

# **NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS**

## **ANNUAL FINANCIAL REPORT AND TREASURER'S REPORT**

**2007**



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**NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS**  
**ANNUAL REPORT 2007**

**Prepared by Iles & Campbell Limited**

The Annual Report prepared by Iles & Campbell is attached.

# **NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS**

## **ANNUAL REPORT PREPARED BY THE TREASURER**

**2007**

## NZILA TREASURER'S REPORT – 2007 PRESENTATION OF THE ANNUAL ACCOUNTS

The Executive Committee is pleased to present the Treasurer's report for the 2007 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 2006 in the 2007 financial year. Similarly the Accountant has noted transactions undertaken in late 2006 that are processed in early 2007.

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 Plan indicates an overall surplus of \$44,637.00 for 2007.**

The following is a summary of the financial position at the end of December 2007.

### 1. INVESTMENTS

|     |                 |                   |                         |
|-----|-----------------|-------------------|-------------------------|
| (a) | Term Deposit    | Start Year        | 91,946.93               |
|     |                 | <u>End year</u>   | <u>127,824.53</u>       |
|     |                 | Deposit Dec 2007  | <b>\$30,000.00</b>      |
|     |                 | Income (Interest) | <b>\$5,877.60</b>       |
| (b) | Ready Access    | Start Year        | 10,397.79               |
|     |                 | <u>End Year</u>   | <u><b>10,449.91</b></u> |
|     |                 | Income (Interest) | <b>\$52.12</b>          |
| (c) | Current Account | Income (Interest) | 627.13                  |

**(NZILA) Total Interest \$6,556.85**

**Annual Report \$7,821.00**

#### 1.1 Comment

##### 1.1.2 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. We now have a shortfall between anticipated subscription Income and the Reserves set aside for 2008 in our Term Deposit in the region of \$32,400. (Subs \$162,000 less TIA \$127 000)

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 to roll-over the Interest rate
- maintain a strong investment of \$100000 plus
- 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.
- **Consider use of Reserves funds for special projects.**
- Monitor the investment fund vs subscription ratio on an annual basis and advise membership of progress at each AGM

The Executive reinvested the Term Deposit at a higher Interest rate in December 2007 to achieve an 8.0% interest rate.

By end November 2008 this will have generated about \$10,200.00 interest.

Our Reserves position is very sound.

**2008 Year**

The Executive has several potentially large projects that it wishes to get underway this year. These projects can only be funded from 'surplus' funds. Generally any draw-down of funds from the Term Deposit Account would be put to membership at the 2009 AGM.

**1.1.3 READY ACCESS ACCOUNT**

The value of this account now stands at just over **\$10,450.00**. 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.

As discussed last year this account allows us to draw-down for Special Projects that may not have been allocated funding in the budget. The allocation of funds would be driven by priorities identified as part of the Executive's Strategy proposals.

## 2. OPERATIONAL ACCOUNT – (CHEQUE)

### 2.1 Comment

#### 2.1.1 NZILA Analysis - (For Internal Budget Management only) Income (Excl GST and Interest)

|                            |                               |
|----------------------------|-------------------------------|
| Budget                     | 126,850.00                    |
| Income                     | 151,427.63 (Summary Cashbook) |
| Income Surplus over Budget | \$24,577.63                   |

#### 2.1.2 Expenditure (Excl gst and Interest)

|   |                               |
|---|-------------------------------|
| Budget                                  | 126,850.00                    |
| Expenditure                             | 169,513.67 (Summary Cashbook) |
| Less Transfers                          | 46,440.00                     |
| Sub Total                               | 123,073.67                    |
| Expenditure Surplus/Deficit over Budget | +\$3,776.33                   |

#### 2.1.3 Summary

|   |                    |
|---|--------------------|
| Income Surplus  | 24,577.63          |
| Expenditure Budget Surplus/Deficit                    | +3,776.33          |
| <b>Actual Ops Surplus/Deficit (NZILA) over budget</b> | <b>\$28,353.96</b> |

|  |                    |
|--|--------------------|
| <b>Less Accounts Payable Dec 2007</b>        | <b>-3,757.50</b>   |
| <b>Subs Arrears Received Dec 2007</b>        | <b>6,805.33</b>    |
| <b>Job Advert Invoices Dec 2007</b>          | <b>2,969.44</b>    |
| <b>Projected Operational Surplus (NZILA)</b> | <b>\$34,371.23</b> |

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 \$6,020 – Budget \$5,000)

#### 2.1.4 Annual Report Analysis (Operational) (Excl GST and Interest)

|                                   |                    |
|-----------------------------------|--------------------|
| <b>Income</b>                     | <b>143,368.00</b>  |
| <b>Expenditure</b>                | <b>110,207.00</b>  |
| <b>Actual Operational Surplus</b> | <b>33,161.00</b>   |
| Interest (opps Acc)               | 674.00             |
| <b>Total Surplus Reported</b>     | <b>\$33,835.00</b> |

#### 2.1.5 Accountant vs NZILA Variance

The Summary Cashbook (attached) shows actual transactions January 07-December 07.

The Accountant merges some of our codes and allows for financial cross-overs between 2006 and 2008.

#### **Income**

Income figures (\$151,427.63 vs \$143,368.00) vary by \$8,059.63.

