

NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS

ANNUAL FINANCIAL REPORT AND TREASURER'S REPORT

2008

(2009 AGM)



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NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS

(1). ANNUAL FINANCIAL REPORT 2008 (DRAFT)

Prepared by Iles & Campbell Limited

The Draft Annual Report prepared by Iles & Campbell is attached.

New Zealand Institute of Landscape Architects Inc.

Financial Statements

For the Year Ended 31st December 2008

**DRAFT ACCOUNTS
CLIENT USE ONLY**

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New Zealand Institute of Landscape Architects Inc.

Statement of Financial Performance

For the Year Ended 31st December 2008

	<i>Note</i>	<i>2008</i>	<i>2007</i>
Conference and Awards Account			
Registrations Fees / Exhibitor Income		58,092	34,716
Interest Received		80	0
Sponsorship		38,000	24,206
Sundry Income		10,115	3,777
	DRAFT ACCOUNTS CLIENT USE ONLY	106,286	62,699
Less Expenses			
Management		36,470	4,091
Administration		-	1,438
Catering		3,280	23,802
Venue		-	9,800
Speakers Accommodation & Travel Costs		2,758	2,310
Bank Fees		9	20
Exhibitions/Displays		1,200	3,045
Participant Kits		-	267
Donations		-	403
Accommodation		-	12,407
Post Conference Dinner		-	356
Distribution of Conference Profit		-	605
Entertainment		-	500
Printing & Stationery		1,524	-
Media		2,385	-
Catering		1,813	-
Printing & Certificates		3,358	-
Judges Expenses		2,244	-
General Expenses		3	-
Ceremony Expenses		20,215	-
Air Fares		6,222	-
Administration		5,760	-
Website Management		500	-
		87,740	59,044
Surplus (Deficit)		18,545	3,655

This Statement must be read in conjunction with the accompanying Notes to the Accounts and the Audit Report.

New Zealand Institute of Landscape Architects Inc.

Statement of Financial Performance

For the Year Ended 31st December 2008

	<i>Note</i>	<i>2008</i>	<i>2007</i>
INCOME			
Subscriptions		142,539	129,423
Interest - Cheque Account		442	674
Interest - Term Deposit & Ready Access		10,704	7,144
Interest - Inland Revenue Department		5	3
Associateship Application Fees		-	2,253
Sundry		8,803	11,692
		162,494	151,189
EXPENDITURE			
Construction Industry Council		750	750
Branch Levies		8,283	7,125
Secretarial Expenses		33,862	33,996
Executive Travel & Meeting Expenses		16,018	10,766
Registration		-	425
Associateship Expenses		1,979	2,760
Associateship Review		8,566	-
IFLA Travel		4,848	3,777
IFLA Fees & Awards		4,360	4,208
President's Honorarium		5,000	5,000
President's Extraordinary Expenses		89	628
Awards		1,200	1,167
Landscape NZ		7,778	12,222
InSite Publication		2,300	2,200
Sponsorship & Donations		5,796	267
Graduate/Student Affairs		1,153	-
Promotion		1,690	640
Website Computer		929	779
Education		4,357	300
Environment		1,271	-
Documentation		3,000	640
Branch Telephone Levy		900	1,361
High Country Landscape Group		-	614
Urban Design Forum		941	-
Cultural Heritage Landscape Group		-	147
Treasurer's Honorarium		2,500	-
Bank Charges		1,123	351
Website Development		2,481	-
Web Page Maintenance		5,506	4,401
Accountancy		2,805	2,685
Audit Fees		1,871	1,815
Office Expenses		988	2,014
Printing & Stationery		3,014	2,200
Postages		936	1,246
Subscriptions & Seminars		178	156
Telephone & Tolls		1,551	1,648
Ordinary Depreciation		1,818	1,519
		139,842	107,807
Surplus (Deficit) of Income over Expenditure		22,651	43,382

DRAFT ACCOUNTS
CLIENT USE ONLY

This Statement must be read in conjunction with the accompanying Notes to the Accounts and the Audit Report.

New Zealand Institute of Landscape Architects Inc.
Statement of Financial Performance
For the Year Ended 31st December 2008

	<i>Note</i>	<i>2008</i>	<i>2007</i>
Surplus (Deficit) of Income over Expenditure		22,651	43,382
Less			
Disciplinary Expenses		6,408	2,400
Add			
Conference and Awards Surplus(Deficit)		18,545	3,655
Less Non Tax Deductible Expenditure			
IRD Penalties		203	-
Surplus (Deficit)		\$34,585	\$44,637

**DRAFT ACCOUNTS
CLIENT USE ONLY**

This Statement must be read in conjunction with the accompanying Notes to the Accounts and the Audit Report.

New Zealand Institute of Landscape Architects Inc.
Statement of Movements in Equity
For the Year Ended 31st December 2008

	<i>2008</i>	<i>2007</i>
Equity at 1st January 2008	<u>228,937</u>	<u>184,300</u>
Net Surplus (Deficit) for Period	34,585	44,637
Total Recognised Revenues and Expenses	<u>34,585</u>	<u>44,637</u>
Equity at 31st December 2008	<u><u>\$263,523</u></u>	<u><u>\$228,937</u></u>

**DRAFT ACCOUNTS
CLIENT USE ONLY**

This Statement must be read in conjunction with the accompanying Notes to the Accounts and the Audit Report.

New Zealand Institute of Landscape Architects Inc.

