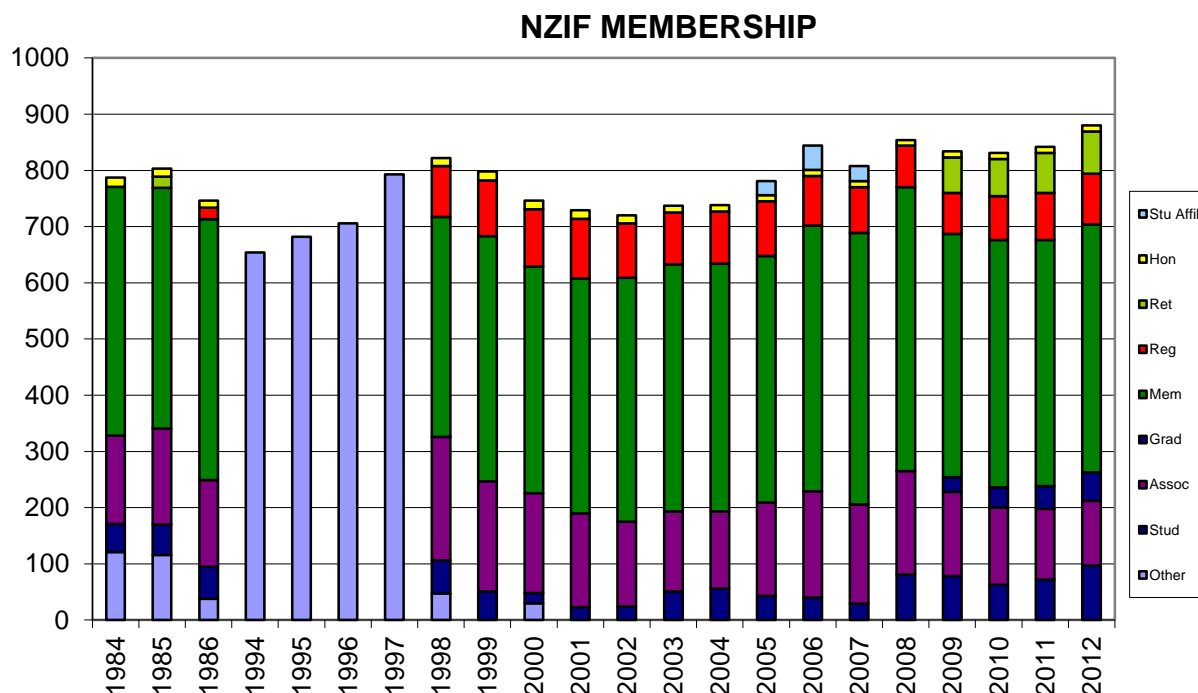
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|---------|-----|---|-----|-----|-----|----|----|-----|-----|----|----|
| 2010/11 | 831 | 3 | 62 | 45 | 45 | 33 | 15 | 842 | 11 | 37 | 41 |
| 2009/10 | 834 | 5 | 44 | 40 | 40 | 24 | 18 | 831 | -3 | 27 | 37 |
| 2008/09 | 854 | 1 | 55 | 122 | 122 | 59 | 15 | 834 | -20 | 25 | 27 |
| 2007/08 | 782 | 3 | 100 | 32 | 32 | 12 | 13 | 854 | 72 | 25 | 25 |
| 2006/07 | 801 | 2 | 35 | 48 | 48 | 32 | 20 | 782 | -19 | 25 | 25 |

Total membership over the year increased by 38 to 880, which is the highest in the history of the Institute. It is pleasing to see the increase of six Registered Members.

When an adjustment is made for members in arrears with their subscriptions and with membership on hold, effective membership has increased by 27. This reflects the increase in total numbers countered by an increase in members in arrears with their subscriptions.

| Membership Class | At 31 March 2011 | | | | At 31 March 2012 | | | | Change |
|------------------|------------------|------------|----------|-------------------|------------------|------------|----------|-------------------|-----------|
| | Members | In arrears | On Hold | Effective Members | Members | In arrears | On Hold | Effective Members | |
| Honorary | 11 | 0 | 0 | 11 | 11 | 0 | 0 | 11 | 0 |
| Retired | 71 | 0 | 0 | 71 | 75 | 3 | 0 | 72 | 1 |
| Registered | 84 | 0 | 0 | 84 | 90 | 0 | 0 | 90 | 6 |
| MNZIF | 438 | 4 | 3 | 431 | 441 | 11 | 2 | 428 | (3) |
| Graduate | 40 | 0 | 0 | 40 | 51 | 2 | 0 | 49 | 9 |
| Associate | 126 | 5 | 5 | 116 | 115 | 9 | 2 | 104 | (12) |
| Student | 72 | 1 | 1 | 70 | 97 | 0 | 1 | 96 | 26 |
| Total | 842 | 10 | 9 | 823 | 880 | 25 | 5 | 850 | 27 |

The trend in membership numbers in recent years is shown in the diagram.



AGM

The 2011 AGM was held at the Sky City Convention Centre in Auckland on the afternoon of Sunday 1st May 2011. Members observed a minute's silence in memory of three members and two former members who had died in the past year (Colin O'Loughlin, Sir Graham Liggins, Trevor Foley, John Nichols and Gavin McKenzie). The minutes of the 2010 AGM were approved and a few queries on matters arising were dealt with. Then it was on to the Annual Report and Financial statements. The President presented his report and a discussion on the annual report followed. Motions to approve the financial statements for the year to 31 March 2010 and to receive the draft statements for the year to 31 March 2011 were approved, as was a motion to leave fees for the year beginning 1 April 2012 at the same level as those for the year beginning 31 March 2011. The meeting endorsed the Council's decision not to appoint an auditor for the year to 31 March 2011.

A motion to make a number of amendments to the Articles of Association was approved.

The meeting considered three motions to elect Fellows. Jim Carle, Jeremy Christmas and Dennys Guild were all elected without dissent.

Under general business a motion that Council work with other associations to negate the perverse effects of the cost of bush tax provisions was defeated.

Dennys Guild outlined plans for the 2012 Conference to be held in Canterbury in June 2012.

GENERAL ADMINISTRATION

General administration of the Institute is carried out by the part time administrator Jay Matthes, who operates from the Institute's office in Wellington.

Use of the membership database continues to expand. Electronic voting for the Council and Board elections at the end of the financial year led to considerable savings on postage and administrative time. At year end testing of a continuing professional development module that links to events booked through the database as well as allowing members to enter their own CPD data was being undertaken. It promises to improve the annual re-registration procedures for Registered members.

PROFESSIONAL DEVELOPMENT OF MEMBERS

REGISTRATION BOARD

General

The role of the Registration Board is to regulate the registration of members.

During the year the number of Registered Members increased by six to a total of 90. This was made up of 11 applications that were approved, less five members who did not renew their registration.

Registration Board Composition

John Schrider - Chair nominated by Council

Dr Alex Sutherland – Appointed from a professional body outside forestry

Don Hammond – Elected by Registered Members

Ian Page – Elected by Registered Members

Dave Lowry - Elected by the NZIF members

Peter Gorman – Elected by the NZIF members

Mike Marren – Registrar, appointed by the Board.

In elections at the end of the financial year, Don Hammond was re-elected for another four year term, while Peter Gorman has been replaced by Janet Scott. Her term commences on 1 June 2012.

The Registration Board met 3 times during the year. The Board arranges meetings as required and where feasible uses phone conferencing dependent on business load at the time.

Registration Board Business

Complaints: there were no complaints received during the 2011 – 2012 year.

Registration Processes: The move by Council to introduce the web based Institute membership and communication website has encouraged the Board to adopt this technology whilst retaining the standards required by the Articles. The employment of the Institute's Administrator in Wellington has provided a much more hands on opportunity for the Registrar and the Administrator to co-ordinate Registered Member applications and renewals. In the longer term this may provide opportunity for some rationalisation of both roles.

Registered Member Responsibilities: The Board continues to work on the annual problem of Registered Members who fail to comply with annual practicing renewal and five-yearly review requirements. Unfortunately this continues to be an on-going problem with a limited number of Registered Members and places additional burden on a registration scheme that struggles with both sufficient numbers and resources to effectively manage the registration process.

Current thinking is that use of the website membership renewal system when activated will resolve this issue. Registered Members will be required to fulfil all obligations before their renewal is accepted by the system. Registered Member lists might start from zero each year.

2011 – 2012 Year Issues: The major item that has occupied the Board during the year has been the introduction of the Real Estate Agents Act 2008. This has the potential to involve a number of our members in seeking legal advice as to whether their activities are captured by the legislation.

Simpson Grierson was employed to undertake a review of the Act and construct a legal opinion for the Institute and this confirms that a significant number of members (not just Registered members) might be affected.

A workshop programme to advise Registered Members and others was prepared by the Board and will take place in Auckland, Wellington, Balclutha and Christchurch in April/May 2012.

2012 – 2013 Programme: The major item that will occupy the Board over the next six months or so will be continuation of the work on the Real Estate Agents Act.

The Financial Advisors Act 2008 has also raised concerns amongst members and this will probably need to be addressed in due course.

FELLOWS' COMMITTEE

The Fellows' Committee comprises:

John Galbraith (Convenor)
Russell Dale
Peter Berg

Following the 2011 AGM, the President met with the incoming Committee and requested that it review the role of Fellows and the Fellows Committee within the Institute. Ideas discussed then and in subsequent emails included:

- Function of Fellows Committee - from NZIF Articles of Association, Article 39:
 - Resolve appeals re expulsion of members
 - Casting vote in presidential vote
 - Advice re matters of concern to Fellows and Honorary members
 - Advice to Council/President
- Process for nomination of Fellows
- Honours (encouraging the identification of NZIF members for national/science/professional honours)
- Position papers

Action on some of these items is reported below. The Committee has not made the progress it had intended in engaging with Fellows on matters of concern, but a recent email to Fellows and Honorary members has resulted in some useful feedback and we look forward to engaging with our constituents at the AGM and Conference.

In 2012, as in 2011, it has been pleasing to see that the membership at large has identified a small group of their colleagues to be nominated for recognition as an NZIF Fellow. The Committee has assisted the President and Council in reviewing and making recommendations on the nominations.