The variance is primarily due to:

- end of year adjustments for subscriptions in arrears 2006/2008
- End of year adjustments for Sundry Jobs outstanding at end 2006.

#### **Expenditure**

Expenditure figures (\$123,073.67 vs \$110,207.00) vary by \$12,866.67

The variance is primarily due to:

- end of year adjustments for Debtors 2006/2008

The Annual Report allows for an Ordinary Depreciation value of \$1,519.00.

Non-Current Fixed Assets have been valued at (Approx \$3,612.00).

We do allow for some variance by ensuring that there is at least a \$10000 -\$15000 difference between projected income assessed as part of an evaluation of the membership status (subscriptions) and the proposed Budget.

#### **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        |
| <b>2007</b> | <b>90 members unpaid</b> | <b>\$21,318.98 excl gst</b> |

\$6805.33 was paid in early January 07.

For 2007 the subscription income received was actually less than the previous year. This was despite an increase in fees and an increase in membership.

We still have a large number of people choosing to pay very late.

We have since allowed for all subs to be paid by the end of March before a late fee is applied.

We continue to give people reminders.

#### **Constitution**

We have reviewed the Constitution requirements (Clause 2.11) and confirm that fees not paid within 6 months ie end September 2008 shall result in members becoming non-financial.

This will make them ineligible to vote, be on committees, receive information including magazines and be deleted from the website lists.

We will continue to be as pro active as possible to retrieve money.

It is proposed that as in the past, Branches will provided with the list of members with outstanding subscriptions in their area and asked to phone people directly to see if there were any problems or if their circumstances had changed.

Our mission last year failed to achieve a better then 50% reduction in numbers not paying. So this year we hope to do a lot better.

## **2.2 Explanation**

### **2.2.1 General**

We started the year with an (NZILA) opening balance of \$41,285.91. We transferred \$30000 to the Term Deposit account and \$16,440 to the Conference account.

The 2007 Operational surplus in the order of \$40,000 is a reflection of both a prudent budget management and late delivery of some budgeted items.

The main expenditure items to note:

### **2.2.2 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.

### **2.2.3 Executive**

Executive costs were on target in 2007.

### **2.2.5 Documentation**

This was identified as a special project with funds to be drawn from the Ready Access account if required. Only about \$220 was spent this year. The review of the 2006 material stalled and so \$3000 remains to be spent on this activity.



### **2.2.7 Registration**

The \$55 levy of \$4000 was specifically allocated in the 2007 budget. No specific items were identified and as a result only \$425 was spent.

### **2.2.8 Website**

Some additional work was carried out on the upgrade to the system. The Forum site will be up and running soon.

### **2.2.9 IFLA**

The IFLA delegate attended a summit in Beijing in May and the world congress meeting in Malaysia in August. Costs were being monitored. To date these have exceeded the budget by \$2500.

### **2.2.10 Legal Fees Disciplinary Committee**

The expenditure of \$2400 for the Disciplinary Committee is unexpected. The matter is now resolved but is a reminder to members that retaining back up funds is essential.

### **2.2.11 Branch Levies**

The Executive returned \$6075 to the branches as part of the Capitation levy in 2007. A further \$1495 was sent to branches in February for dues recorded at the end of December 2007. Total =\$7570

### **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 \$1360.50 were made in February 2007.

| <b>Capitation Levies 2007</b> | <b>July</b>      | <b>Dec/Feb 08</b> | <b>Total</b>     |
|-------------------------------|------------------|-------------------|------------------|
| Auckland                      | 2335.00          | 630.00            | 2965.00          |
| Central NI                    | 500.00           | 85.00             | 585.00           |
| HB Manawatu                   | 345.00           | 40.00             | 385.00           |
| Wellington                    | 875.00           | 105.00            | 980.00           |
| Nelson Marlborough            | 165.00           | 5.00              | 170.00           |
| Canterbury Westland           | 1395.00          | 515.00            | 1910.00          |
| Southern                      | 460.00           | 115.00            | 575.00           |
| <b>Total</b>                  | <b>\$6075.00</b> | <b>\$1495.00</b>  | <b>\$7570.00</b> |

## **SUMMARY OPERATIONAL ACCOUNT**

### **Current Situation**

The Operational Cheque Account continues to have a healthy balance **(\$26,200.00)** at the end of December 2007. There is no need to take any immediate action on transferring funds (Floats).

### **Special Projects**

|                                   |                    |
|-----------------------------------|--------------------|
| Operational Surplus Available     | 30,000.00          |
| <u>Special Projects</u>           | <u>5,000.00</u>    |
| <b>Transfer Funds if required</b> | <b>\$35,000.00</b> |

Should it be necessary during the course of the year to correct any shortfall between the 2007 and 2008 operational budgets, then funds will be transferred from either the Ready Access Account or the Conference Account.

Given the size of the Balance going forward it is unlikely that action of this kind will be necessary.