Statement of Financial Position

As at 31st December 2008

	<i>Note</i>	<i>2008</i>	<i>2007</i>
Current Assets			
Westpac - Cheque Account		26,352	24,021
Westpac - Term Deposit		145,038	127,825
Westpac - Awards Account		7,413	19,790
Westpac - Ready Access Account		10,486	10,450
Westpac - Conference Account		53,971	16,867
GST Refund Due		136	-
Subscriptions in Arrears		10,855	23,984
Accounts Receivable	DRAFT ACCOUNTS CLIENT USE ONLY	3,741	3,625
Accrued Interest		743	1,214
Prepayments - Conference		3,031	11,599
Prepayments		1,250	1,250
		263,017	240,624
Current Liabilities			
GST Payable		-	3,556
Accounts Payable		2,797	3,362
Net Income in Advance - Awards		-	9,889
		2,797	16,807
Net Current Assets (Liabilities)		260,220	223,817
Non Current Assets			
Fixed Assets (as per schedule)		1,794	3,612
Intangible Assets			
Trademark Registration		1,509	1,509
		263,523	228,937
Net Assets (Liabilities)		\$263,523	\$228,937
Members Funds			
Retained Earnings (Accumulated Losses)		263,523	228,937
Total Members Funds		\$263,523	\$228,937
_____ President		_____ Treasurer	

This Statement must be read in conjunction with the accompanying Notes to the Accounts and Audit Report.

New Zealand Institute of Landscape Architects Inc.

Schedule of Fixed Assets and Depreciation

As at 31st December 2008

Asset	Cost Price	Book Value 01/01/2008	Additions Disposals	Gain/Loss on Disposal	Capital Profit	---- Depreciation ---- Mth Rate	\$	Accum Deprec 31/12/2008	Book Value 31/12/2008
Office Equipment									
Display Stand	10,111	382				12 20.0% DV	76	9,805	306
Display Stand	264	26				12 18.0% DV	5	243	21
Filing Cabinet	240	63				12 14.4% DV	9	186	54
Cash Manager Software	499	2				12 48.0% DV	1	498	1
Website Development - 2004	1,565	132				12 48.0% DV	63	1,496	69
Website	1,125	194				1 48.0% DV	93	1,024	101
Development & Data Intergration - 2005						2			
Database Intergration - Special Project	5,000	973				1 48.0% DV	467	4,494	506
						2			
Website - Online Forum	2,044	1,840				12 60.0% DV	1,104	1,308	736
Total Office Equipment	20,848	3,612					1,818	19,054	1,794
Total Assets	20,848	3,612					1,818	19,054	1,794

**DRAFT ACCOUNTS
CLIENT USE ONLY**

New Zealand Institute of Landscape Architects Inc.

Notes to the Financial Statements

For the Year Ended 31st December 2008

REPORTING ENTITY

New Zealand Institute of Landscape Architects Inc. is an Incorporated Society registered under the Incorporated Societies Act 1908.

New Zealand Institute of Landscape Architects Inc. is a reporting entity for the purposes of the Financial Reporting Act 1993. The financial statements of New Zealand Institute of Landscape Architects Inc. have been prepared in accordance with the Financial Reporting Act 1993.

MEASUREMENT BASE

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical basis have been followed by the entity, except where revaluations of assets are incorporated. Accrual accounting concepts have also been adopted to match expenses and revenue. Reliance is placed on the fact that the entity is a going concern.

SPECIFIC ACCOUNTING POLICIES

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

Goods and Services Tax

The Financial Statements have been prepared on a GST exclusive basis, with the exception of Accounts Receivable or Payable.

Fixed Assets

Fixed assets are valued at cost less aggregate depreciation.

**DRAFT ACCOUNTS
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Depreciation

Depreciation of the assets has been calculated at the maximum rates permitted by the Income Tax Act 2004. This method is considered appropriate to the business. The rates used are shown on the depreciation schedule forming part of the accounts.

Accounts Receivable

Accounts Receivable are stated at their estimated realisable value.

Income Tax

No provision for income tax has been made as the Institute is exempt from Income Tax under the provisions of the Income Tax Act 2004.

Differential Reporting

The entity qualifies for differential reporting as it is not publicly accountable and is not considered large in view of the test contained within the Framework for Differential Reporting. The entity has taken advantage of all differential reporting exemptions.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in previous years.

New Zealand Institute of Landscape Architects Inc.

Notes to the Financial Statements

For the Year Ended 31st December 2008

1 CONTINGENT LIABILITIES

No contingent liabilities are known to exist at balance date.

2 RELATED PARTY TRANSACTIONS

There have been no material related party transactions during the financial year for which these financial statements are prepared.

**DRAFT ACCOUNTS
CLIENT USE ONLY**

NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS

**(2) ANNUAL REPORT
PREPARED BY THE TREASURER**

2008

NZILA TREASURER'S REPORT – 2008 PRESENTATION OF THE ANNUAL ACCOUNTS

The Executive Committee is pleased to present the Treasurer's report for the 2008 calendar year.

The Annual Report

Summarises the financial position of the Institute.

The Institute's Treasurer has included supporting information as background material on the Executive's management of the Accounts.

Explanation of data Variance

- Please note that Annual Report figures vary slightly from the NZILA data.
- The NZILA data is based on actual transactions that take place during the year as recorded in bank statements from January to December.
- The Accountant on the other hand adjusts the data to take account of the crossovers between one financial year and another.
- For example we paid for some activities undertaken in late 2007 in the 2008 financial year. Similarly the Accountant has noted transactions undertaken in late 2007 that are processed in early 2008.

It is for this reason that the financial health of the institute is to be viewed with respect to the Annual Report provided by the Accountant rather than our own internal management data.