If nominations received in 2012 are accepted by the AGM, the total number of Fellows will then be 46 and will comprise about 6% of the total membership of the Institute.

The Committee reviewed the process for nominating and ratifying Fellows and provided comment on two alternative processes to the President.

The Committee reviewed nominations received for Forester of the Year and for the Kirk Award and has made recommendations to Council.

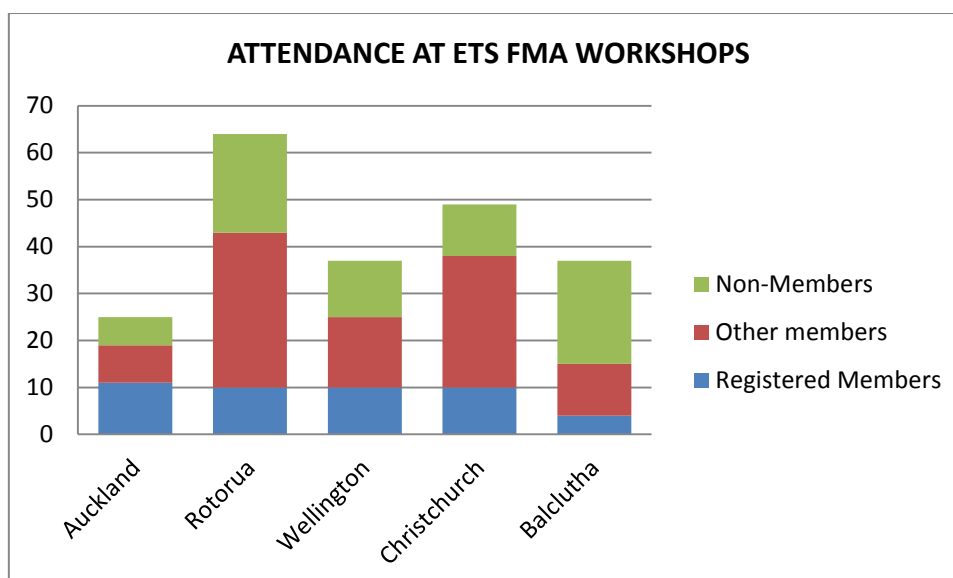
The Committee reviewed the timetable and process for advancing nominations for national honours and for other professional body awards and honours and has assisted with a nomination.

EDUCATION AND TRAINING

ETS Workshops

Five workshops (Auckland, Rotorua, Wellington, Christchurch and Balclutha) on the ETS Field measurement Approach were held in August and September 2011 at which the Ministry of Agriculture and Forestry provided the speakers.

Across the five venues we had over 210 attendees, which included around 50% of NZIF Registered members and about 100 unregistered members. However, about a third of attendees were not members of the Institute.



The number of non-members and unregistered members apparently involved in this complex procedure is of concern, because of the implications for members of the public who engage unregistered members of NZIF (a concern borne out by complaints received by NZIF on the operations of such people).

Despite the low charge we made for attendance (certainly low compared with the cost of attending workshops organised by other professional bodies), the high numbers attending, the fact that we were able to get several venues at no cost, the fact that MAF did not charge for the presenters' time and travel costs and the voluntary input of some of our members into making arrangements, did lead to NZIF having made a surplus of income over costs. It was also a good (and successful) opportunity to test the online booking facility in our membership database.

Overall, the workshops were good for imparting knowledge and in raising awareness about the field measurement approach and in the need for a professional approach to clients.

We thank MAF for partnering with the NZ Institute of Forestry in this venture. We are always interested in further such ventures, particularly as a way of providing opportunities for professional development of our members.

STANDARDS

NZIF Forest Valuation Working Party

Membership during 2011/12

Dr Bruce Manley (Convenor)
 Peter Berg
 Mike Colley
 Peter Gorman
 Bill Liley
 Andre Neumann
 Brian Rawley
 Theo Vos

Activities

- Drafting guidance material for incorporating carbon into forest valuation. The NZIF was contracted by the Ministry of Agriculture and Forestry to undertake a project "Capability Building for Land and Forest Valuers" that included the preparation of guidance material on how the value

of carbon emissions and associated liabilities should be treated when valuing land and forests. The project team consisting of Donn Armstrong, Bill Liley, Mike Marren and Bruce Manley. The process was completed in 2011 with:

- Presentation of draft guidance material to forestry and land valuers at workshops in Auckland and Christchurch to obtain further feedback;
- Release in November of guidance material. This is available on the NZIF web site.
- Preparation of a revised interim standard Forest Valuation Standard B12 – Forest Valuation Method to incorporate the material previously released in discussion drafts on:
 - The treatment of land in the valuation of a tree crop. This proposed the use of market-based land rentals to calculate the opportunity cost.
 - The use of the current replacement cost approach for the valuation of young stands.

At its February 2012 meeting the Working Party resolved to commence a comprehensive review of the Forest Valuation Standards. It recommended to Council that the membership of the Working Party should be augmented to support this process. Council has subsequently approved the addition of Alan Bell, Ian Jenkins, Philip Elworthy, Nick Ping, Rudolf van Rensburg and David Skilton.

At the end of the year Mike Colley announced his resignation from the Working Party. His constructive contribution is gratefully acknowledged.

GENERAL SERVICES TO MEMBERS

PUBLICATIONS

Journal of Forestry

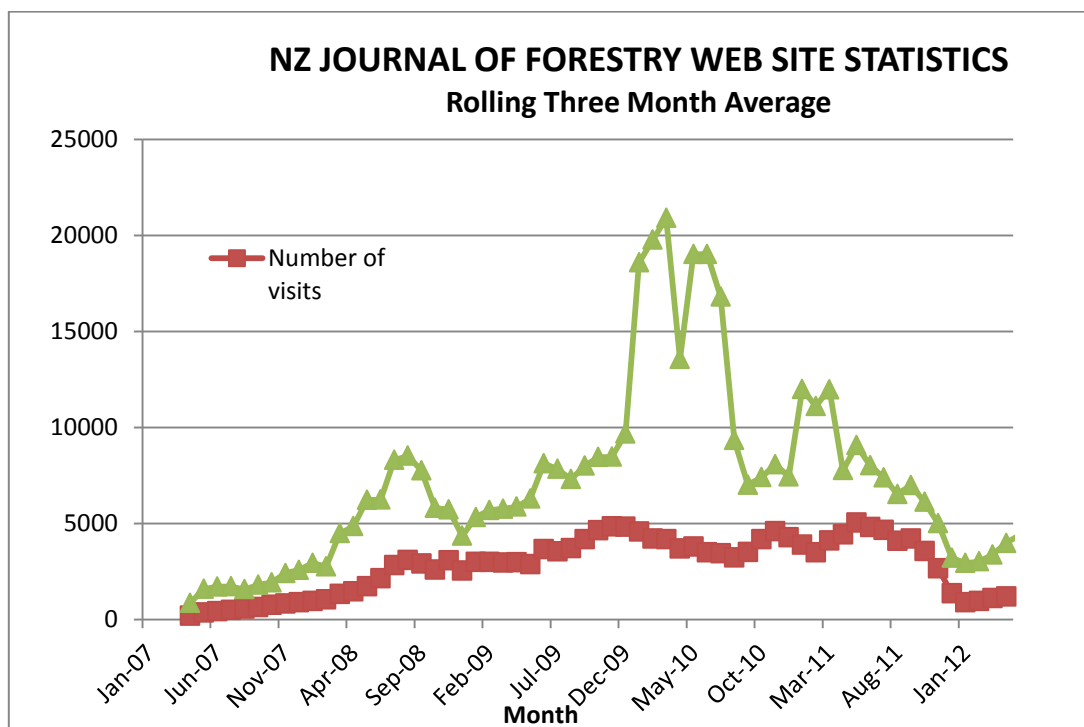
Four issues of the Journal were published in the year ending 31 March 2012. Our thanks go to our editor Pier Maclaren, BMS Ltd for layout, printing and distribution and the Council Publications Committee. Over the year the Committee focussed on improving the quality of content in the Journal. To achieve this goal:

- The purpose of the Journal was defined and discussed with Council;
- Improvements were made to processes around Journal production;
- An editorial committee was established to support the editor.

The editorial committee decides on themes for future issues, identifies the best people to approach for articles and contacts those people. The editorial committee helps select referees for peer-reviewed articles and to assist the editor to decide whether or not to publish articles where the referees' opinions differ. Planning encompasses the next four issues to ensure that suitable content for each theme is available.

The publications committee and Council determined that it was an appropriate time to call for expressions of interest to edit, layout, print and distribute the journal. A request for proposals was made in June 2012.

Access to the on-line journal dropped during the year from a monthly average of 3,850 visitors and 11,400 pages in 2010/11 to 2875 visitors and 5,400 pages in the year to 31 March 2012. The site continues to be managed by Don Campbell of Liquid Silicon in Christchurch, pending resolution of investigations to see how it can be made more compatible with the main web site, including the ability to use the same username and password access for both the main web site and the Journal site.