**ANNUAL REPORT/NZILA OPERATIONAL COMPARISONS 2007**

| <b>INCOME (ex GST)</b>                            | <b>Budget<br/>2007</b> | <b>Actual End<br/>Dec 2007</b> | <b>Annual<br/>Report</b> |
|---|------------------------|--------------------------------|--------------------------|
| <b>Income</b>                                     |                        |                                |                          |
| Subscriptions                                     | <b>120000</b>          | 141943.75                      | <b>129423.00</b>         |
| Assoc. Application fees                           | <b>1500</b>            | 2253.33                        | <b>2253.00</b>           |
| Sponsorship                                       |                        |                                |                          |
| Accreditation                                     |                        |                                |                          |
| Awards  |                        |                                |                          |
| Education Foundation                              |                        |                                |                          |
| Interest Rec. Investment<br>Accounts Ready Access | <b>Separate</b>        |                                |                          |
| Interest Current Account                          | <b>350</b>             | 627.13                         | <b>674.00</b>            |
| Awards  | <b>Separate</b>        |                                |                          |
| Sundry Job Adverts                                | <b>5000</b>            | 6020.00                        | <b>7292.00</b>           |
| Sundry General                                    |                        | 4400.51                        | <b>4400.00</b>           |
| Conference Income                                 | <b>Separate</b>        | 497.78                         |                          |
| Yellow Pages Reimburse                            |                        |                                |                          |
| OverPaid Disbursements                            |                        | 712.77                         |                          |
| Bank Charges                                      |                        |                                |                          |
| Funds Introduced                                  |                        |                                |                          |
| Net GST   |                        |                                |                          |
| <b>TOTAL</b>                                      | <b>126,850</b>         | <b>152,054.76</b>              | <b>144042.00</b>         |

**ANNUAL REPORT/NZILA OPERATIONAL COMPARISONS 2007**

| <b>EXPENSES (ex GST)</b>      | <b>Budget<br/>2007</b> | <b>End Dec<br/>2007</b> | <b>Annual<br/>Report</b> |
|-------------------------------|------------------------|-------------------------|--------------------------|
| Secretarial                   | 28000                  | 27807.54                | 27800.00                 |
| Secretarial Expenses          | 5500                   | 5996.16                 | 6196.00                  |
| Office Equipment Purchases    | 500                    |                         |                          |
| Photocopying (incl Insite)    | 500                    | 921.74                  | 920.00                   |
| Postage                       | 500                    | 1584.10                 | 1246.00                  |
| Annual Report & Brochures     | 450                    |                         |                          |
| Exec travel & expenses        | 18000                  | 18528.31                | 10766.00                 |
| President Honorarium/Ruru     | 5000                   | 4444.44                 | 5000.00                  |
| Presidents Extraordinary      | 500                    | 650.82                  | 628.00                   |
| Awards Fellow/Life/Student    | 450                    | 266.67                  | 267.00                   |
| Awards Student x 3            | 900                    | 900.00                  | 900.00                   |
| Accounting Auditor Cashbk     | 5000                   | 6438.44                 | 4500.00                  |
| Legal expenses                | 500                    | 2400.00                 | 2400.00                  |
| Telecom (including 0800)      | 1500                   | 1691.46                 | 1648.00                  |
| Associateship                 | 2500                   | 2577.16                 | 2760.00                  |
| Accreditation                 | 500                    |                         |                          |
| Education Portfolio           |                        | 300.00                  | 300.00                   |
| CPD National                  | 2500                   |                         |                          |
| Graduate/Student Portfolio    | 1000                   |                         |                          |
| Environment Portfolio         | 1000                   | 500.00                  | 500.00                   |
| High Country Landscape        | 1500                   | 1114.43                 | 614.00                   |
| Cultural Heritage Group       |                        |                         | 147.00                   |
| Urban Design Forum (YEB)      |                        |                         |                          |
| Exec. Working Groups          | 250                    |                         |                          |
| Documentation Portfolio       | 1000                   | 221.20                  |                          |
| Practice Support              | 1000                   | 640.00                  | 640.00                   |
| Printing                      | 450                    |                         |                          |
| Stationery                    | 1150                   | 789.88                  | 780.00                   |
| Printing, Stationery & Post   |                        |                         |                          |
| Construction Industry Council | 1500                   | 750.00                  | 750.00                   |
| CIC Exec Expenses             | 1500                   |                         |                          |
| Registration                  | 4000                   | 425.00                  | 425.00                   |
| Marketing/Promotion           | 2000                   | 640.44                  | 640.00                   |
| Insite                        | 2000                   | 2200.00                 | 2200.00                  |
| Landscape NZ                  | 10000                  | 14722.22                | 12222.00                 |
| Website Hosting               | 750                    | 869.25                  | 779.00                   |
| Website Development           | 1000                   | 2044.28                 | 2014.00                  |
| Web Master                    | 5000                   | 4401.25                 | 4401.00                  |
| Sponsorship Student MD        | 900                    | 266.67                  | 267.00                   |
| Subscriptions & Seminars      | 150                    | 155.55                  | 156.00                   |
| IFLA International Fees       | 5000                   | 4207.74                 | 4208.00                  |
| IFLA regional fees & awards   |                        |                         |                          |
| IFLA Delegate/Travel/Accom    | 3200                   | 5683.06                 | 3777.00                  |
| Branch Levies                 | 8200                   | 7125.00                 | 7125.00                  |
| Branch Telephone Levies       | 1200                   | 1360.50                 | 1361.00                  |
| NZILA Conference Account      |                        | NA                      |                          |
| NZILA Awards Account          |                        | NA                      |                          |
| Bank/Visa Charges             | 100                    | 301.00                  | 351.00                   |
| Education Foundation          |                        |                         |                          |
| Subscription Refunds          |                        | 15.98                   |                          |
| Subscription Dishonor         |                        | 133.38                  |                          |
| Ordinary Depreciation         |                        |                         | 1519.00                  |
| Interest Cheque               |                        |                         |                          |
| <b>TOTAL</b>                  | <b>126850</b>          | <b>123073.67</b>        | <b>110,207.00</b>        |