The Institute's finances continue to remain in a healthy position.

The Annual Report indicates an overall surplus of \$34,585.00 for 2008 across all entities.

The following is a summary of the financial position at the end of December 2008.

2.1 INVESTMENTS (Interest)

(a) Term Deposit	Start Year	127,825.00
	<u>End year</u>	145,038.00
	Deposit	0.00
	Income (Interest)	\$11,138.54
(b) Ready Access	Start Year	10,450.00
	<u>End Year</u>	10,486.00
	Income (Interest)	\$36.00
(c) Current Account	Income (Interest)	\$442.00

(NZILA) Total Interest \$11,616.54

Annual Report \$11,151.00

2.1.1 Comment

2.1.2 TERM INVESTMENT ACCOUNT

The Executive's financial Goal has been to maintain our Reserves Term Investment at a level consistent with one year's Annual Subscriptions. Unlike last year, this year we have an approximate balance between anticipated subscription Income and the Reserves set aside for 2009 (Subs \$146,500 less TIA \$145,000)

Last year we raised the issue about what the size of our Reserves should be as a minimum. The Executive continue to be guided by the following issues.

Executive Opinion:

The Executive considers that we should continue as follows:

- continue to roll-over the Interest rate
- maintain a strong investment of \$100000 plus minimum
- add to this investment fund as and when surplus funds become available through the Awards or Conference Accounts.
- Consider using some of the interest generated in any one year to part fund the NZILA IFLA delegate costs where these are over and above any sum allocated in the annual budget. As there is a 12month investment period any funds drawn from Account would be made at the end of each period and transferred into the current or Ready Access Account.
- Use of Reserves funds for special projects as when necessary in order to at least maintain the minimum level of \$100000.
- Monitor the investment fund vs subscription ratio on an annual basis and advise membership of progress at each AGM

The Executive re-invested the Term Deposit at a lower Interest rate in November 2008 to achieve an 5.5% interest rate.

By end December 2009 this will have generated about \$7,000.00 interest which will take our Investment account to over \$150,000.00

Our Reserves position is very sound.

The consensus from membership at the 2007 (8) AGM was that we should continue to monitor the value of the reserves with respect to the value of the subscriptions and general operational costs.

2009 Year

The Executive is continuing to fund its Special Projects, which to date have not required any draw-down from either the Ready Access or the Term Deposit. The reason for this is due to an under spend on some operational items and our ability to use cash-in-hand surpluses generated from 2007. It is my opinion that we may be able to see these projects continue to be funded in this way during 2009.

2.1.3 READY ACCESS ACCOUNT

The value of this account now stands at just over **\$10,486.00**. We earn an interest of 1% on this money.

This account is the first port-of call if we require additional funds for non-budget items. It is intended that surplus money from the Conference and Awards Accounts would be transferred in the first instance to this account.

2.2. OPERATIONAL ACCOUNT – (CHEQUE)

2.2.1 Comment

2.2.2 NZILA Analysis - (For Internal Budget Management only)

Income (Excl GST and Interest)

Budget	146,000.00
Income	172,686.05 (Summary Cashbook)
Income Surplus over Budget	\$26,686.05

2.2.3 Expenditure (Excl gst and Interest)

Budget	146,000.00
Expenditure	159,899.05 (Summary Cashbook)
Less Transfers	0.00
Sub Total	0.00
Expenditure Surplus/Deficit over Budget	-\$13,899.05

2.2.4 Summary

Income Surplus	26,686.05
Expenditure Budget Surplus/Deficit	-13,899.05
Actual Ops Surplus/Deficit (NZILA) over budget	\$12,787.00

Less Accounts Payable Dec 2008	-6,400.00
Subs Arrears Received Dec 2008	2,850.00
Job Advert Invoices Dec 2008	2,275.00
Projected Operational Surplus (NZILA)	\$11,512.00

As with last year, the following factors have contributed to this including:

- A steady growth in membership
- Registered Membership remaining steady
- More members reaching G4 and G5
- Sundry Income from Job advertisements (Actual \$9,022.00 – Budget \$6,000)

2.2.5 Annual Report Analysis (Operational) (Excl GST and Interest)

Income	151,342.00
Expenditure	139,842.00
Actual Operational Surplus	11,500.00
Interest (opps Acc)	442.00
Total Surplus Reported	\$11,942.00

2.2.6 Accountant vs NZILA Variance

The Summary Cashbook (attached) shows actual transactions January 08-December 08.

The Accountant merges some of our codes and allows for financial cross-overs between 2007 and 2008.

Income

Income figures (\$172,686.00 vs \$151,342.00) vary by \$21,344.00.

The variance is primarily due to:

- end of year adjustments for subscriptions in arrears 2007/2008
- End of year adjustments for Sundry Jobs outstanding at end 2008

Expenditure

Expenditure figures (\$159,899.00 vs \$139,842.00) vary by \$20,057.00

The variance is primarily due to:

- end of year adjustments for Debtors 2007/2008
- Cross transactions between Conference and Awards accounts

The Annual Report allows for an Ordinary Depreciation value of \$1,818.00.

Non-Current Fixed Assets have been valued at (Approx \$1794.00).

We do like to allow for some cash-in hand at the end of each year (at least a \$10000 - \$15000) to ensure that we can carry over in the New Year. There is always an unknown difference between projected income assessed as part of an evaluation of the membership status (subscriptions) and the proposed Budget.

2.2.7 Subscriptions in Arrears

We reported some concern in last years report that the level of outstanding subscription due was unacceptable.