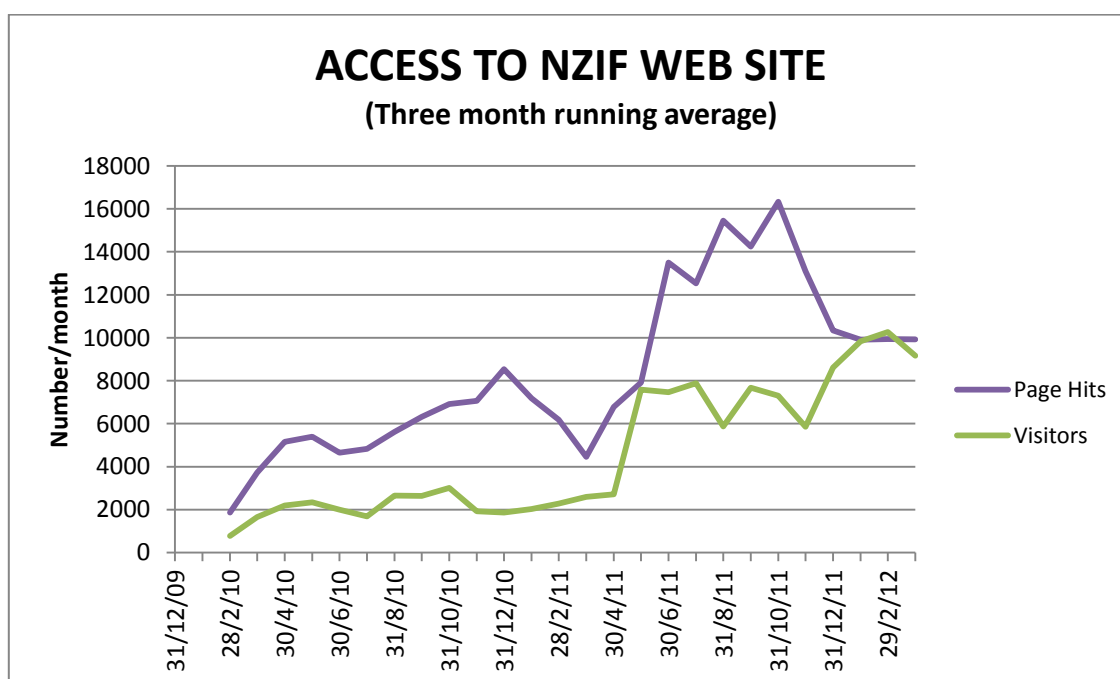


Newsletter

The weekly electronic newsletter continues to attract interest, comment and advertising. Following the ANZIF Conference in Auckland, distribution has included members of the Pacific Forestry Special Interest Group and a separate section of the newsletter was added to cater for Pacific news. Around 1040 people receive the newsletter each week.

Website

Access trends since use of the website and membership database commenced are shown in the diagram below. Visits to the site were averaged 8,200/month during the year compared with 2,270 the previous year, while page hits averaged 12,000/month (6,000 the previous year).



LOCAL SECTIONS AND SPECIAL INTEREST GROUPS

Local Sections

Each NZIF member is assigned to one of eleven NZIF local sections.

| | Approximate Region Covered |
|-----------------------|--|
| Northland | Northland Regional Council |
| Auckland | Auckland City, west Waikato Region |
| Central North Island | Bay of Plenty Region, west Waikato Region including Taupo District |
| Gisborne | Gisborne District |
| Hawkes Bay | Hawkes Bay Region |
| Southern North Island | Taranaki, Horizons and Wellington Regions |
| Nelson Marlborough | Nelson & Marlborough |
| Westland | Westland Region |
| Canterbury | Canterbury Region |
| Otago-Southland | Otago and Southland Regions |
| Overseas | Not resident in New Zealand |

Activities reported by local sections and special interest groups for the year to 31 March 2012 are set out below.

Northland Section

Contacts: Peter Houston
Neil Geerkens

No activity

Auckland Section

Chair: Peter Hill
Secretary Chayne Zinsli
Treasurer Philip Elworthy

For the year ending 31 March 2012, the main focus of the Auckland section was the ANZIF conference. As a result only a few events organised. The key events over the year were:

- A joint ASIF / NZIA Wood Properties CPD Seminar. This was a follow up to a successful 2009 seminar and was aimed at providing CPD for members of both organisations. One hundred and seventy professionals attended to hear presenters from Scion, NZ Wood, University of Auckland and specialist consultants. Subjects covered included - research into Engineered Wood Products, wood species available in NZ, wood promotion, developments with preservation and supply and demand. Members of both professions noted their appreciation of what was regarded as a very 'practical' seminar. Proceedings of the Seminar are available on NZIF website;
- Predicting Weather - A very successful evening with guest weather expert Bob McDavitt;
- ASIF's annual Marketing Seminar.

The Section already has a number of events in planning for the coming year including:

- An evening with the Minister of Primary Industries;
- A seminar on foreign investment in NZ Forestry;
- A seminar on wooden high-rise buildings.

CNI Section

Chair: David Herries
Secretary Karina Bohle

The CNI Section was associated with several events in the second half of 2011.

A joint NZIF/APPITA Technical Meeting was held in Rotorua on 11th August 2011 with three guest speakers. Stef Kincheff from Hardwood Management spoke on Carbon Forestry with Eucalypts; Russell Dale from Future Forests Research updated the meeting on Alternative Species – Industry Investment and Future Plans and Jeremy Warnes from Scion addressed the meeting on Scion's developments with High Performance Wood Fibre Composites.

The section helped with the organisation and manning of the NZIF stand at the PF Olsen Forest Industries Expo 2011 held in Rotorua between 5 – 7 September 2011, and with the organisation of the Joint NZIF/MAF ETS Field Measurement Approach Workshop held in Rotorua on the 19 September.

The section was also a supporter of the Tane's Tree Trust and NZ Farm Forestry Association Workshop and Field Day on Establishing Native Trees and Shrubs in the Lake Taupo Catchment on 4 December 2011.

David Herries recently announced his willingness to step down as the Chairman and Karina Bohle has retired as Secretary.

Gisborne Section

Contact: Marty Watson

In October, Megan Costello organised two forestry film evenings at the dome cinema in Gisborne as part of the International Year of the Forests. Megan did a great job of organising the events and gained sponsorship from forestry companies, so that the event did not charge an entry fee. That was one of the criteria set in place by the film festival promoters that they were to be free to all. Significant numbers turned out to both evenings many of whom were not forestry professionals. After each film evening there was a get together of members interested in being part of an active local NZIF group. A group of 6 people who stayed behind threw around a few ideas.

Hawkes' Bay Local Section

Chair Bob Pocknall

Secretary/treasurer Barry Keating

The section held two meetings.

- 12 March 2011: AGM then Don Johnson, Marketing Manager, Pan Pac spoke on “Best in class or just good business” based on a recent study tour of Chilean forestry operations.
- 12 July 2011 Brian Pritchard, General Manager Forestry and Logistics, Pan Pac, spoke on “China’s log market – boom or bust? Will it continue to be NZ’s saviour?” In May 2011 Brian visited wood processing operations and ports on China’s eastern seaboard.

Southern North Island Section

Chair: Jon Dey

The Southern North Island Section held a total of 4 activities during the year. Activities were organised in conjunction with the Wellington Branch of the Farm Forestry Association.

- July 2011 - SONZAF 2011 briefing for SNI NZIF and NZFFA members. This was attended by around 23 people;
- August 2011 - Meet Wayne McNee – MAF CEO – with NZFFA;
- September 2011 – International Seminar on Forest Co-operatives – with NZFFA. This seminar was held at the Beehive and was attended by around 100 people, including a visiting forest owners group from France;
- December 2011 - International Year of Forests end of year function – with NZFFA.

Nelson-Marlborough Section

Chair: Mike Marren

No events were held during the year

Westland Section

Contact Michael Orchard

Westland Section NZIF members attended special film screenings put on by DOC relating to the "Year of the Forests" commemoration.

They organized their own special event in conjunction with the local Farm Forestry and Tree Crops Associations, organizing a 3 day Private Native Forest General Management Seminar, hosted by the Tane’s Tree Trust. The well attended opening of the “Manage Your Native Forest” seminar had some 25 people to hear specialists Ian Barton (Forester) Chairman of Tane’s Tree Trust, and Helmut Janssen (Forest Ecologist) with Mark Smale (Scientist) also doing a presentation on the Beech Bulletin in preparation.

The 2nd day initial field trip was to the Grey Valley (Waipuna Station) sites of farmer/forester Ken Fergusson, including an 800ha Beech management area and 5 Biodiversity protection areas, extensive shelter belt stands of *D. fir.*, *P. radiata*, and mixed *E. nitens/ Cypress*, deer, trophy stag, sheep and cattle management operations. Continuous Cover planting policy was introduced, followed by a native planting and seed discussion by Nurseryman Deane Keir, a visit to the Slab Hut Creek recreational area, and the DOC Victoria Forest Park historic and environmental displays.

The 3rd day concentrated on processing at the American owned and upgraded Reefton NZ Sustainable Forest Products NL beech/hardwood Sawmill & Veneer plant, and then a detailed inspection walk to Sustainable Beech Forest Management areas in the Maruia Valley, all led by passionate operations manager forester Jon Dronfield. Key features were the 20 property contract native timber resource areas, that provide the economic basis for this innovative operation, plus the slice veneer plant processing mostly beech and eucalypt into finished product high quality architecturally designed building features. It is interesting to note that all beech trees clearfelled off the Oceania Gold gold mining Site in DOC's Victoria Forest, ago to the sawmill and veneer plant (so no tree waste), but only about 25% of available annual beech resource is presently being utilized.

Meetings of MAF have been attended dealing with carbon credits and general forest management opportunities, and a School of Forestry Beech Seminar, in Christchurch. A combined AGM was held with West Coast Branch of the Farm Forestry Association. Michael Orchard continues to represent members on the West Coast Rural Fire Organisation. He has kept up to date (and supported the University) by enrolling as a Cultural Student in the School of Forestry Summer Series Lectures in Dec 2011.

Some visited joint members stands on V bladed country approaching 18 years of age have suffered some windthrow damage (and dairying use beckons always the corner), but little was generally salvaged because of lack of logging equipment, freight facilities and markets on the West Coast. The mature 30 year old *P. radiata* stand mentioned in a mensuration exercise last year has now been harvested and interesting patterns of mixed exotic and indigenous forest have emerged, with detailed figures available.

Members have hosted student groups and tutors from USA and Germany, plus the French Foresters trip following the World Club rugby, on intensive native and other forest manage areas, unique to the West Coast.

Canterbury Section

| | |
|-----------|----------------|
| Chair | Dennys Guild |
| Secretary | Mark Bloomberg |

Yannina Whiteley became section secretary at the end of the year.

The 2011/12 year can only be described as an epoch making year in the history of the settlement of Canterbury. Several members lost homes and/or offices in the earthquakes and some may have lost friends or relatives, or who had injuries sustained by family or friends.

Thankfully the year was not all bad news. Under the excellent chairmanship of Phil Taylor, the organizing committee for the 2012 national AGM and Conference, which is to be held at Canterbury University, is progressing well with its task.

After planning a running start to the year, the first meeting was deferred until 26th May as a result of the two earthquakes on 22 Feb 2011. Dave Evison, Stu Marshall (TPT) and Allan Laurie presented their views on the log export market, which had seen some pretty serious gains for over 12 months.