**The Following is included for background information only**

**Item from Exec March Report**

**Treasurers Information Base only. Derived from NZILA Internal Banking Database**

**5.3.2 Subscriptions (at end December 2007)**

| <b>INCOME (incl GST)</b> | <b>Actual<br/>Nos<br/>2007</b> | <b>Nos<br/>Paid<br/>2007</b> | <b>Income<br/>2007<br/>(excl GST)</b> |
|--------------------------|--------------------------------|------------------------------|---------------------------------------|
|--------------------------|--------------------------------|------------------------------|---------------------------------------|

| <b>Categories</b>   |            |            |                  |
|---------------------|------------|------------|------------------|
| Registered          | 72         | <b>72</b>  | 32288.56         |
| Registered Overseas |            | <b>0</b>   | 0.00             |
| Fellows             | 18         | <b>13</b>  | 6122.80          |
| Retired Fellow      | 1          | <b>1</b>   | 133.37           |
| Associates          | 66         | <b>63</b>  | 25413.10         |
| Associates/os       | 7          | <b>7</b>   | 1660.96          |
| Retired Associates  | 5          | <b>2</b>   | 422.30           |
| Affiliates          | 8          |            | 1057.76          |
| G1                  | 26         | <b>26</b>  | 1921.73          |
| G1/os               | 0          | <b>0</b>   | 0.00             |
| G2                  | 18         | <b>15</b>  | 2460.00          |
| G2/os               | 1          | <b>1</b>   | 66.68            |
| G3                  | 31         | <b>19</b>  | 4485.40          |
| G3/os               | 0          | <b>5</b>   | 683.67           |
| G4                  | 39         | <b>27</b>  | 8887.60          |
| G4/os               | 4          | <b>3</b>   | 413.45           |
| G5/5+               | 115        | <b>93</b>  | 37697.84         |
| G5/os               | 13         | <b>10</b>  | 1561.09          |
| G5 Ret              | 3          | <b>3</b>   | 400.08           |
| Graduates (reduced) |            |            |                  |
| Students            | 107        | <b>76</b>  | 2912.65          |
| Honorary Fellows    | 2          |            |                  |
| Life Members        | 2          |            |                  |
| Arrears 2006        |            |            | 6805.33          |
| <b>TOTAL</b>        | <b>534</b> | <b>431</b> | <b>133653.03</b> |

**Income excl gst:**

|                                       |                |                                |
|---------------------------------------|----------------|--------------------------------|
| Anticipated Income from Subscriptions | 142,400        | Based on all members paying    |
| Budgeted                              | 120,000        | Based on 2006 actuals          |
| NZILA end year                        | 133,653        | Based on NZILA spreadsheet     |
| Annual Report                         | <b>129,423</b> | Based on Accountant assessment |

**Subscriptions in Arrears 2007**

NZILA \$21,318.98

**Accountant end of year indicates \$23984.00**

**Subscription Income History excl gst**

**NZILA Cashmanger**

2002 - \$66,902.88

2003 - \$71,851.12

2004 - \$84,063.00

2005 - \$99,458.06

2006 - \$119,487.12

**2007 - \$141,943.00**

2008 - \$138,200.00(Budget)

**Annual Report**

(Audit - \$68,476.00)

(Audit - \$72,282.00)

(Audit - \$85,487.00)

(Audit - \$108,637.00)

(Audit - \$129,902.00)

**(Accountant - \$129,423.00)**

### **3. CONFERENCE ACCOUNT**

#### **3.1 Annual Report (Accountant)**

The conference Account shows a net surplus of \$3,655.00.  
Current Liabilities net Income in Advance being attributed to the 2008 conference of \$9,889.00.

#### **3.2 Hawke's Bay Manawatu Conference 2007 The Landscape of Lifestyle**

This was a highly successful regional conference.

I wish to thank the committee and in particular Shannon Bray for keeping great records and informing me of their progress throughout.

The Napier Conference generated a surplus of \$4000.00

15% or \$605.09 was returned to the Branch  
10% or \$403.39 to the Education Foundation Trust

\$3026.29 kept in the account for the Auckland Float.

#### **3.3 2008 Budget – Auckland Conference**

In December we transferred an additional contribution to the Float for this conference of \$15,000 to assist with its upfront costs.

Mike Cassidy and the Auckland team seem to have raised a good level of funding and by all accounts the conference should have surplus.

#### **3.4 Account Balance at end December 2007**

The Account balance at the end of 2007 was **\$16,866.67**

This was made available as a Float to the NZILA 2007 Conference Committee that is to be repaid at the end of the Conference.