2006	81 members unpaid	\$23,152.88 excl gst
2007	90 members unpaid	\$21,318.98 excl gst
2008	56 members unpaid	\$11,776.69 excl gst

\$2,757.56 was paid in early January 07.

The total 2008 subscription income received was greater than the previous year.

The numbers of members paying late has reduced and the level of subscriptions in arrears has diminished considerably. So the new fees system established last year, coupled with more administrative follow-up letters and reminder emails seem to be working.

We have achieved the 50% reduction in those still in arrears by the end of December.

2.2.8 Explanation

a General

We started the year with an (NZILA) opening balance of \$23,180.79. We transferred \$25,000 to the Conference account and paid directly for some items related to both the Conference Account and the Awards Account.

The 2008 Operational surplus in the order of \$34,000 is a reflection of both a prudent budget management and a great effort by the conference and awards conveners.

The main expenditure items to note:

b Administration Officer

Melanie has managed her budget well and this has come in on target. Melanie continues to provide the Executive with an excellent service. We have increased her fees in accordance with the CPI

c Executive

Executive costs were on target in 2008.

d Documentation (Special project)

A sum of \$3000 was paid from the operational account for fees associated with progressing the first stage of this document to near completion.

e Registration Marketing

The \$55 levy was specifically allocated in the 2008 budget. This money was largely spent on advertising and marketing.

f Website

Some additional work (\$2,481.25) was carried out on the upgrade to the system. The Forum site was activated.

g IFLA

The IFLA delegate attended a Netherlands World Congress in June. Costs were being monitored. To date these have only exceeded the budget by \$800.

h Legal Fees Disciplinary Committee

The expenditure of \$6,500 for the Disciplinary Committee is more than the \$3000 budgeted. These are proving to be time consuming and expensive exercises.

i Branch Levies

The Executive returned \$7,350 to the branches as part of the Capitation levy in 2008. \$1,495 was sent to branches in February for dues recorded at the end of December 2007.

Telecom Yellow Pages

A subsidy of \$60 is paid to Branches for each of the Major telephone Directories in their area. Payments to the value of \$1,080 were made in December 2008.

Capitation Levies 2008	July	Dec 08	Total
Auckland		2,490.00	2,490.00
Central NI		540.00	540.00
HB Manawatu		480.00	480.00
Wellington		845.00	845.00
Nelson Marlborough		120.00	120.00
Canterbury Westland		1,580.00	1,580.00
Southern		570.00	570.00
Total	\$	\$6,625.00	\$6,625.00

J Associateship/Membership Review (Special Project)

The first part of the project was undertaken in 2008 to a value of \$16,051.12

k Conference /Awards

Transfer Funds by direct payments \$13,515.00

L Conference Sponsorship

AILA delegate to Auckland conference \$2,245.00

m Crown Relocations

Storage of Archived material \$535.00pa

N Marketing Promotion

The NZILA accounts show a sum of \$7750 allocated to this budget item but (\$6000 of this was a transaction attributed to the Awards Dinner.

O Graduate/Student Affairs

The Grad Pack was completed and \$1200 was spent on printing costs.

2.2.8 SUMMARY OPERATIONAL ACCOUNT

Current Situation

The Operational Cheque Account continues to have a healthy balance (**\$30,000**) at the end of December 2008. There is no need to take any immediate action on transferring funds (Floats).

Special Projects

Operational Surplus Available (start)	10,000.00
<u>Special Projects</u>	<u>5,000.00</u>
Transfer Funds if required	\$15,000.00

Should it be necessary during the course of the year to correct any shortfall between the 2008 and 2009 operational budgets, then funds will be transferred from either the Ready Access Account or the Conference Account.

The Balance going forward it is smaller than usual but it is unlikely that action of this kind will be necessary.

2.2.9

ANNUAL REPORT/NZILA OPERATIONAL COMPARISONS 2008

INCOME (ex GST)	Budget 2008	Actual End Dec 2008	Annual Report
Income			
Subscriptions	138,200	160,549.34	142,539.00
Assoc. Application fees	1500		
Sponsorship			
Accreditation			
Awards			
Education Foundation			
Interest Rec. Investment Accounts Ready Access	Separate		
Interest Current Account	300	442.05	442.00
Awards	Separate		
Sundry Job Adverts	6000	4,858.80	8803.00
Sundry General		1,707.48	
Conference Income	Separate	5,550.00	
Yellow Pages Reimburse			
OverPaid Disbursements			
Bank Charges		20.43	
Funds Introduced			
Net GST			
TOTAL	146,000	173,686.05	151,342.00