More serious earthquakes on 13th June were not enough to stop our "Meet your future Employer" evening for the students on 13th July, which was the most successful yet, with over 50 students attending, and a line-up of "employers" including Scott Downs, Allan Laurie, Darren Mann, Russell Coker, Richard Parker, Alastair Kernahan, Mark Bloomberg and the President of NZIF, Andrew McEwen. It was the promise of good advice, and not the pizza and pop, that attracted so many. Also, timing is important, and this was held in the student's first week back after holidays.

David Whitehead gave a well-presented and appreciated talk entitled forests as carbon sinks – benefits and consequences. This was attended by 28 members.

Thanks to the efforts of Nick Ledgard and Darren Mann, plus DOC staff, a public open day at Mt Thomas was held on 11th September as part of the International Year of the Forest initiative.

On 21st September a workshop held jointly by NZIF and MAF on the Field Measurement Approach for Carbon Accounting was held in Christchurch and 4 other centres in September.

On 27th October we heard Allan Ogle relate his experience of working on a consultancy job in India. This is a large country in most senses of the word. But with that come all sorts of problems – most of them being large also.

This year, with The Oaks still out of commission due to earthquake damage, the traditional end-of-year function was held at Pukeko Junction, Leithfield. Thirty four members came to hear guest speaker Nick Ledgard talk about 40 years of FRI'ing.

Many thanks to all the speakers who gave their time to inform (and entertain) during the year.

Otago-Southland Section

Chair Angus McPherson

Secretary Paul Cox

Treasurer Peter Oliver

Committee Percy Parker, Richard Thum, Murray Harris, John Purey-Cust, Parnell Trost, George Platts

Southland sub-committee Ted Ramsay, Roger Washbourne, Ernie Nicholson, Graeme Milligan

Former Secretary George Platts and Treasurer Parnell Trost both stepped down at the 2011 AGM after 10 years of service.

Six meetings were arranged and organized during the year:

- 12th April 2011 – joint meeting with SWC. After dinner presentation on Tracmap GPS software.
- 21st July 2011 – AGM and presentations on the FSC General Assembly and the small grower initiative.
- 27th September 2011 – MAF/NZIF training workshop on implementation of the ETS Forest Measurement Approach (FMA). Joint evening meal and meeting with the SWC and presentations on the forest market in China, and the transfer of sustainable natural forest harvesting technologies from Kalimantan to Liberia.
- 13th November 2011 – unveiling of memorial plaques for Bill Gimblett and Jim Smith at Jolendale Park as part of their Jubilee celebrations and to mark the establishment of the 'Jolendale Park Charitable Trust'.
- 8th February 2012 - FOA/NZIF meeting on the proposed forest sector levy.
- 27th February 2012 – Cypress Field Day looking at production thinning and sawmilling with Mid Otago Farm Forestry Association.

The study tramp this year was to Mt Somers, with 10 people attending including local section members, ex NZFS staff, farm foresters and accountants with an interest in forestry. Prospect for 2013 is the St James Walkway.

Notable Trees - work material handed over to City Council to take over. Continuing collaboration with SWC to arrange meetings for local members and other industry education/training opportunities.

Special Interest Groups

NZIF special interest groups provide opportunities for members with a common interest to communicate with each other on their chosen topic. Groups can be formed to meet a short term need or can have a longer life and are a less formal part of the NZIF structure than local sections. The following groups functioned in the 2011/12 year:

Women in Forestry

Convenor Sarah Orton

Sarah Orton took over as convenor towards the end of the year and decided that the group should get together at the annual NZIF conference. Emails were sent to all female NZIF members informing them of this and the conference committee has set aside a space to meet up.

In the future, the group will probably only meet once a year at the annual conference. The members all seem to be too busy and scattered to meet at other times.

Pacific Forestry

Convenor Andrew McEwen

This group was established as a result of the recommendations made at the ANZIF Conference in Auckland in 2011. This includes forestry professionals working in Pacific countries or interested in Pacific Forestry. There are currently 176 members on the mailing list, only 21 of whom are NZIF members. The main activity has been to add a Pacific forestry section to the NZIF weekly newsletter and to distribute the newsletter to those on the distribution list. This has resulted in some news items, requests for information, vacancy advertisements and other notices appearing in the newsletter.

Liaison is also being maintained between the President and Volunteer Service Abroad in New Zealand. Some vacancies for volunteers have been advertised and one resulted in NZIF member, Ian Cairns, being appointed to a forestry adviser position in Bougainville.

The President attended a meeting of Pacific forestry representatives at a Secretariat for the Pacific Community meeting in Nadi, Fiji and made a presentation on the recommendations from the ANZIF conference.

NZIF CONFERENCES

ANZIF 2011

The NZ Institute of Forestry hosted the 6th Joint Institute of Foresters of Australia - New Zealand Institute of Forestry (ANZIF) conference in Auckland from the 2nd to the 5th of May 2011.

The conference was held at the Sky City convention centre and well over 300 participants were actively involved in at least part of the conference, with a little over 100 from Australia and some of our other South Pacific Island neighbours (in total representatives from 22 countries attended, with virtually all countries represented involved in at least one presentation).

Following the established pattern, the conference again attempted to focus on issues of regional and international significance, but adopting in this case a "Pacific Forestry" theme.

In particular the conference was designed to build on the broad base of concern and interest, expressed at both the World Forestry Congress in Argentina three years ago and more recently at the July 2010 Commonwealth Forestry Conference in Edinburgh, to build forestry capability in some of the smaller and less prosperous countries. New Zealand and Australia have played significant roles in the development of more sustainable forestry practice in the Pacific Region, and the Associations both felt it was appropriate and important to continue to provide similar leadership as the important roles of forestry become better understood and appreciated.

Including foresters from the smaller developing South Pacific Island countries and directing more attention to matters such as the consequences of climate change on them helped create a very interactive and participative conference. Other sessions on environmental, cultural and social expectations of national forests, better information on forestry technologies, developing greater consensus around R&D requirements, and lifting the training and professionalism of foresters throughout the region meant that those that attended found plenty of interest.

The international dimension to this conference meant that agencies with a wider vision also participated with FAO and the Commonwealth Forestry Association playing a significant part and also providing a very helpful level of sponsorship, and of course 2011 was the United Nations International Year of the Forests and the conference was recognised as a feature event in that respect.

During the concluding session of the conference a programme of actions was agreed:-

CONFERENCE RECOMMENDATIONS

The delegates to the 7th ANZIF Conference recommend that the New Zealand Institute of Forestry (NZIF) Te Pūtahi Ngāherehere o Aotearoa Incorporated (“NZIF”), the Institute of Foresters of Australia (“IFA”) and the Commonwealth Forestry Association (“CFA”), in collaboration with representatives from other Pacific countries:

1. *Promote the recognition of timber as a forest product essential for society;*
2. *Promote an understanding that forests and society are intimately linked;*
3. *Advocate that forests be managed for the full range of goods and services that they can provide, and that this management be undertaken within a broader context of landscape management;*
4. *Promote recognition that forest conservation is a form of forest management and that protected areas need to be managed, monitored and reported on under the principles of sustainable forest management;*
5. *Promote the environmental benefits that arise from the use of wood from sustainably managed forests relative to many non-forest materials;*
6. *Recognising the vulnerability of some small island states to climate change, promote global policies that enable forests and wood products to make their full potential contribution to climate change mitigation and adaptation;*
7. *Express the concern of the conference that in some countries (such as the Solomon Islands), governance and market failures leading to unsustainable logging are depleting a vital forest resource and that this could lead to adverse effects on the economies of those countries;*
8. *Facilitate and support the establishment of forestry associations where there is a desire for these to be formed;*
9. *Establish a network of forestry professionals in the Pacific region that will work towards furthering the interests of professional forestry and forestry professionals, including those working for environmental and other government and non-government organisations and entities;*
10. *Facilitate exchanges of personnel and experience between Pacific countries, including the development of mentoring networks and opportunities for practical on-the-job training;*
11. *Promote the development and use of professional standards including codes of ethics;*
12. *Promote greater cooperation between forestry sector training and education bodies at all levels (vocational, technical and university) in the Pacific region;*
13. *Advocate for greater professional forestry input into all levels of government decision making that might affect forests or forestry, including at the international level;*
14. *Advocate for the participation of all affected people, especially minorities, in forest development and management;*

15. *Advocate for the promotion of the social, cultural and economic interests of indigenous peoples and landowners;*
16. *Promote the need for greater awareness of the finance available for forestry and advocate for greater financial assistance for forestry projects in the Pacific region;*
17. *Advocate for enhanced investment and collaboration in forestry research and development undertaken by Australian, New Zealand and other institutions in the Pacific region;*
18. *Promote the need for timely, reliable and transparent forestry and tenure data and information throughout the Pacific region;*
19. *Approach the Australian and New Zealand governments, the Commonwealth of Nations and others for financial support for forestry professionals through existing programmes;*
20. *Ensure that the Presidents of the NZIF and IFA and the Chairman of the CFA report back within twelve months to the delegates at this conference on progress with the matters included in this recommendation.*

Auckland, New Zealand

4th May 2011

Some progress is able to be reported on a number of these matters, but particularly in areas such as development of education and skills, transfer of information and better communication between professional foresters in this region.

The very positive response to the conference from foresters in the Pacific region suggests that this focus on and support for our Pacific forestry colleagues should continue to be an important consideration for NZIF.

The conference was also a financial success. We thank the conference organising committee, led by Peter Berg, for a great event

Conference 2012

Conference 2012 is being held in Christchurch from 1-4 July with the theme *Engineering Value – Growing and Harvesting Forests for Novel Wood Structures*. Despite some initial uncertainty about the viability of this following the earthquakes, the organising committee led by Phil Taylor was determined that the conference would go ahead in Christchurch and Council was very keen that they should continue with that plan.

Conference 2013

Conference 2013 is to be held in New Plymouth.

ANZIF 2015

The next ANZIF conference is expected to be held in Australia in 2015.

