



NEW ZEALAND INSTITUTE OF FORESTRY FOUNDATION

ANNUAL REPORT

Four Months Ended 31 March 2012

MESSAGE FROM THE CHAIR

The New Zealand Institute of Forestry Foundation (“NZIF Foundation”) was established by the New Zealand Institute of Forestry (“NZIF”) under a Deed of Trust dated 1st December 2011. The purpose of the NZIF Foundation is to raise funds that can be used to encourage and support forestry related research, education and training through the provision of grants, scholarships and prizes; promote the acquisition, development and dissemination of forestry related knowledge and information and other activities that do not conflict with the Foundation’s charitable purpose. In the Trust Deed, forestry has been given a broad definition to include all those activities involved in the management and use of forests and their products, the objects of which are the production of wood or other forest benefits and the maintenance of the environment in its most beneficial form. In determining this definition, the NZIF Council wanted to ensure that the Foundation could operate across the full spectrum of forests and forestry in New Zealand both production and for other purposes.

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

NZIF appointed three initial Trustees:

Andrew McEwen (Chair)

David Evison

James Treadwell

Following the establishment of the Foundation, it was incorporated under the Charitable Trusts Act 1957 on the 20th day of December 2011. Advice that the Foundation had been registered by the Charities Commission as a charitable entity under the Charities Act 2005, with effect from 5 December 2011 was received on 23 May 2012. The registration number is CC47691.

The Foundation subsequently received advice from the Inland Revenue Department that it had been approved as a donee organisation (meaning that when a person makes a donation to the Foundation they can generally they can claim a tax credit for that donation. Companies (including certain societies) and Maori authorities may also claim a deduction for donations they make to the Foundation.

The Trustees delayed seeking donations or making decisions on grants, scholarships and other awards until the above actions were completed, meaning little activity during the period covered by this report.

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

Andrew McEwen

FINANCIAL STATEMENTS

Foundation Directory

Trustees

Andrew McEwen (Chair)
David Evison
James Treadwell

Registered Office

c/- NZ Institute of Forestry
Level 9,
93 The Terrace
Wellington

Contacts

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

Phone: +64 4 9748 421

Email: foundation@nzif.org.nz

Bankers

Bank of New Zealand, Wellington

Accountants

Grant Thornton, Wellington

Solicitors

Simpson Grierson, Auckland

Other Party to Deed of Trust

New Zealand Institute of Forestry

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

New Zealand Institute of Forestry
Trustees' Review
For the four months ended 31 March 2012

Financial Position	\$
Net Income	79
Retained earnings as at 1 December 2011	0
Retained earnings as at 31 March 2012	79

The state of the Foundation's affairs as at 31 March 2012 was:

Assets	79
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These were financed by:

Foundation funds	79
Liabilities	0
	<u>79</u>

Principal activities

The principal activities of the Foundation during the year were to establish the Foundation and set up administrative arrangements.

Remuneration and other benefits

No remuneration or other benefits were paid or are due and payable to the Trustees of the Foundation for services as Trustees during the four months ended 31 March 2012.

Audit

No audit of the financial affairs of the Foundation has been undertaken with respect to the four months ended 31 March 2012.

Andrew McEwen
Trustee

David Evison
Trustee

James Treadwell
Trustee

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Statement of Financial Performance for the Four Months Ended 31 March 2012

	Notes	2012
Revenue		
Donations		100
Total Revenue		<u>100</u>
Expenses		
Bank charges		21
Total Expenses		<u>21</u>
Net Surplus /(Deficit)		<u><u>79</u></u>

Statement of Financial Position at 31 March 2012

	Notes	2012
Current Assets		
Bank accounts		79
Total Current Assets		<u>79</u>
Non-current Assets		0
Current Liabilities		0
Non-current Liabilities		0
Net Assets		<u><u>79</u></u>

Statement of Movements in Funds

Opening balance at 1 December 2011	0
Plus net surplus	79
Closing Balance	<u><u>79</u></u>

Andrew McEwen
Trustee

David Evison
Trustee

James Treadwell
Trustee

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Notes to the Financial Statements

For the four months ended 31 March 2012

1. Statement of accounting policies for the year ended 30 June 2007

Reporting entity

The NZIF Foundation is a charitable organisation, based in Wellington, which is incorporated under the Charitable Trusts Act 1957 and registered under the Charities Act 20053. Its purpose is to raise funds that can be used to encourage and support forestry related research, education and training through the provision of grants, scholarships and prizes; promote the acquisition, development and dissemination of forestry related knowledge and information and other activities that do not conflict with the Foundation's charitable purpose.

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

Date of authorisation

The financial statements of the Foundation are for the four months ended 31 March 2012. The financial statements were authorised for issue by the Board 30th June 2012.

Statement of compliance and basis of preparation

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

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

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

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

The financial statements are prepared on the historical cost basis

These are the Foundation's first financial statements. The Foundation was established by Deed of Trust on 1 December 2011.

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

Significant accounting policies

Cash and cash equivalents

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

Income

Finance income (interest and dividend income)

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

Grants and donations

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

Bequests

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

Volunteer services

Voluntary services are not recognised in the financial statements.

Expenses

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

Income tax

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

Goods and services tax

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

2. Objectives for managing capital

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

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

3. Related party transactions

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

4. Contingent liabilities

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

5. Subsequent events

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

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