2.2.10 ANNUAL REPORT/NZILA OPERATIONAL COMPARISONS 2008

EXPENSES (ex GST)	Budget 2008	End Dec 2008	Annual Report
Secretarial	34000	28497.38	28497.38
Secretarial Expenses	5000	5556.60	5364.62
Office Equipment Purchases	250		
Photocopying (incl Insite)	500	622.73	988.00
Postage	600	946.00	936.00
General Admin & Expenses	800	243.51	
Exec travel & Expenses	20000	16018.09	16018.00
President Honorarium/Ruru	5000	4444.44	5000.00
Presidents Extraordinary	500	231.11	89.00
Treasurer Honorarium	2500	2500.00	2500.00
Awards Fellow/Life/Student	450		
Awards Student x 3	900	300.00	1200.00
Accounting Auditor Cashbk	6500	4860.00	4676.00
Legal expenses/Disciplinary	3000	6408.05	
Telecom (including 0800)	1500	1601.53	1551.00
Associateship	2000	3128.22	1979.00
Associateship Review		8565.96	8566.00
Accreditation	1500		
Education Portfolio		4356.94	4357.00
Graduate/Student Portfolio	1000	1153.00	1153.00
Environment Portfolio	1000	1271.11	1271.00
High Country Landscape	1500		
Cultural Heritage Group	1000	146.67	
Urban Design Forum (YEB)	1250	940.93	941.00
Exec. Working Groups	5000		
Documents/Practice Support	2000	3000.00	3000.00
Crown Security		534.28	
Printing, Stationery & Post	1450	1528.00	3014.00
Construction Industry Council	750	750.00	750.00
Registration	3500		
Marketing/Promotion	3000	7753.74	1690.00
Insite	2300	2300.00	2300.00
Landscape NZ	10000	5277.78	7778.00
Website Hosting	750	929.30	929.00
Website Development	500	2481.25	2481.00
Web Master	7000	5506.11	5506.00
Sponsorship Student MD	900	800.01	
Subscriptions & Seminars	150	177.78	178.00
IFLA International Fees	5000	4360.12	4360.00
IFLA regional fees & awards			
IFLA Delegate/Travel/Accom	3500	4309.22	4848.00
Branch Levies	8200	7350.00	8283.00
Branch Telephone Levies	1400	420.00	900.00
NZILA Conference Account		175.00	
LIANZ Delegate Conference		551.11	
AILA Delegate Conference		2244.44	2796.00
Conference Sponsorship		3000.00	3000.00
NZILA Awards Account		13515.00	
Bank/Visa Charges	100	1143.64	1123.00
Education Foundation			
Subscription Refunds			
Subscription Dishonor			
Ordinary Depreciation			1818.00
Interest Cheque			
TOTAL	146,000	159,899.05	139,842.00

**2.2.11 The Following is included for background information only
Treasurers Information Base only. Derived from NZILA Internal Banking Database**

SUBSCRIPTIONS (at end December 2008)

INCOME (incl GST)	Actual Nos 2008	Nos Paid 2008	Income 2008 (excl GST)
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Categories			
Registered	78	78	33927.48
Registered Overseas		0	0.00
Fellows	17	17	6388.43
Retired Fellow	1	1	441.74
Associates	62	57	24861.20
Associates/os	7	7	1324.06
Retired Associates	5	5	842.07
Affiliates	8	7	928.67
G1	26	26	1844.82
G1/os	0	0	0.00
G2	18	14	4257.02
G2/os	1	1	138.04
G3	31	30	5167.06
G3/os	0	0	0.00
G4	39	39	4596.39
G4/os	4	4	441.75
G5/5+	115	102	54040.01
G5/os	13	13	2315.10
G5 Ret	3	3	1276.91
Graduates (reduced)			
Students	107	75	2017.23
Honorary Fellows	2		
Life Members	2		
Arrears 2007			3585.74
TOTAL	535	479	148393.72

Income excl gst:

Anticipated Income from Subscriptions	163,000	Based on all members paying
Budgeted	138,200	Based on 2007 actuals
NZILA end year 2008 Annual Report	148,400	Based on NZILA spreadsheet
	142,500	Based on Accountant assessment

2.2.12 SUBSCRIPTIONS IN ARREARS 2008

NZILA \$11,800

Accountant end of year indicates \$10,855.00

Subscription Income History excl gst

NZILA Cashmanger	Annual Report
2002 - \$66,902.88	(Audit - \$68,476.00)
2003 - \$71,851.12	(Audit - \$72,282.00)
2004 - \$84,063.00	(Audit - \$85,487.00)
2005 - \$99,458.06	(Audit - \$108,637.00)
2006 - \$119,487.12	(Audit - \$129,902.00)
2007 - \$141,943.00	(Audit- \$129,423.00)
2008 - \$160,549.34	(Annual report \$142,539.00)-
2009 - \$146500.00 (Budget)	

2.3. CONFERENCE and AWARDS ACCOUNTS

2.3.1 Annual Report (Accountant)

It was decided this year that we would combine the transactions for both of these activities.

This was due in part to the substantial number of cross- transactions that occurred and the subsidising of various Awards activities by the Conference committee.

We found that the Conference Organiser had been receiving Income directly and apparently paying for activities directly. Because of this the true costs of both activities was extremely confusing to sort out in the time available.

Although both conveners provided statements of Income and Expenditure these appeared to be a combination of budgetary and actual transaction rather than specifically tying into the bank statements .

Despite some book keeping issues, I wish to thank the respective conveners for their cooperation in keeping records orderly. In the end the surplus generated is more than expected.

The combined activities show a net surplus of \$18,545.00.

2.3.2 2008– Auckland Conference

A sum of \$25000 was transferred to the account to provide a float early in the Conference process.

2.3.3 CONFERENCE Account Balance at end December 2008

The Account balance at the end of 2008 was **\$54,000.**

2.3.4 AWARDS - Account Balance at end December 2008

The Account balance at the end of 2008 was **\$7413.44.**

2.3.5 2009–Queenstown Conference

Some early expenditure was paid for the venue hire and marketing in 2008. The Committee has indicated that they may make a small surplus.

2.3.6 Executive Action

The 2007 report indicated that the Treasurer would prepare some guidelines. Unfortunately this was not actioned in time for the 2008 activities.

- The way conference organisers report to us and the need to clarify our requirements is clearly is an issues that needs to be addressed as soon as possible.