PROMOTION OF PROFESSIONAL FORESTRY

POLICY AND POSITION PAPERS

Council has approved a structured process for developing and recording NZIF position &/or policy papers. This involves:

- Identification of topic: Council identifies a topic on which it needs to develop an agreed Council position that it can use when making submissions, representations and statements.
- Preparation of draft Council background paper: Council asks a member or members to prepare a paper for it on the topic. This would provide background information and preferably set out recommendations for an NZIF Council position. On receipt of the paper, Council might seek comment from members, in which case, the original authors would be asked to review the comments and revise the paper where necessary and to resubmit it to Council.
- Receipt of Council background paper: Once Council receives the paper, it becomes an NZIF Council Background paper. This does not constitute acceptance or otherwise of the recommendations in the paper, it is simply formal acceptance by Council of the paper that it requested. It is possible that Council could request preparation of more than one background paper (e.g. from different groups of members) on a topic.
- Preparation and approval of NZIF Council position paper: Council considers the recommendations and other material in the background paper and produces a draft NZIF Council position paper. Where appropriate, Council may seek comment from members on a draft position paper. When Council is happy with the position paper, it formally adopts it as a Council position and the paper is identified as having been approved and it is then available for use in submissions, representations, etc.
- NZIF position papers. Where appropriate, Council may seek approval from members, either at an AGM or by other means, to change the status of a Council position paper to an NZIF position paper (or possibly to an NZIF policy). This may require a further round of consultation and it may require preparation of further background papers (which could be retained in the Council background paper series).
- Revision of papers. Each background and position paper needs to be subject to regular review and update to ensure continued relevance of the information and incorporation of recent research and related findings. Reviews should take place at least once every five years with shorter periods for rapidly developing topics.

Position papers being worked on during the year were

- A draft Council background paper on the place of bioenergy/biofuels in forestry in New Zealand;
- A draft Council background paper on education and training in forestry in New Zealand;

SERVICES TO THE PUBLIC

Dispute Resolution Service

The NZIF web site lists a panel of practitioners who have expressed willingness to act as arbitrators or mediators in forestry disputes. The list has been compiled in association with the Arbitrators and Mediators Institute of New Zealand (AMINZ) and is maintained by the Institute's Registration Board.

The President receives several requests each year for assistance to resolve disputes with "forestry consultants". The requestors are told that if the person complained of is an NZIF Registered Member (as listed on the web site), then they should lodge a formal complaint with the Registrar. If the person complained of is not a Registered Member, then there is little the Institute can do except advise that in future, if they need forestry advice, they should ensure that they do use a Registered Member.

No enquiries during the year resulted in the need for further NZIF action.

ETS on Fair Go

The item “Carbon Copy” on TV1’s Fair Go programme on Wednesday 22nd February was described on the TVNZ web site as:

Fair Go's hidden cameras expose real estate agents trying to sell land with the lure of Carbon Credits. After a complaint from a Fair Go viewer about property ads, Phil gets his head around the complex Emissions Trading Scheme. (ETS) Carbon credits are issued by the Government to encourage us to grow trees and reduce global warming. They can be exchanged for cold hard cash. Experts say there is some money to be made but there are serious risks and liabilities if you don't understand the system. Fair Go brings you up to speed.

We reckon real estate agents should stand behind the information in their ads. For years they've told us they're only passing on information from their clients. We don't buy it, and we reckon a recent Real Estate Agents Disciplinary Tribunal finding backs us up.

The “experts” they talked to in the forestry sector were NZIF President Andrew McEwen and Registered Member Garth Cumberland. Filming took place in early November 2011.

While there are some omissions and errors in what was presented, the main message that came across was the one the NZIF representatives kept stressing – the ETS is complex, difficult to understand and you need to seek professional forestry advice before getting into it. The item went through aspects of the ETS first then really did expose some woeful ignorance of the ETS on the part of a number of Real Estate Agents – one of whom even warned the clients to stay away from forestry consultants.

SUBMISSIONS AND REPRESENTATION

Council continues to view as important the opportunity to contribute to public debate, where it is of direct and indirect relevance to forestry. The President and other Council members have taken the opportunity to represent the NZIF in direct discussion of relevant issues with Government and other interested parties. We have continued to identify and work with like-minded parties on issues of common interest including Forest Owners Association, the Wood Processors Association, and Forest Accord Partners. Submissions made in the year to 31 March 2012 are summarised below.

Proposed national policy statement on indigenous biodiversity (NPS)

The NZIF supported the Ministers desire to promote the maintenance of indigenous biological diversity. We were concerned that the approach proposed within the NPS may not halt the apparent decline in biodiversity identified in the Executive Summary, and could exacerbate that decline if it resulted in biodiversity on private land being perceived as an impediment to social and economic well-being.

Proposed NES for Plantation Forestry - Revised Proposal

The Institute made a submission to the Ministry for the Environment on the revised proposal for a National Environmental Standard on Forestry. While NZIF continues to support the objective of the NES, we still have some serious concerns about what is proposed.

Proposed Environmental Reporting Bill

While the Institute fully supports the Minister for the Environment’s desire to improve New Zealand’s national state of the environment reporting, it did have a number of concerns with the proposal.

ETS review submission

The Institute's submission to the ETS Review Panel expressed the view that the ETS as currently configured is of limited and in part negative value to the forestry sector. The changes promulgated in the consultation document do not alter this view.

Submission on Waipoua

The Institute lodged a submission on the proposal for a kauri National Park, based on Waipoua forest in Northland. While supporting the proposal, we requested that access is provided to any stands of planted kauri on the land proposed for the park or on other conservation land. This is so that research can be undertaken on the stands, including harvesting and restocking of such stands.

Submission on Christchurch City Plan

The Institute made a submission on the draft Christchurch City Plan. Our concerns relate to a proposal that buildings that have a Green Building Council (Green Star) rating get a faster run through the consenting process. We pointed out that this is likely to disadvantage timber on a cost basis. To get points for timber in the GBC ratings, it needs to be certified (and FSC is the only certification scheme recognised), but you can get an equal number of points for concrete or steel by having a recycled component in those materials. We pointed out that smaller forest holdings (and there are quite a few in Canterbury) are less likely to be FSC certified than larger forest holdings, so domestic growers are being disadvantaged. Another issue we highlighted was that the City Council, rather than specifying what it wanted in its building regulations, was passing this over to a third party certification entity that had no provision for public input into its rating schemes.

The Institute also made a submission to the Green Building Council about that Council's rating tool that was being proposed for inclusion in the City Plan

Structure of Ministry for Primary Industries

The President made representations to a number of politicians, officials and to the Royal Society of New Zealand concerning the structure of the new Ministry for Primary Industries and the lack of officials with technical qualifications and experience (particularly forestry and science) in the top layers of the Ministry's structure.

Pre-Election Questionnaire

To assist its members and others interested in forestry in determining how they might vote in the General Election of 26th November 2011, the Institute sent a set of 15 questions, to each of the 13 political parties contesting the election.

Rather than just present a set of questions, the request included a general introduction and some comment for each question. We felt that this would provide a better understanding as to why the question is important and background for further dialogue.

Responses were received from 10 parties and were made available on the web site.

Royal Society Requests

The Institute provided comment to the Royal Society of New Zealand as a contribution to the RSNZ submission to government on the need for a review of the Act, particularly as it related to genetic modification. A number of members also made their own submissions.

The Institute made suggestions to the Royal Society on topics that it might consider for emerging issues papers.

Other

During the year the President has represented NZIF on:

- The Standards Development Group for a New Zealand plantation forest management standard (as a nominee of the Social Chamber).
- The Land and Water Forum;
- The Royal Society of New Zealand's Biological and Life Sciences Vice President's Advisory Panel;
- The New Zealand coordinating committee for the International Year of Forests;
- At a regional forestry meeting of the Secretariat of the Pacific Community in Nadi, Fiji, where he made a presentation on the outcomes of the ANZIF conference earlier in the year.

The President and the Chair of the Registration Board have been involved in discussions with other professional bodies over provisions in the Real Estate Agents Act and the Financial Advisers Act, both of which have potential to impact on NZIF members who give advice to others. This is discussed more fully in the section on the Registration Board.

The President continues to be sought by media and other groups for comment and advice on a wide range of forest related issues. Such commentary is not as formally recognised as submissions but is of equal or greater influence in furthering the advice and extension interests of the Institute.

Note of Thanks

Submissions are prepared by a subcommittee of Council, with oversight by the President and Council. There is a standing invitation to all members to contribute to submissions including identification of issues where NZIF input is desirable. The Council wishes to thank all those members who have assisted with submissions over the last year and encourages continued participation in this important area of work.

LINKS WITH OTHER ORGANISATIONS

Council considers the following when assessing whether to join other bodies:

- Whether membership would further the NZIF objectives;
- The objectives of the entity;
- Whether the entity is a local or national body within NZ or an international body;
- What other bodies belong to the entity;
- The cost of membership;
- What commitment that would be required from Council to be an effective member;
- The amount of influence NZIF could have on the affairs of the entity;

NZIF is a member of:

- The Royal Society of New Zealand (as a constituent organisation);
- Tane's Tree Trust;
- Otari-Wiltons Bush Trust.

The NZIF CNI section appoints a Trustee to Te Amorangi Trust.

NZ INSTITUTE OF FORESTRY FOUNDATION

The 2009 Annual General Meeting approved a motion that the Institute establish a charitable trust for the purposes of advancing education in forestry and acquiring and disseminating scientific and technical knowledge and information relating to forestry. Members also approved the transfer of a number of the Institute's special purpose funds to the trust once established.

During the 2011/12 the NZIF Council approved a Deed of Trust for New Zealand Institute of Forestry Foundation and appointed three trustees – Andrew McEwen (chair), David Evison and James Treadwell.

The Foundation is a legally separate entity from the Institute. However, the Institute has the power to appoint and remove Trustees, to appoint the Chair and its approval is required if the Trustees wish to make any changes to the Deed of Trust.

The Foundation was registered with the Charities Commission in early 2012 and was granted donee status by the Inland Revenue Department (meaning donations by individuals and other entities are eligible for tax credits).

