



FOREST INDUSTRY  
CONTRACTORS  
ASSOCIATION

# ANNUAL REPORT 2024

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# EXECUTIVE BOARD

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**ROWAN STRUTHERS**  
FICA CEO



**NICK TOMBLESON**  
Chair



**DALE EWERS**  
Board Member



**KEVIN IHAKA**  
Board Member



**BLAIR COOPER**  
Board Member



**STEVEN YEOMAN**  
Board Member



**MANDIE SKIPPS**  
Board Member



**NATHAN TAYLOR**  
Board Member



**CHRISTINE AXTEENS**  
Board Member

# AGENDA 2024

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FOREST INDUSTRY  
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# 2024 AGM AGENDA

FRIDAY 1 NOVEMBER 2024 9.30 AM - 10.30 AM  
ENSIGN ROTORUA

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1. Welcome
2. Apologies
3. Minutes of Previous AGM - Napier, October 2023
4. Matters Arising
5. Chair's Report
6. CEO's Report
7. Financial Report
8. Appointment of Board
9. General Business
10. Close



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**NICK TOMBLESON**  
Chair



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**ROWAN STRUTHERS**  
CEO

# AGM MINUTES 2023

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FOREST INDUSTRY  
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# AGM MINUTES 2023

6.10.23 EAST PIER NAPIER HOTEL  
4:00PM - 6:00PM

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## Attendees:

Nathan Poole, Neil Woods, Sarah Davis, Sonya Elmiger, Kevin Ihaka, Nick Tombleson, Nathan & Tracey Taylor, Kim Godfrey, Ross Davis, Prue Younger, Lydia Price, Mandie & Tom Skipps, Andrew Reid, Steve Yeoman, Christine Axtens, Mark Preece, Blair Cooper, Belinda & Kevin, Elizabeth & Robin Thompson, Mike Speirs, Kristy Kewene, Gareth White, Simon Brand, James Kerr, Belinda & Kevin Humphreys, Chris UDC, Matthew Richards UDC

## Apologies:

Dale Ewers, Tony Gamble, Chris Barnes.

## Minutes of previous AGM:

Rotorua, November 22. Nathan approves these. Sonya seconds.

## Matters arising:

None

## Chair's Report -

Steve reads out Ross's 2023 Chairs report. In his report he explains that this time last year he had announced he would be stepping down as Chair at the 2022 AGM and handing over the reins to a new Chair. He then highlights how hard the year has been for the forestry industry. 2023 brought some new challenges, particularly with the weather and a market downturn. So many have been affected by these challenging conditions, doing it extremely tough for extended periods of time. It has had huge and lasting impacts on our people and our industry.

He goes on to explain that FICA has bought a pan sector group together. He says the key to this group is finding some long-term sustainable and future-focused solutions.

He finishes on a positive note saying FICA is in a strong financial position. We are reviewing our constitution and tidying up the board election process which I believe is a welcome change. Then thanking his board and Prue the CEO for all their time and efforts the contribute to FICA.

## CEO's Report -

Prue works through her CEO report. Explaining this year has been testing for the forestry industry and a lot for all contractors to endure. But despite the struggles FICA has made positive progress throughout the year.

FICA'S ACHIEVEMENT FOR THE YEAR:

- Model contract template project



- BluePrint for vocational training
- Be a Mate: Hei Hoa Te Ngahere
- Monthly webinars
- Established a Hauler Guard BPG
- Toroawhi and Safetree Certification
- Yarder Tower Inspectors Certification
- Steering Group for the Industry Transformation Plan
- ACOP Review
- Silviculture / Migrant Worker Guidelines
- FENZ Partnership opportunity
- Training & Education Entity
- Pio Terei Wellbeing Video Series
- Find Your Fit In Forestry – diversity of roles to
- Support and judging panel for Micro Innovation Competition
- “Doing it Real” Contractor good bugger stories on video
- State of the Nation PR’s through media during Cyclone Gabrielle crisis
- Promotional stand at the National Fieldays Forestry Hub

Prue finishes her report explaining the benefits/role of the new Pan Sector entity. At the end of the meeting on July 26, collective discussions were had around what change would look like to generate a sustainable operating model that we don’t currently have. The solutions that were discussed did accommodate many challenges but the main solution from a majority in the hui, was to harness a new entity with a pan sector membership. The greater and long-term goal for the Pan Sector initiative is the desire to improve the structure of the sector and make it communicate, promote, and improve the total value chain. The benefit of a common and collective ‘whole of industry’ voice.