2.3.7 Education Foundation Trust

As a result of the above surplus the Executive agreed today to the following:
Conference Awards Surplus 2008 \$18,545.00

Recommendation:

That 15% of the above profit (\$2,781.75) be returned to the organising Branch with thanks from Executive for a job well done. That this money may be used by the Branch at their discretion.

That 10% of the above profit (\$1,854.50) be donated to the NZILA Education Foundation Trust.

That the remaining \$13,908.75 be transferred from the Conference Account to one the NZILA's other savings accounts.

Action: GE to process letters and Cheques.

2.4 SUMMARY

NZILA POSITION AT END DECEMBER 2008

Taking into account the performance of all the NZILA business activities, the Accountant advises that we have a **surplus of Income over Expenditure** of **\$34,585.00** as at 31 December 2008.

Operational Surplus (Deficit)	22,651.00
Less Disciplinary Expenses	6,408.00
Conference Surplus (Deficit)	18,545.00
Awards Surplus (Deficit)	(incl)
Less IRD Penalties	203.00
Total Surplus	\$34,585.00

Current Assets	263,017.00
Less Current Liabilities	2,797.00
Net Current Assets (Liabilities)	260,220.00
Non Current Assets (Fixed)	1794.00 (Website)
<u>Intangible Assets</u>	<u>1,509.00 (Trademark)</u>
<u>Net Assets</u>	<u>263,523.00</u>
Total Members Funds	\$263,523.00

2.6 CO-SIGNATORY

I'd like to thank the Vice-Treasurer Jennifer Dray and David McKenzie for continuing to assist me with co-signing cheques.

2.7 RECOMMENDATION/MOTION

- That the Draft Annual Report 2008 be accepted.
- That the Treasurer's Comments be Received and Actioned

NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS

PROPOSED BUDGET

2009

3. PRESENTATION OF THE OPERATIONAL BUDGET FOR 2009

3.1 Explanation

3.1.1 Income

In setting the budget for 2009 we have decided to be a bit more cautious in our income projections than last year. The world recession will cause problems for members and we are already fielding more requests than usual for hardship or staggered payment options.

As a result we have reduced the CPI level to 3.5% rather than 5.5+%. This still results in an increase in projected income of \$6000 over last year.

Income surpluses from job advertising are predicted to decline sharply with employers either not taking on new staff or employees being more cautious about moving. We have halved the projected income from last year.

The Operational Budget **excludes** assessment of activities associated with the Conference and Awards Accounts. Income/Expenditure projections for these activities are generally unreliable as they can fluctuate depending upon the success of the event.

As in previous years the Operational Budget **excludes** interest income generated from the Investment and Ready Access Accounts. This income is predictable, however as we intend to continue to roll-over income earned within each account, it is not prudent to place it within the Operational Budget.

Please find attached the proposed 2009 budget.

3.1.2 Expenditure Items to be noted

The budget is divided into Portfolio activities and administrative expenses in order to track the expenditure and to allow Executive Portfolio holders to manage their own budgets.

The main items in the budget to note for additional funding are: (amount over last year)

- Administration 1700
- Executive 2000
- Legal Expenses 2000
- NZILA Office Bearer Insurance 2350
- Website Development 2000
- Conference Sponsorship Non NZILA 3000
- IFLA Delegate 700

a Legal Expenses

The Disciplinary committee expenses are quite high when a case has to be heard. We are just providing sufficient funds to deal with this situation.

The Executive will be preparing a report on matters that need attention to help members minimize risk and for Exec to streamline its response process.

b Webmaster

An additional **\$2000** has been allocated for Melanie to increase her hours to assist people, handy hints bulletin, monitor outdated material, forum topics, job adverts.

C IFLA

We have allocated **\$700 more** toward IFLA delegate expenses in this year's budget. The average cost per trip is in the order of \$4000. The Delegate needs to attend two IFLA meetings per year. Costs fluctuate depending on the exchange rate and the location. Exec will use its discretion in approving each trip. 2009 likely to be Brazil and Korea.

D Office Bearer Insurance

We are about to sign up for an Insurance policy for the Institute's Office Bearers. It is a requirement of the Constitution that we have such Insurance in place to cover any unfortunate miss-management issues that may result from the actions of committee members. Aon Insurance will be our providers.

PROPOSED NZILA OPERATIONAL BUDGET 2009

INCOME (ex GST)	Actual 2007	Proposed 2008	Actual End Dec 2008	Proposed 2009
Income				
Subscriptions	129,423.00	138200	135,078.14	146500.00
Visa Subs Entry			25,471.20	
Assoc. Application fees	2253.00	1500		1500
Sponsorship				
Accreditation				
Awards				
Education Foundation				
Interest Received Investment Accounts Ready Access			10,704.00	
Interest IRD				
Interest Current Account	674.00	300	442.05	500
Awards				
Sundry Job Adverts	7292.00	6000	4858.80	3500
Sundry General	4400.00		1707.48	
Conference Income			5550.00	
Conference DD Income				
Yellow Pages Reimburse				
Funds Introduced				
Bank Charges			20.43	
Suspense			1571.92	
Net GST				
TOTAL	144,042.00	146000	185404.02	152000.00