The NZIF Council agreed to make a donation to the Foundation of \$85,000, representing most of the funds held by the institute for awards and scholarships. The Council also offered to provide administrative services to the Foundation at no cost. In doing so it asked the Trustees to assume responsibility for continuing the Chavasse Travel Award and student scholarships that the Institute has been making for some years, although the Foundation will need to ensure that in calling for and making such awards it must comply with the requirements of its charitable status (for example it cannot restrict awards to NZIF members).

The Foundation advertised for applications for the awards for 2012, with results to be announced at the NZIF Awards Dinner at the Christchurch conference.



New Zealand Institute of Forestry (NZIF)
Te Pūtahi Ngāherere o Aotearoa Inc.

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

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

Statement of Financial Performance for the year ended 31 March 2012

| | Notes | 2012 | 2,011 |
|--|-------|----------|---------|
| Operating Revenue | | | |
| Governance & Administration | | | |
| Membership subscriptions | 5 | 120,370 | 105,150 |
| Professional Development of members | | | |
| Registration Board | 7 | 9,474 | 9,879 |
| Education and training | 9 | 16,800 | 0 |
| Standards | 10 | 90,000 | 60,695 |
| General Services to Members | | | |
| Journal of Forestry | 11 | 10,171 | 10,749 |
| Newsletter | 12 | 8,850 | 5,250 |
| Other publications | 13 | 3,526 | 2,633 |
| Local sections & special interest groups | 14 | 1,007 | 3,325 |
| Annual conference | 15 | 286,102 | 87,361 |
| Promotion of professional forestry | | | |
| Total Operating Revenue | | 546,301 | 285,042 |
| Less Operating Expenses | | | |
| Governance & Administration | | | |
| Council | 3 | 22,955 | 17,756 |
| Finance | 4 | 10,890 | 13,104 |
| Membership | 5 | 0 | 6,505 |
| General administration | 6 | 46,063 | 30,513 |
| Professional Development of members | | | |
| Registration Board | 7 | 19,883 | 16,638 |
| Fellows Committee | | 1,974 | 0 |
| Awards & Honours | 8 | 91,600 | 8,370 |
| Education & Training | 9 | 6,311 | 0 |
| Standards | 10 | 87,187 | 40,228 |
| General Services to Members | | | |
| Journal of Forestry | 11 | 47,881 | 54,908 |
| Newsletter | 12 | 18,750 | 17,635 |
| Website | 13 | 8,178 | 120 |
| Other publications | 13 | 348 | 17,327 |
| Local sections & special interest groups | 14 | 3,391 | 3,947 |
| Annual conferences | 15 | 202,774 | 58,739 |
| Promotion of professional forestry | | | |
| Submissions and representation | | 0 | 2,508 |
| Publicity | | 1,429 | 1,349 |
| Links with other organisations | 16 | 2,980 | 1,620 |
| Total Operating Expenses | | 572,593 | 291,267 |
| Operating Surplus/(Deficit) | | (26,292) | (6,225) |

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

| | Notes | 2012 | 2,011 |
|------------------------------|-------|-----------------|----------------|
| Other Income | | | |
| Interest, National office | | 1,754 | 2,736 |
| Interest on section accounts | | 357 | 433 |
| Other investments | 17 | | 1,422 |
| Term Investments | | 11,533 | 4,438 |
| Tax | 18 | | 0 |
| Total Other Income | | <u>13,643</u> | <u>9,030</u> |
| Other Expenses | | | |
| Interest | | | 0 |
| Investments | 17 | 123 | 0 |
| Tax | 18 | 2633 | 3,904 |
| Total other expenses | | <u>2,756</u> | <u>3,904</u> |
| Net Surplus/(Deficit) | | <u>(15,404)</u> | <u>(1,100)</u> |

Statement of Financial Position as at 31 March 2012

| | Notes | 2012 | 2011 |
|--------------------------------------|-------|----------------|----------------|
| Current Assets | | | |
| National bank accounts | | 8,448 | 123,044 |
| Local section accounts | | 10,231 | 60,092 |
| Term Investments | | 328,597 | 118,968 |
| Accounts receivable | | 8,669 | 4,254 |
| Tax credits | | 235 | |
| GST receivables | | 8,355 | 3,984 |
| Investments | 17 | 9,549 | 9,672 |
| Conference expenses in advance | | 0 | 21,619 |
| Total Current Assets | | <u>374,084</u> | <u>341,633</u> |
| Non-Current Assets | | | |
| | | 0 | 0 |
| Total non-current assets | | <u>0</u> | <u>0</u> |
| Total Assets | | <u>374,084</u> | <u>341,633</u> |
| Current Liabilities | | | |
| Accounts payable | | | 31,000 |
| Tax payable | 18 | | 9,611 |
| Income in advance | 19 | 35,426 | 39,862 |
| Creditors | 20 | 105,164 | 12,263 |
| Total Current Liabilities | | <u>140,591</u> | <u>92,736</u> |
| Non-Current Liabilities | | | |
| Other non-current liabilities | | 0 | 0 |
| Total non-current liabilities | | <u>0</u> | <u>0</u> |
| Total liabilities | | <u>140,591</u> | <u>92,736</u> |
| Net Assets | | <u>233,494</u> | <u>248,897</u> |

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

Statement of Movements in Members' Funds for the year ended 31 March 2012

| | Notes | 2012 | 2011 |
|-------------------------------------|-------|----------|---------|
| Opening Balance at 31 March | | 248,897 | 248,745 |
| Plus/(less) prior period adjustment | | | 1,252 |
| Plus Current Earnings | | (15,404) | (1,100) |
| Closing Balance | | 233,493 | 248,897 |

Members Funds are Represented by

| | Notes | 2012 | 2011 |
|---|-------|---------|---------|
| Represented by Members Funds | | | |
| Registration Board account | 7 | 48,698 | 55,897 |
| Local section accounts | 14 | 18,650 | 19,624 |
| Special purpose funds (only Life Members in 2012) | 8 | 42,658 | 130,088 |
| Other reserves | 21 | 123,488 | 43,288 |
| Total Members Funds | | 233,493 | 248,897 |

For and on behalf of the Council

President

Vice President

Date

Date

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2012

1. Statement of Accounting Policies

(a) Entity reporting

These financial statements are for the New Zealand Institute of Forestry (NZIF) Te Putahi Ngaherehere o Aotearoa Incorporated ("NZIF), a society founded in 1927 and incorporated under the Incorporated Societies Act 1908 on the 19th May 1982 (Incorporated Society No. 216334).

(b) Statutory base

The financial statements have been prepared in accordance with section 23(1) of the Incorporated Societies Act 1908.

(c) Measurement base

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments. Reliance is placed on the assumption that the NZIF is a going concern. Accrual accounting is used to reflect the effects of transactions and events when they occur.

(d) Accounting policies

The following accounting policies, which materially affect the measurement of profit and financial position, have been applied:

Differential reporting

The NZIF is a qualifying entity within the Framework for Differential Reporting because it is not publicly accountable, and is not considered large as defined by the Framework. The NZIF has, therefore, taken advantage of the differential reporting concessions available to it.

Turnover

Turnover shown in the Statement of Financial Performance comprises the amounts received and receivable by the NZIF for the goods supplied to customers in the ordinary course of business. Turnover is stated exclusive of goods and services tax collected from customers.

Fixed assets

The cost of purchased fixed assets is the value of the consideration given to acquire the assets and the value of other directly attributable costs that have been incurred in bringing the assets to the location and condition necessary for their intended service.

Depreciation

Depreciation is calculated using the rates permitted under the Income Tax Act 2007. The rates are as follows:

| | |
|--------------------|----------------------------|
| Computers | 30 to 36% straight line |
| Phones | 48% straight line |
| Office furnishings | 6.6 to 28.8% straight line |

Investments

Investments consist of funds under management and have been valued based on independent fair market value less any impairment.

Accounts receivable

Accounts receivable are stated at estimated realisable value after providing against debts where collection is doubtful.

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

Tax

As an incorporated society, NZIF is required to declare income earned from non-members and the expenses associated with generating this income and to pay income tax on the balance. The tax expense recognised for the year is as determined in accordance with the Income Tax Act 2007.

Goods and Services Tax

The financial statements are prepared on a Goods and Services Tax exclusive basis.

(e) Changes in accounting policies

There have been no changes in accounting policies in the year to 31 March 2012.

2. Portfolio and Activity results

The Council adopted a revised reporting structure as at 1 April 2009. This divided NZIF activities into four portfolios:

1. Governance and Administration
2. Professional Development of members
3. General Services to Members
4. Promotion of Professional Forestry

Each portfolio comprises a number of separate activities.

The following table sets out revenue and expenditure (before interest and tax) for each activity and portfolio:

| | 2012 | | | 2011 | | |
|---|----------------|----------------|-----------------------|----------------|---------------|-----------------------|
| | Income | Expense | Surplus/ (deficit) | Income | Expense | Surplus/ (deficit) |
| Portfolio: Governance & Administration | | | | | | |
| Council | 0 | 22,955 | (22,955) | 0 | 17,756 | (17,756) |
| Finance | 0 | 10,890 | (10,890) | 0 | 13,104 | (13,104) |
| Life Members Fund | 0 | 0 | 0 | 0 | 0 | 0 |
| Membership | 120,370 | 0 | 120,370 | 105,150 | 6,505 | 98,645 |
| AGM | 0 | 0 | 0 | 0 | 0 | 0 |
| Statutory Governance | 0 | 0 | 0 | 0 | 0 | 0 |
| General Administration | 0 | 46,063 | (46,063) | 0 | 30,513 | (30,513) |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Portfolio | 120,370 | 79,908 | 40,463 | 105,150 | 67,879 | 37,272 |
| Portfolio: Professional Development of Members | | | | | | |
| Registration Board | 9,474 | 19,883 | (10,409) | 9,879 | 16,638 | (6,759) |
| Fellows' Committee | 0 | 1,974 | (1,974) | 0 | 0 | 0 |
| Awards & Honours | 0 | 91,600 | (91,600) | 0 | 8,370 | (8,370) |
| Education & Training | 16,800 | 6,311 | 10,489 | 0 | 0 | 0 |
| Standards | 90,000 | 87,187 | 2,813 | 60,695 | 40,228 | 20,467 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Portfolio | 116,274 | 206,954 | (90,680) | 70,574 | 65,237 | 5,337 |