#### **4. AWARDS ACCOUNT**

##### **Statement of Income and Expenditure**

No Awards event was held in 2007

##### **Account Balance**

At end of 2007 **\$19,789.56**

##### **Management of the Event**

Learning from the 2006 experience a dedicated Awards convener (Heidi Monks) has been appointed to manage the event.

The President has managed to secure a substantial sponsorship from Resene in the order of \$25000+gst

##### **Budget**

A budget was presented to the Executive and although this seemed to be very tight the committee hopes to at least break even.

##### **Executive Action**

The Awards committee will provide the Executive with a report following this year's event. As indicated in last years report the key issues to be formalized will be:

- The Treasurer will prepare a Policy and Protocol Strategy for the financial management for future events.
- The Awards Strategy Document is to be reviewed by the Convener for Executive approval.

## SUMMARY

### NZILA POSITION AT END DECEMBER 2007

Taking into account the performance of all the NZILA business activities, the Accountant advises that we have a **surplus of Income over Expenditure of \$44,637.00** as at **31 December 2007**.

|                                 |                    |
|---------------------------------|--------------------|
| Operational Surplus (Deficit)   | 40,982.00          |
| Conference Surplus (Deficit)    | 3,655.00           |
| <u>Awards Surplus (Deficit)</u> | <u>(0.00)</u>      |
| <b>Total Surplus</b>            | <b>\$44,637.00</b> |

|                                  |                     |                    |
|----------------------------------|---------------------|--------------------|
| Current Assets                   | 240,624.00          |                    |
| Less Current Liabilities         | 16,807.00           |                    |
| Net Current Assets (Liabilities) | 223,817.00          |                    |
| Non Current Assets (Fixed)       | 3,612.00            | (Website)          |
| <u>Intangible Assets</u>         | <u>1,509.00</u>     | <u>(Trademark)</u> |
| <u>Net Assets</u>                | <u>228,937.00</u>   |                    |
| <b>Total Members Funds</b>       | <b>\$228,937.00</b> |                    |

## CO-SIGNATORY

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

## RECOMMENDATION/MOTION

- That the Draft Annual Report 2007 be accepted.
- That the Auditors Reports for 2006 and 2007 be accepted.
- That the Treasurer's Comments be Received and Actioned

# **NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS**

## **PROPOSED BUDGET**

**2007**



## PRESENTATION OF THE OPERATIONAL BUDGET FOR 2007

### Income

In setting the budget for 2008 we have decided to be slightly less cautious in our income projections than in previous years. As a result we have increased our budget by \$19,150 over last year.

We are confident that this figure is sustainable given good growth in Corporate Registrations and a likely increase in Graduates seeking Associateship over the next few years.

Income surpluses from job advertising has increased to around \$7000 for the last couple of years.

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 2008 budget.

### 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           | 6000 |
| • Executive                | 2000 |
| • Treasurer Honorarium     | 2500 |
| • Legal Expenses           | 2500 |
| • Cultural Heritage Group  | 1000 |
| • Urban Design Group       | 1250 |
| • Executive Working Groups | 4750 |
| • Marketing Promotion      | 1000 |
| • Webmaster                | 2000 |

### Executive Officer

We have allocated a further **\$6,000** for Secretarial Services which allows Melanie to provide a greater service to the Executive. It also allows for a small CPI indexed increase in her hourly rate. Allows an increase of 2.5hours a week.

### Executive

We have increased the Executive budget allocation by **\$2,000**. This is to accommodate additional standard costs and a desire by the Executive to undertake special meetings of NZILA support focus groups throughout the year. This will be especially important for the continuing development of the Practice Support Documentation, the Landscape Charter and the environment portfolio.

### Treasurer Honorarium

Given the increase in complexity of the Institute's corporate activities the Executive has agreed to provide an Honorarium of **\$2500** to the Treasurer as part recompense for the effort required to maintain the health of the Institute's finances.

### **Legal Expenses**

The Disciplinary committee has been dealing with compliant over the past few months and this has resulted in expenses for the committee members as well as requiring us to engage a lawyer. The matter has now been resolved but we are anticipating that final legal fees will amount to a few thousand dollars. An additional sum of **\$2500** has been allocated.

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.

### **Cultural Heritage Landscape Group**

We have allocated **\$1000** for the group to run events and promote its activities.

### **Urban Design Forum**

This forum concept is being given a boost through joint cooperation with NZPI and MOE. It is hoped that this forum will provide a means for members to communicate on various urban design issues. **\$1000** has been allocated to the Portfolio.

### **Executive Working Groups**

The Executive is keen to outsource expertise from members or others in order to speed up the delivery of professional support activities. The Executive cannot deliver this material as a voluntary group. Sufficient funds are now being generated to enable us to provide a more professional service. **\$5000** has been allocated in the budget. This is over and above the \$5000 which we the Executive is able to draw down for non budgeted items.

### **Marketing /Promotion**

An additional **\$1000** has been allocated for this portfolio.

### **Webmaster**

An additional **\$2000** has been allocated for Melanie to increase her hours from 2.75hrs per week to 4hrs week to assist people, handy hints bulletin, monitor outdated material, forum topics, job adverts.

### **Documentation**

The Executive is going to target critical areas of the support documentation in 2008 namely the Conditions of Engagement. There is about **\$3000** left in this budget.