PROPOSED NZILA OPERATIONAL BUDGET 2009

EXPENSES (ex GST)	Acc. Code	Actual 2007	Proposed 2008	NZILA 2008 (cashmgr)	Proposed 2009
Secretarial		27800	34000	28497.38	35700.00
Secretarial Expenses		6196.00	5000	5556.60	5500.00
Office Equipment Purchases			250		1000.00
Photocopying		920	500	622.73	500.00
Postage		1246.00	600	946.00	750.00
General Admin & Expenses			800	243.51	250.00
Exec travel & expenses		10766.00	20000	16018.09	22000.00
President Honorarium		5000	5000	4444.44	5000.00
Presidents Extra/Ruru		628.00	500	231.11	500.00
Treasurer Honorarium			2500	2500.00	2500.00
Awards Fellow/Life		267.00	450		450.00
Awards Student x 3 \$300ea		900	900	300.00	900.00
Accounting Auditor Cashbk		4500.00	6500	4860.00	5000.00
Legal expenses		2400.00	3000	6408.05	5000.00
NZILA Officer Insurance					2350.00
Telecom (including 0800)		1648.00	1500	160.53	1500.00
Associateship		2760.00	2000	3128.22	3000.00
Associateship Review				8565.96	
Accreditation			1250		
Education/CPD Portfolio		300.00		4356.94	1000.00
Graduate/Student Portfolio			1000	1153.00	1000.00
Environment Portfolio		500.00	1000	1271.11	1000.00
High Country Landscape		614.00	1500		500.00
Cultural Heritage Group		147.00	1000	146.67	500.00
Urban Design			1250	940.93	1000.00
Exec. Working Groups			5000		2500.00
Documents Practice Support		640.00	2000	3000.00	800.00
Archives				532.28	550.00
Printing Stationery		780.00	1450	1528.00	500.00
Construction Industry Council		750.00	750	750.00	750.00
Registration		425.00	3500		3800.00
Marketing/Promotion		640.00	3000	7753.74	2500.00
Insite		2200.00	2300	2300.00	2450.00
Landscape NZ		12222.00	10000	5277.78	10,000.00
Website Hosting		779.00	750	929.30	1000.00
Website Development		2014.00	500	2481.25	2500.00
Web Master		4401.00	7000	5506.11	7000.00
Sponsorship Student MD		267.00	900	800.01	900.00
Subscriptions & Seminars		156.00	150	177.78	200.00
IFLA International Fees		4208.00	5000	4360.12	4500.00
IFLA regional fees & awards					
IFLA Delegate/Travel/Accom		3777.00	3500	4309.22	5000.00
Branch Levies		7125.00	8200	7350.00	8500.00
Branch Telephone Levies		1361.00	1400	420.00	1400.00
NZILA Conference Account				175.00	
LIANZ Delegate Conf				551.11	
AILA Delegate Conf				2244.44	
Non NZILA Conf Sponsor				3000.00	
NZILA Awards Account				13515.00	
Bank/Visa Charges		351.00	100	1143.64	1200.00
Education Foundation					
Subscription Refunds					
Subscription Dishonor					
Ordinary Depreciation		1519.00			
TOTAL		110,207.00	146000	159,899.05	152000.00

Notes

1. The budget is balanced.
2. Budget allows for CPI increase in fees of 3.5%.

**FINAL NZILA's 2009 subscription rates are as follows (GST exclusive)
Based on a CPI Index increase of 3.5% of 2008 (Exclusive)**

Category	Standard 2008 + CPI excl GST	CPI Index 3.5% 2008	Fees for 2009 Rates + CPI	Fees for 2009 Rates + CPI + GST	Late Rate 2009 is an additional 10% + GST	Members Numbers Estimate 2009	Projected Budget Income Excl GST Std Rate
Registered	480.43	16.82	497.25	559.40	615.34	76	37790.62
Registered Overseas	198.79	6.96	205.75	231.47	254.61	0	0.00
Fellows	419.68	14.69	434.37	488.67	537.53	15	6515.57
Retired Fellow	138.05	4.83	142.88	160.74	176.81	1	142.88
Associates	419.68	14.69	434.37	488.67	537.53	66	28668.49
Associates Overseas	138.05	4.83	142.88	160.74	176.81	11	1571.68
Associates Retired	138.05	4.83	142.88	160.74	176.81	5	714.40
Affiliates	138.05	4.83	142.88	160.74	176.81	9	1285.92
Graduate year 1	66.26	2.32	68.58	77.15	84.87	30	2057.39
Grad 1 Overseas	66.26	2.32	68.58	77.15	84.87	0	0.00
Graduate year 2	154.62	5.41	160.03	180.03	198.04	24	3840.73
Grad 2 Overseas	138.05	4.83	142.88	160.74	176.81	2	285.76
Graduate year 3	242.97	8.50	251.47	282.90	311.19	33	8298.51
Grad 3 Overseas	138.05	4.83	142.88	160.74	176.81	4	571.52
Graduate year 4	331.32	11.60	342.92	385.79	424.36	20	6858.41
Grad 4 Overseas	138.05	4.83	142.88	160.74	176.81	3	428.64
Graduate year 5/5+	419.68	14.69	434.37	488.67	537.53	159	69064.99
Grad 5/5+ Overseas	138.05	4.83	142.88	160.74	176.81	20	2857.60
Grad 55+ Retired	138.05	4.83	142.88	160.74	176.81	4	571.52
Graduates (reduced)	0.00	0.00	0.00	0.00	0.00	NA	
Students	33.09	1.16	34.25	38.53	42.38	50	1712.35
Honorary Fellows	0.00	0.00	0.00	0.00	0.00	NA	
Life Members	0.00	0.00	0.00	0.00	0.00	NA	
Total						532	173236.99

RECOMMENDATION/MOTION

- That the 2009 Budget be approved by the membership.

4. SPECIAL PROJECTS ENDORSEMENT 2009

The following projects have been earmarked for action by the Executive.