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

| | | | | | | |
|--|----------------|----------------|-----------------|----------------|----------------|-----------------|
| Portfolio: General Services to Members | | | | | | |
| Journal of Forestry | 10,171 | 47,881 | (37,709) | 10,749 | 54,908 | (44,159) |
| Newsletter | 8,850 | 18,750 | (9,900) | 5,250 | 17,635 | (12,385) |
| Website | 0 | 8,178 | (8,178) | 0 | 120 | (120) |
| Other publications | 3,526 | 348 | 3,178 | 2,633 | 17,327 | (14,694) |
| Local sections & special interest groups | 1,007 | 3,391 | (2,384) | 3,325 | 3,947 | (622) |
| Annual Conference | 286,102 | 202,774 | 83,328 | 87,361 | 58,739 | 28,622 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Portfolio | 309,657 | 281,322 | 28,335 | 109,318 | 152,674 | (43,356) |
| Portfolio: Promotion of Professional Forestry | | | | | | |
| Policy & position papers | 0 | 0 | 0 | 0 | 0 | 0 |
| Services to the public | 0 | 0 | 0 | 0 | 0 | 0 |
| Submissions & representations | 0 | 0 | 0 | 0 | 2,508 | (2,508) |
| Publicity | 0 | 1,429 | (1,429) | 0 | 1,349 | (1,349) |
| Links with other organisations | 0 | 2,980 | (2,980) | 0 | 1,620 | (1,620) |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Portfolio | 0 | 4,409 | (4,409) | 0 | 5,478 | (5,478) |
| Total all portfolios | 546,301 | 572,593 | (26,292) | 285,042 | 291,267 | (6,225) |

3. Council expenses

Council expenses comprise:

| | 2012 | 2011 |
|---------------------|-----------------|-----------------|
| Honoraria | \$8,000 | \$3,000 |
| Travel costs | \$12,932 | \$14,145 |
| Other meeting costs | \$2,023 | \$610 |
| Total | \$22,955 | \$17,756 |

The NZIF Council approved the following maximum amounts that may be claimed by NZIF officers as honoraria during the year to 31 March 2012. Officers and members are also reimbursed for the actual costs incurred on NZIF business, if claimed. All amounts exclude GST (if any).

| | |
|-----------|-------------------------|
| Secretary | \$6,000/year honorarium |
| Treasurer | \$2,000/year honorarium |

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

4. Finance expenses

Finance expenses comprise:

| | 2012 | 2011 |
|------------------|-----------------|-----------------|
| Accountancy fees | \$5,764 | \$8,378 |
| Bank fees | \$272 | \$319 |
| Merchant fees | \$1,603 | \$1,438 |
| Insurance | \$2,615 | \$2,615 |
| Other | \$636 | \$354 |
| Total | \$10,890 | \$13,104 |

5. Member subscriptions and costs

Member subscriptions (excluding GST) for the year ended 31 March 2012 are shown in the table below:

| Member Class | Base fee | |
|----------------------|-----------------|-------------|
| | 2012 | 2011 |
| Student | \$50.00 | \$49.60 |
| Graduate & Associate | \$140.00 | \$124.00 |
| Member | \$180.00 | \$165.33 |
| Retired | \$70.00 | \$62.22 |

Registered Members pay the Member subscription plus the \$100 (plus GST) annual registration fee.

Reduced subscriptions apply in the following circumstances:

- Life Members have made a lump sum payment and are not charged an annual subscription. Further applications for Life membership were suspended in changes to the Articles of Association made at the 2008 AGM;
- With the approval of Council, members may place their membership on hold for a financial year. During that time they pay no fees, but receive a reduced service and have no voting, office bearing etc., rights;
- A 100% discount is applied to the subscription for student members who meet specified conditions. Most student members receive this discount;
- Members suffering financial or other hardship may apply to the Council for a reduction in fees.

The costs of the membership database have been coded to website expenses in the year to 31 March 2012.

6. Administration expenses

Administration costs comprise:

| | 2012 | 2011 |
|--|-----------------|-----------------|
| Administration Manager | \$29,676 | \$23,408 |
| Office and storage rent | \$4,245 | \$3,901 |
| Phone, photocopier, postage, stationary etc. | \$3,211 | \$2,611 |
| Legal fees | \$5,664 | \$0 |
| General | \$3,266 | \$593 |
| Total | \$46,063 | \$30,513 |

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

7. Registration Board

A separate record is kept of accumulated surpluses (and deficits) from the operation of the Registration Board. The table below sets out details of revenue and expenditure. Interest is an apportioned amount of total NZIF interest.

| | 2012 | 2011 |
|-----------------------------------|-----------------|----------------|
| Opening Balance | 55,897 | 60,401 |
| Revenue | | |
| Registered Members' subscriptions | 9,474 | 9,579 |
| Application and review fees | 0 | 300 |
| Total Revenue | 9,474 | 9,879 |
| Expenses | | |
| Board meeting fees | 1,450 | 1,289 |
| Interviews and reviews | | 895 |
| Travel | 5,936 | 10,142 |
| Registrar honorarium | 4,000 | 4,000 |
| Registrar travel | | 295 |
| Other administration | 134 | 17 |
| Legal and other expenses | 8,363 | 0 |
| Total expenses | 19,883 | 16,638 |
| Operating Surplus | (10,409) | (6,759) |
| Share of interest | 3,209 | 2,256 |
| Closing balance | 48,698 | 55,897 |

Registered Members pay the Member fee plus a registration fee of \$100.00 plus GST. Only the registration fee portion is coded to Board revenue. The application fee for registration is \$100.00 plus GST as is the fee for the five year review of registration.

The NZIF Council has approved the following maximum amounts that may be claimed by Registration Board members as honoraria and meeting fees. Members are also reimbursed for the actual costs incurred on NZIF business, if claimed. All amounts exclude GST (if any).

| | |
|---------------------------------|-------------------------|
| Registrar | \$4,000/year honorarium |
| Board attendance fees | |
| Chair | \$550/day |
| Member | \$350/day |
| Periodic review of registration | \$50/review |

8. Special Funds

At 1 April, the following special funds were identified in the NZIF accounts:

- Life Members' Account;
- NZIF Scholarships Account;
- Kirk Medal;
- NZIF Forester of the Year;
- NZIF Chavasse Travel Award;
- NZIF John Balneaves Travel Award;

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

- Mavis Davidson Bequest.

During the year the NZ Institute of Forestry Foundation was established and was registered as a Charitable Trust with the Charities Commission and qualified for Inland Revenue “donee status” with effect from 5 December 2011. The NZIF Council resolved to donate \$85,100 to the Foundation and to close all the special funds except for the Life Members Account with effect on 31 March 2012. The surplus from the award funds after the donation (\$3,299) was transferred to general reserves. The status of each fund at 31 March 2011 and 31 March 2012 is shown in the table below.

SPECIAL FUNDS

| | Life members | NZIF scholarships | Kirk medal | Forester of the year | Mavis Davidson | Chavasse | Balneaves | Totals |
|--------------------------------------|-----------------|-------------------|----------------|----------------------|----------------|-----------------|------------------|------------------|
| Opening Balance 1 April 2010 | \$38,889 | (\$651) | \$5,986 | \$23,489 | \$2,529 | \$64,638 | (\$1,407) | \$133,473 |
| Donations | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other income | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Subtotal income | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Awards granted | \$0 | \$2,800 | \$0 | \$0 | \$1,500 | \$3,500 | \$0 | \$7,800 |
| Other expenses | \$0 | \$0 | \$570 | \$0 | \$0 | \$0 | \$0 | \$570 |
| Subtotal expenses | \$0 | \$2,800 | \$570 | \$0 | \$1,500 | \$3,500 | \$0 | \$8,370 |
| Net activity | \$0 | (\$2,800) | (\$570) | \$0 | (\$1,500) | (\$3,500) | \$0 | (\$8,370) |
| Share of interests & investment | \$1,452 | (\$24) | \$224 | \$877 | \$94 | \$2,414 | (\$53) | \$4,985 |
| Closing Balance 31 March 2011 | \$40,342 | (\$3,475) | \$5,639 | \$24,366 | \$1,124 | \$63,552 | (\$1,459) | \$130,088 |

| | Life members | NZIF scholarships | Kirk medal | Forester of the year | Mavis Davidson | Chavasse | Balneaves | Totals |
|-------------------------------------|-----------------|-------------------|--------------|----------------------|----------------|--------------|--------------|-----------------|
| Opening Balance 1 April 2011 | \$40,342 | (\$3,475) | \$5,639 | \$24,366 | \$1,124 | \$63,552 | (\$1,459) | \$130,088 |
| Donations | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other income | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Subtotal income | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Awards granted | \$0 | \$3,000 | \$0 | \$0 | \$0 | \$3,500 | \$0 | \$6,500 |
| Other expenses | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Subtotal expenses | \$0 | \$3,000 | \$0 | \$0 | \$0 | \$3,500 | \$0 | \$6,500 |
| Net activity | \$0 | (\$3,000) | \$0 | \$0 | \$0 | (\$3,500) | \$0 | (\$6,500) |
| Share of interests & investment | \$2,316 | (\$200) | \$324 | \$1,399 | \$65 | \$3,639 | (\$84) | \$7,469 |
| Transfer to general reserves | \$0 | \$6,675 | (\$5,963) | (\$25,765) | (\$1,188) | (\$63,701) | \$1,543 | (\$88,399) |
| Closing Balance 31/03/12 | \$42,658 | \$0 | (\$0) | \$0 | \$0 | (\$0) | (\$0) | \$42,658 |

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

9. Education & Training

Workshops on the ETS Field Measurement Approach were held in Wellington, Auckland, Rotorua, Christchurch and Balclutha.

| | | |
|----------|----------------|------------------------|
| Income | | |
| | Members | \$16,600 |
| | Non-members | <u>\$200</u> |
| | Total income | \$16,800 |
| Expenses | | |
| | Venue | \$800 |
| | Catering | <u>\$5,511</u> |
| | Total expenses | \$6,311 |
| Surplus | | <u><u>\$10,489</u></u> |

10. Standards

The income (\$90,000) and expenditure (\$87,187) was associated with a contract between NZIF and the Ministry of Agriculture and Forestry to develop standards relating to the impact of the Emissions Trading Scheme on forest valuation.