### **Registration**

We have allocated **\$3,500** in this year's budget.

### **IFLA**

We have allocated **\$4500.00** toward IFLA delegate expenses in this year's budget.

### **Special Project Funding (To be approved)**

- Development of Landscape Charter \$2500
- Practice Documentation (Continuing from 2005) \$3000
- Legal Review for Disciplinary Committee \$15000
- Associateship Review \$3500
- IFLA Conference 2013 \$15000
- EDS Conference Sponsorship \$3000
- AILA Subsidised Conference Registration
- LIANZ Subsidised Conference Registration \$600
- Promotional CD for Registered members \$3000 from Registration budget.

**Approximate Exec. 'special project ideas' \$45,600.**

**AGM Endorsement sought. All subject to surplus position.**

### **RECOMMENDATION/MOTION**

- **That the 2008 Budget be approved by the membership.**

**PROPOSED NZILA OPERATIONAL BUDGET 2008**

| <b>INCOME (ex GST)</b>                                | <b>Actual<br/>2004</b> | <b>Actual<br/>2005</b> | <b>Actual<br/>2006</b> | <b>Proposed<br/>2007</b> | <b>Actual<br/>2007<br/>(nzila cash)</b> | <b>Proposed<br/>2008</b> |
|---|------------------------|------------------------|------------------------|--------------------------|---|--------------------------|
| <b>Income</b>   |                        |                        |                        |                          |   |                          |
| Subscriptions   | 85,487                 | 108,637                | 129,902                | <b>120000</b>            | <b>141943.75</b>                        | <b>138200</b>            |
| Assoc. Application fees                               | 1,733                  | 1,907                  | 1,387                  | <b>1500</b>              | <b>2253.33</b>                          | <b>1500</b>              |
| Sponsorship   |                        |                        |                        |                          |   |                          |
| Accreditation   |                        |                        |                        |                          |   |                          |
| Awards  |                        |                        |                        |                          |   |                          |
| Education Foundation                                  | 41                     |                        |                        |                          |   |                          |
| Interest Received Investment<br>Accounts Ready Access | 4,374                  |                        | 5,744                  |                          |   |                          |
| Interest IRD  |                        |                        | 10                     |                          |   |                          |
| Interest Current Account                              | 216                    | 284                    | 452                    | <b>350</b>               | <b>627.13</b>                           | <b>300</b>               |
| Awards  |                        |                        |                        |                          |   |                          |
| Sundry Job Adverts                                    | 3,473                  | 6,432                  | 7,840.97               | <b>5000</b>              | <b>6020.00</b>                          | <b>6000</b>              |
| Sundry General  |                        |                        | 4,400.51               |                          | <b>4400.51</b>                          |                          |
| Conference Income                                     |                        |                        | 1,877.52               |                          | <b>497.78</b>                           |                          |
| Yellow Pages Reimburse                                |                        |                        |                        |                          |   |                          |
| Funds Introduced                                      |                        |                        |                        |                          | <b>712.77</b>                           |                          |
|   |                        |                        |                        |                          |   |                          |
| Net GST   |                        |                        |                        |                          |   |                          |
| <b>TOTAL</b>  | <b>95,325</b>          | <b>117,260</b>         | <b>151,614</b>         | <b>126,850</b>           | <b>152054.76</b>                        | <b>146000</b>            |