Project	Estimate	Expenditure to Date (2008)	2009
Development of Landscape Charter	2500		2500
Practice Documentation	10000	3000	3000
Legal Review for Disciplinary Committee	15000		
Associateship/Membership Review	50000	16000	23000
Oral History Recordings	15900		15900
IFLA Conference 2013	15000		5000
Promotional CD for Registered members	3000		
Research Officer	??		
Media Invite to Conferences Reg. & Dinner	500pa		500
AILA Delegate	2500pa	2500	2500
IFLA Delegate	4000pa		4000
Budget Estimates	118,400	21,500	56,400

Approximate Value of Executive. 'Special' project ideas' \$118,400.

AGM Endorsement is sought for action for the 2009 financial year.

2007(8) AGM Resolution regarding the Special projects

THAT the membership endorse the proposed special project programme for the 2008 financial year of

- Completion of the Landscape charter
- Completion of Stage 1 and progress the remaining Practice Support Documentation
- Completion of consultant report including proposed actions for Associateship and Membership Review

To the value of \$45000

THAT the Executive draws the budget for these projects only from the surplus funds over and above the \$100000 on term deposit.

Similar Motion to be put after discussion :

5 TREASURER STRATEGY FOR 2009/2010

5.1. Account Signatories

Liaise with Westpac to sort out NZILA Signatories. Remove those no longer acting as office bearers.

5.2. Conference and Awards Accounts

Formalise Policy and Protocol Guidelines for future committees.

6 APPOINTMENT OF ACCOUNTANT AND AUDITOR

6.1 RECOMMENDATION/MOTION

- That Iles and Campbell be retained as the Institute's Accountants and Steve Jacobs & Associates as Auditors for a further term.

Comment

We advise that in accordance with the motion at the 2008 AGM, that we made a comparative enquiry regarding estimates of fees from another Accountant (Staples Rodway Ltd) with respect to costs for Accountancy and Auditor services. Generally it is expected that the services from professional accountants are likely to be a similar order of cost. It is also my view that to change our advisors after such a lengthy and highly satisfactory engagement would not be beneficial to the Institute.

**Treasurer
Grant Edge**

APPENDIX 1

NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS

AUDITORS REPORT 2008

Due to time constraints the Auditor (Steve Jacobs & Associates) were unable to complete the report. It will be completed and ratified at the 2009 AGM.

In the interim it will be checked by the Executive and acted on if required.

NZILA Representation Letter to Auditor



New Zealand Institute of Landscape Architects Inc
PO Box 10-022, The Terrace, Wellington, New Zealand
Phone: 0800 843 694, Web: www.nzila.co.nz

March 12, 2009

Steve Jacobs & Associates
PO Box 50
TAUPO

Dear Sir/Madam

NZILA Representation Letter to Auditor

This representation letter is provided in connection with your audit of the financial report of the New Zealand Institute of Landscape Architects Incorporated for the year ended January to December **2008** for the purpose of expressing an opinion on whether the financial report gives a true and fair view of the financial position of the New Zealand Institute of Landscape Architects as at end December **2008** and of the results of its operations and its cash flows for the period January to December **2008** then ended according to the Incorporated Societies Act .

We acknowledge our responsibility for the fair presentation of the financial report in accordance with the Incorporated Societies Act.

We confirm, to the best of our knowledge and belief, the following representations:

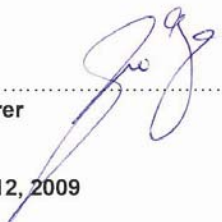
1. There have been no irregularities involving management or employees who have a significant role in the accounting and internal control systems, or that could have a material effect on the financial report.
2. We have made available to you all accounting records and supporting documentation, and all minutes of meetings of the Executive and the AGM.
3. We confirm the completeness of the information provided regarding the identification of related parties.
4. The financial report is free of material misstatements, including omissions.
5. The entity has complied with all aspects of contractual agreements that could have a material effect on the financial report in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial report in the event of non-compliance.

NZILA Treasurer 2008 Representation Letter

New Zealand Institute of Landscape Architects

6. The following have been properly recorded and when appropriate, adequately disclosed in the financial report:
 - (i) the identity of, and balances and transactions with, related parties;
 - (ii) losses arising from sale and purchase commitments;
7. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial reports.
8. The entity has satisfactory title to all assets and there are no liens or encumbrances on the entity's assets.
9. We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent.
10. Other than as described in to the financial report, there have been no events subsequent to period end which require adjustment of, or disclosure in, the financial reports or notes to them.
11. There are no formal or informal compensating balance arrangements with any of our cash or investment accounts. We have no other line of credit arrangements.

.....
President


.....
Treasurer

March 12, 2009

NZILA Treasurer 2008 Representation Letter

APPENDIX 2

NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS

CONSTITUTIONAL AMENDMENT 2009

The Accountant advises that a clause similar to the following needs to be inserted into the Constitution. They are advised by the IRD that this is required if the institute is to avoid paying Income Tax.

RECOMMENDATION/MOTION

- That following a review by the Institute's solicitor, that a clause similar to the following be inserted into the most appropriate section of the Constitution.

"That no addition to or alteration or recession of the rules shall be approved if it affects the non-profit aims, personal benefit clause or winding up clause (without the approval of Inland Revenue."

Reason:

The clause needs to be added so that the Institute can issue an "official" letter confirming the tax exemption status. As a result of IRD systems the Institute currently does not hold a tax exempt status, so nothing will change, but because the clause is not contained in the rules they actually can't officially confirm it. By submitting the amended rules then advising IRD the formal part of the process is complete and can't be altered.