11. Journal of Forestry

Four issues (Volume 56 numbers 1-4) of the NZ Journal of Forestry were produced during the year. Each financial member receives a free copy of the Journal and sales are made to libraries and individuals around the world. The Journal is also available through the NZIF web site, but access to the most recent three years of issues is restricted to members and subscribers.

The NZIF Council has approved a maximum honorarium of \$10,000/year that may be claimed by the editor of the Journal.

NZIF members can also subscribe to Southern Forests through a reciprocal arrangement with the Southern African Institute of Forestry.

The operating deficit on the Journal is met from members' subscriptions.

| | 2012 | 2011 |
|--|---------------------------------|---------------------------------|
| Revenue | | |
| Advertising | | \$0 |
| Non member subscriptions | \$10,171 | \$10,615 |
| Sale of Southern Africa Forestry Journal | | \$107 |
| Journal reprints, back copies, Copyright licensing | | \$27 |
| Total Revenue | \$10,171 | \$10,749 |
| Expenses | | |
| Editor's honorarium | \$10,000 | \$12,500 |
| Postage | \$7,853 | \$10,394 |
| Printing | \$29,348 | \$29,674 |
| Journal on line | \$40 | \$2,255 |
| Other | \$640 | \$85 |
| Total expenses | \$47,881 | \$54,908 |
| Journal Operating Surplus/(Deficit) | <u><u>(\$37,709)</u></u> | <u><u>(\$44,159)</u></u> |

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12. Newsletter

The NZIF Newsletter is produced weekly and distributed electronically to all members with email addresses.

| | 2012 | 2011 |
|---|------------------|-------------------|
| Revenue | | |
| Advertising | \$8,850 | \$5,250 |
| Total Revenue | \$8,850 | \$5,250 |
| Expenses | | |
| Advertising Commission | \$4,375 | \$2,125 |
| Production cost | \$14,375 | \$15,510 |
| Total expenses | \$18,750 | \$17,635 |
| Newsletter Operating Surplus/(Deficit) | (\$9,900) | (\$12,385) |

13. Website and Other Publications

| | 2012 | 2011 |
|---|------------------|-------------------|
| Revenue | | |
| Sales of Forestry handbook | \$2,480 | \$1,891 |
| Sales of Professional handbook | \$0 | \$124 |
| Sales of other publications | \$1,046 | \$618 |
| Total Revenue | \$3,526 | \$2,633 |
| Expenses | | |
| Cost of sales | | \$0 |
| Website costs | \$8,178 | \$120 |
| Write down of publications stocks | | \$17,327 |
| Other | \$348 | \$0 |
| Total expenses | \$8,526 | \$17,447 |
| Website and Other Publications Operating Surplus/(Deficit) | (\$5,000) | (\$14,813) |

The value of stocks of publications is:

| | 2012 | 2011 |
|--------------------------|------------|------------|
| Opening value | \$0 | \$17,327 |
| Cost of sales/write down | \$0 | (\$17,327) |
| Closing balance | \$0 | \$0 |

14. Local Section Funds

Local section funds were consolidated into the NZIF accounts in the years ended 31 March 2008 and 31 March 2009.

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Consolidation of the section funds into the national accounts required GST and income tax to be accounted for on local section income and expenditure

Details of local section funds are set out in the table below. During the year to 31 March 2012, separate section bank accounts for all sections except Otago/Southland were closed. Details of section funds are maintained in accounting records not the separate bank accounts, and most payments are now being actioned by the national office.

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NZIF LOCAL SECTION FUNDS

| | Northland | Auckland | CNI | Gisborne | Hawkes Bay | SNI | Nelson/ Marlborough | Westland | Canterbury | Otago/ Southland | Totals |
|---|--------------|--------------|--------------|------------|---------------|--------------|------------------------|------------|--------------|---------------------|---------------|
| Balance of funds at 1 April 2010 | 1,758 | 2,677 | 756 | 20 | 439 | 1,270 | 745 | 175 | 2,264 | 9,707 | 19,813 |
| Revenue | | | | | | | | | | | |
| Donations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 147 | 147 |
| Event fees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,061 | 1,116 | 3,177 |
| Other income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Interest | 5 | 80 | 35 | 0 | 1 | 34 | 2 | 0 | 7 | 269 | 433 |
| Total Revenue | 5 | 80 | 35 | 0 | 1 | 34 | 2 | 0 | 2,067 | 1,533 | 3,758 |
| Expenses | | | | | | | | | | | |
| Event expenses | 0 | 187 | 643 | 0 | 79 | 0 | 0 | 0 | 1,639 | 1,356 | 3,903 |
| Bank fees | 0 | 44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44 |
| Total expenses | 0 | 230 | 643 | 0 | 79 | 0 | 0 | 0 | 1,639 | 1,356 | 3,947 |
| Operating Surplus | 5 | (150) | (607) | 0 | (78) | 34 | 2 | 0 | 428 | 178 | (188) |
| Closing balance at 31 March 2011 | 1,763 | 2,527 | 149 | 20 | 361 | 1,304 | 747 | 176 | 2,692 | 9,885 | 19,624 |
| Revenue | | | | | | | | | | | |
| Donations | | | | | | | | | 143 | 574 | 717 |
| Event fees | | | | | | | | | 262 | 13 | 275 |
| Other income | 5 | | | 5 | | | | 5 | | | 15 |
| Interest | 4 | 58 | 17 | 0 | 1 | 22 | 2 | 0 | 5 | 247 | 357 |
| Total Revenue | 9 | 58 | 17 | 5 | 1 | 22 | 2 | 5 | 411 | 834 | 1,364 |
| Expenses | | | | | | | | | | | |
| Event expenses | | 220 | | 217 | 172 | | | | 1,336 | 1,445 | 3,391 |
| Bank fees | | | | | | | | | | | 0 |
| Total expenses | 0 | 220 | 0 | 217 | 172 | 0 | 0 | 0 | 1,336 | 1,445 | 3,391 |
| Operating Surplus | 9 | (162) | 17 | (212) | (171) | 22 | 2 | 5 | (926) | (611) | (2,027) |
| Plus Nat funds | 0 | 0 | 0 | 217 | 400 | 0 | 0 | 0 | 435 | 0 | 1,052 |
| Closing balance at 31 March 2012 | 1,772 | 2,365 | 166 | 25 | 590 | 1,326 | 749 | 181 | 2,201 | 9,274 | 18,650 |

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15. Conference income and expenditure

The 2011 ANZIF Conference in Auckland made a surplus of \$83,328, compared with the \$28,622 surplus at Rotorua in 2010. Detail of income and expenses is shown in the tables below.

| | 2012 | 2011 |
|---|------------------|-----------------|
| Revenue | | |
| Registration fees | \$128,582 | \$65,611 |
| Sponsorship | \$154,088 | \$21,750 |
| Other | \$3,432 | \$0 |
| Total Revenue | \$286,102 | \$87,361 |
| Expenses | | |
| Venue | \$50,296 | \$2,422 |
| Equipment | | \$0 |
| Catering | \$86,281 | \$32,564 |
| Field Trips | | \$2,503 |
| Conference management | \$29,129 | \$15,478 |
| Speaker costs | \$19,204 | |
| Advertising/publicity | \$12,309 | |
| General costs | \$5,556 | \$5,772 |
| Total expenses | \$202,774 | \$58,739 |
| Conference Operating Surplus/(Deficit) | \$83,328 | \$28,622 |

16. Links with other organisations

NZIF belongs to a number of other organisations. Costs for the year were:

| | 2012 | 2011 |
|---------------------------|----------------|----------------|
| Royal Society of NZ | \$2,980 | \$1,513 |
| Tane's Tree Trust | \$0 | \$107 |
| Otari Wilton's Bush Trust | \$0 | \$0 |
| Total | \$2,980 | \$1,620 |

17. Other Investments

NZIF is the owner of a life insurance policy with AMP where funds are invested in a managed fund with an exit sum. The value of the investment is based on the exit price at the balance date, which is the fair market value. Details are:

| | |
|----------------------------|----------------|
| Value at 31 March 2010 | \$8,250 |
| Change in value in 2010/11 | <u>\$1,422</u> |
| Value at 31 March 2011 | \$9,672 |
| Change in value in 2011/12 | <u>(\$123)</u> |
| Value at 31 March 2012 | \$9,549 |

18. Tax

Tax to pay for the year ended 31 March 2012 was \$2,633 (2011: \$3,904).

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19. Income received in advance

Income received in advance comprises:

| | 2012 | 2011 |
|--------------------------|-----------------|-----------------|
| Membership subscriptions | \$35,426 | \$27,081 |
| Registration fees | | \$3,698 |
| Journal subscriptions | | \$9,083 |
| Total | \$35,426 | \$39,862 |

20. Creditors

Creditors at 31 March 2012 include an \$85,000 donation to the NZIF Foundation.

21. Other Reserves

Members' funds are recognised in four categories – Registration Board Account, Local Section Funds, Special Purpose Funds and Other Reserves. With the establishment of the NZIF Foundation, the award accounts included in Special Purpose Funds in the year to 31 March 2011 have been closed, leaving only the Life Members Fund. The table below reflects this. The change in other reserves each year is the Operating Surplus (or deficit) after deducting movement attributable to the other three categories. For the year to 31 March 2012, this was calculated as:

| | Notes | 2012 | 2011 |
|---|--------------|------------------|-----------------|
| Balance at 1 April | | \$43,288 | \$36,310 |
| Operating Surplus / (Deficit) | | (\$15,404) | (\$1,100) |
| Plus/(less) prior period adjustment | | \$0 | \$1,252 |
| Plus/(less) portion attributable to Registration Board | 7 | \$7,200 | \$4,504 |
| Less portion attributable to Local Sections | 14 | \$975 | (\$1,063) |
| Plus/(less) portion attributable to Special Purpose Funds | 8 | \$87,430 | \$3,385 |
| Balance attributable to other reserves | | \$80,200 | \$6,978 |
| Balance at 31 March | | \$123,488 | \$43,288 |

22. Commitments and Contingencies

There are no commitments or contingencies. (2011: nil).

23. Related Parties

There are no other related party transactions.

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