**PROPOSED NZILA OPERATIONAL BUDGET 2008**

| <b>EXPENSES (ex GST)</b>      | <b>Acc. Code</b> | <b>Actual 2005</b> | <b>Actual 2006</b> | <b>Proposed 2007</b> | <b>Actual 2007 (nzila)</b> | <b>Proposed 2008</b> |
|-------------------------------|------------------|--------------------|--------------------|----------------------|----------------------------|----------------------|
| Secretarial                   |                  | 18000              | 25,012             | 28000                | 27807.54                   | 34000                |
| Secretarial Expenses          |                  | 11174              | 5,134              | 5500                 | 5996.16                    | 5000                 |
| Office Equipment Purchases    |                  | 120                | 358                | 250                  |                            | 250                  |
| Photocopying                  |                  |                    |                    | 500                  | 921.74                     | 500                  |
| Postage                       |                  | 536                | 531                | 500                  | 1584.10                    | 600                  |
| General Admin & Expenses      |                  | 154                |                    | 250                  |                            | 800                  |
| Annual Report & Brochures     |                  |                    |                    | 450                  |                            |                      |
| Exec travel & expenses        |                  | 14759              | 24,630             | 18000                | 18528.31                   | 20000                |
| President Honorarium          |                  | 3611               | 5000               | 5000                 | 4444.44                    | 5000                 |
| Presidents Extra/Ruru         |                  |                    | 309                | 500                  | 650.82                     | 500                  |
| Treasurer Honorarium          |                  |                    |                    |                      |                            | 2500                 |
| Awards Fellow/Life            |                  |                    |                    | 450                  | 266.67                     | 450                  |
| Awards Student x 3 \$300ea    |                  |                    | 350                | 900                  | 900.00                     | 900                  |
| Accounting Auditor Cashbk     |                  | 4348               | 4175               | 5000                 | 6438.44                    | 6500                 |
| Legal expenses                |                  |                    |                    | 500                  | 2400.00                    | 3000                 |
| Telecom (including 0800)      |                  | 1506               | 1855               | 1500                 | 1691.46                    | 1500                 |
| Associateship                 |                  | 2272               | 2234               | 2500                 | 2577.16                    | 2000                 |
| Accreditation                 |                  |                    |                    | 500                  |                            | 1250                 |
| Education Portfolio           |                  |                    | 1200               |                      | 300.00                     |                      |
| CPD National                  |                  |                    |                    | 2500                 |                            |                      |
| Graduate/Student Portfolio    |                  |                    |                    | 1000                 |                            | 1000                 |
| Environment Portfolio         |                  |                    | 1414               | 1000                 | 500.00                     | 1000                 |
| High Country Landscape        |                  | 772                | 500                | 1500                 | 1114.43                    | 1500                 |
| Cultural Heritage Group       |                  |                    |                    |                      |                            | 1000                 |
| Urban Design                  |                  | 2507               |                    |                      |                            | 1250                 |
| Exec. Working Groups          |                  |                    |                    | 250                  |                            | 5000                 |
| Documentation Portfolio       |                  |                    | 1973               | 1000                 | 221.20                     | 1000                 |
| Practice Support              |                  |                    |                    | 1000                 | 640                        | 1000                 |
| Printing Stationery           |                  |                    |                    | 1600                 | 789.88                     | 1450                 |
| Construction Industry Council |                  | 750                | 750.00             | 1500                 | 750.00                     | 750                  |
| CIC Exec Expenses             |                  | 491                | 776.00             | 1500                 |                            |                      |
| Registration                  |                  |                    |                    | 4000                 | 425.00                     | 3500                 |
| Marketing/Promotion           |                  | 2250               | 813                | 2000                 | 640.44                     | 3000                 |
| Insite                        |                  | 338                | 713                | 2200                 | 2200.00                    | 2300                 |
| Landscape NZ                  |                  | 10000              | 10000              | 10000                | 14722.22                   | 10000                |
| Website Hosting               |                  | 809                | 457                | 750                  | 869.25                     | 750                  |
| Website Development           |                  |                    |                    | 1000                 | 2044.28                    | 500                  |
| Web Master                    |                  | 4875               | 5230               | 5000                 | 4401.25                    | 7000                 |
| Sponsorship Student MD        |                  | 533                | 267                | 900                  | 266.67                     | 900                  |
| Subscriptions & Seminars      |                  | 44                 | 156                | 150                  | 155.55                     | 150                  |
| IFLA International Fees       |                  | 2307               | 4712               | 5000                 | 4207.74                    | 5000                 |
| IFLA regional fees & awards   |                  |                    |                    |                      |                            |                      |
| IFLA Delegate/Travel/Accom    |                  |                    | 955                | 3200                 | 5683.06                    | 3500                 |
| Branch Levies                 |                  | 7950               | 6291               | 8200                 | 7125.00                    | 8200                 |
| Branch Telephone Levies       |                  | 1260               | 1225               | 1200                 | 1360.50                    | 1400                 |
| NZILA Conference Account      |                  |                    |                    |                      | Na                         |                      |
| NZILA Awards Account          |                  |                    |                    |                      | Na                         |                      |
| Bank Charges                  |                  | 53                 | 60.00              | 100                  | 301.00                     | 100                  |
| Education Foundation          |                  |                    |                    |                      |                            |                      |
| Subscription Refunds          |                  |                    |                    |                      | 15.98                      |                      |
| Subscription Dishonor         |                  |                    |                    |                      | 133.38                     |                      |
| Ordinary Depreciation         |                  | 2434               | 2449               |                      |                            |                      |
| Interest Cheque               |                  |                    |                    |                      |                            |                      |
| <b>TOTAL</b>                  |                  | <b>93852</b>       | <b>112578</b>      | <b>126,850</b>       | <b>123073.67</b>           | <b>146000</b>        |

**Notes**

1. The budget is balanced.

2. Budget allows for CPI increase in fees of 3.5%.

## FINAL ADOPTED FOR 2008

NZILA's 2008 subscription rates are as follows (GST exclusive):

Based on a CPI Index increase of 3.5% for 2007 ( Exclusive)

| Category            | Standard<br>2007 + CPI<br>excl GST | CPI Index<br>3.5% 2007 | Fees for<br>2008<br>Rates +<br>CPI | Fees for 2008<br>Rates + CPI +<br>GST | Late Rate<br>2008 is an<br>additional<br>10% + GST | Members<br>Numbers<br>Estimate<br>2008 | Projected<br>Budget<br>Income Excl<br>GST Std Rate |
|---------------------|------------------------------------|------------------------|------------------------------------|---------------------------------------|--|--|--|
| Registered          | 464.18                             | 16.25                  | <b>480.43</b>                      | 540.48                                | 594.53   | 70                                     | <b>33629.84</b>                                    |
| Registered Overseas | 192.07                             | 6.72                   | <b>198.79</b>                      | 223.64                                | 246.01   | 0                                      | <b>0.00</b>  |
| Fellows             | 405.49                             | 14.19                  | <b>419.69</b>                      | 472.15                                | 519.36   | 18                                     | <b>7554.34</b>                                     |
| Retired Fellow      | 133.38                             | 4.67                   | <b>138.05</b>                      | 155.30                                | 170.83   | 1                                      | <b>138.05</b>                                      |
| Associates          | 405.49                             | 14.19                  | <b>419.69</b>                      | 472.15                                | 519.36   | 74                                     | <b>31056.74</b>                                    |
| Associates Overseas | 133.38                             | 4.67                   | <b>138.05</b>                      | 155.30                                | 170.83   | 6                                      | <b>828.29</b>                                      |
| Associates Retired  | 133.38                             | 4.67                   | <b>138.05</b>                      | 155.30                                | 170.83   | 5                                      | <b>690.24</b>                                      |
| Affiliates          | 133.38                             | 4.67                   | <b>138.05</b>                      | 155.30                                | 170.83   | 8                                      | <b>1104.39</b>                                     |
| Graduate year 1     | 64.02                              | 2.24                   | <b>66.26</b>                       | 74.54                                 | 82.00  | 30                                     | <b>1987.82</b>                                     |
| Grad 1 Overseas     | 64.02                              | 2.24                   | <b>66.26</b>                       | 74.54                                 | 82.00  | 0                                      | <b>0.00</b>  |
| Graduate year 2     | 149.39                             | 5.23                   | <b>154.62</b>                      | 173.95                                | 191.34   | 22                                     | <b>3401.61</b>                                     |
| Grad 2 Overseas     | 133.38                             | 4.67                   | <b>138.05</b>                      | 155.30                                | 170.83   | 2                                      | <b>276.10</b>                                      |
| Graduate year 3     | 234.75                             | 8.22                   | <b>242.97</b>                      | 273.34                                | 300.67   | 18                                     | <b>4373.39</b>                                     |
| Grad 3 Overseas     | 133.38                             | 4.67                   | <b>138.05</b>                      | 155.30                                | 170.83   | 3                                      | <b>414.14</b>                                      |
| Graduate year 4     | 320.12                             | 11.20                  | <b>331.32</b>                      | 372.74                                | 410.01   | 31                                     | <b>10271.05</b>                                    |
| Grad 4 Overseas     | 133.38                             | 4.67                   | <b>138.05</b>                      | 155.30                                | 170.83   | 5                                      | <b>690.24</b>                                      |
| Graduate year 5/5+  | 405.49                             | 14.19                  | <b>419.69</b>                      | 472.15                                | 519.36   | 150                                    | <b>62952.86</b>                                    |
| Grad 5/5+ Overseas  | 133.38                             | 4.67                   | <b>138.05</b>                      | 155.30                                | 170.83   | 10                                     | <b>1380.48</b>                                     |
| Grad 55+ Retired    | 133.38                             | 4.67                   | <b>138.05</b>                      | 155.30                                | 170.83   | 3                                      | <b>414.14</b>                                      |
| Graduates (reduced) |                                    | 0.00                   | <b>0.00</b>                        |                                       |  | NA                                     |  |
| Students            | 31.97                              | 1.12                   | <b>33.09</b>                       | 37.23                                 | 40.95  | 60                                     | <b>1985.42</b>                                     |
| Honorary Fellows    |                                    | 0.00                   | <b>0.00</b>                        |                                       |  | NA                                     |  |
| Life Members        |                                    |                        | <b>0.00</b>                        |                                       |  | NA                                     |  |
| <b>Total</b>        |                                    |                        |                                    |                                       |  | <b>516</b>                             | <b>163149.15</b>                                   |

## **TREASURER STRATEGY FOR 2007/2008**

### **1. Accounting Procedures**

#### **Branch Accounting**

Branches have been issued with a guideline strategy for dealing with financial issues. It is proposed that the Treasurer contact each branch to review their systems.

***Partially completed in association with Sue Dick***

### **2. Review of Interest Earning Deposits**

Consider the transfer of interest earnings in to the Ready Access Account or Operational Account if necessary for payment of IFLA Delegate costs should these be greater than expected.

***Reviewed New rate 8%+***

### **3. Review of Chart of Accounts**

Chart of Accounts are to be confirmed for the Conference and Awards Accounts. Set these up as separate entities in the Cashmanager programme as a priority to be undertaken before the next Executive meeting.

***Completed***

### **4. Subscriptions**

The Executive will work on a strategy to ensure that the numbers of members with subscriptions in arrears at the end of 2007 are at least half what they were in 2006.

***Completed***

Assess membership numbers against future income projections (Five year period)

### **5. Account Signatories**

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

### **6. Conference and Awards Accounts**

Formalise Policy and Protocol Guildelines for future committees.

## **APPOINTMENT OF ACCOUNTANT AND AUDITOR**

### **RECOMMENDATION/MOTION**

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

**Treasurer  
Grant Edge**

# **APPENDIX 1**

## **NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS**

### **AUDITORS REPORT 2006**

**Prepared by Steve Jacobs & Associates  
(No Change to Draft Annual Report 2006)**

## **APPENDIX 2**

### **NEW ZEALAND INSTITUTE OF LANDSCAPE ARCHITECTS**

#### **AUDITORS REPORT 2007**

**Prepared by Steve Jacobs & Associates**

#### **NZILA Representation Letter to Auditor**