### **Financial Report -**

Sonya take members through keep points of 2021 -2022 financial accounts. Annual accounts are still labelled draft. This is of no fault of FICA; Audit has not yet been completed. Any remaining work will come from auditor.

Overall financial performance of organisation represents a result consistent to the previous year.

Sitting with a net surplus position of \$80,454. Compares to prior year of \$88,609.

Income received for the year from services has increased significantly, totalling \$1.27m. Largely consisted of income that came from membership fees - \$234k, sponsorship - \$165k, event fees and sponsorship - \$58k, Fast forward forestry expo- \$333k, various funding streams - \$479k.

Total expenses came in under 1.2 million. Cost for FFF expo, Increase in event/ consulting fees, Promotion, travel, funded project expenses. Association expenditures for subscriptions, sponsorship, event / venue hire, promotional collateral, administration expenses also come under this.

#### SUMMARY ON EXPENSES:

Fast Forward Forestry Expo surplus out of this was \$99k. Was a great event with positive feedback. Therefore, we look at this as a project FICA will continue.

Silviculture and harvesting subsidy. Majority funded by MSD. \$14k funded by FICA to commit to this project.

Industry model contract template, total funding received of \$145k. Costs incurred to fund this project \$110k net result 34k now completed.

Recruitment campaign was a programme initiated and funded by MSD, \$146k. FICA proactively engaged to work with clients to work within the sector resulting in additional time being incurred to manage this process resulting in FICA spending 17k of the project costs. This is now complete.

MPI universal forestry platform. Advertising Campaign to find your fit in forestry. FICA took the lead on this project. Contributed \$9.5k so we could get in started MPI covered the remaining of \$163k. This has also been completed.

TV commercials / advertising with FICA contribution on \$10k. Charged through a joint contract with FOA. Is completed.

#### PROJECTS IN PROCESS:

- Mates for life pilot, total funds received to date \$57k. includes \$37k from charity auction held last year and expo. Balance of \$22k still to work with.
- Future proofing contractors' workshops.
- Worksafe ACOP project. \$55k funding received. To be spent in next 6 - 12 months.
- Learning from everyday work. Project funded through FISC. FICA is to lead development of the Safetree app under this project.
- Silviculture business management of logging equivalent. \$10k budget.
- Contractor videos project. FICA contribution of \$12k spent out of promotion budget. Still ongoing will finish in Central North Island.

#### ASSETS AND LIABILITY STATEMENT OF POSITION:

Current assets total just under \$808k.

Website development and promotional banners / non-current assets \$6.8k

Total assets \$800k

Total liabilities \$152k.

Net asset position of the organisation \$662k, \$80k improvement on last year.

**Appointment of Board -**

New Chair - Nick Tombleson. Three new board members - Mandie Skipps, Christine Axtens, Blair Cooper. Members continuing - Steve Yeoman, Kevin Ihaka, Nathan Taylor, Dale Ewers. In negotiation with Sonya Elmiger.

**General Business -**

No business brought to the table

**Meeting Close** 4.30pm

This is an accurate record of the AGM meeting held on the 6 October 2023

Signed Chair FICA:

Date:



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**NICK TOMBLESON**  
Chair



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**ROWAN STRUTHERS**  
CEO

# CHAIR'S REPORT

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FOREST INDUSTRY  
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# CHAIR'S REPORT

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This is the first FICA Annual Report I am presenting as the FICA Chair, since being elected in October 2023.

From a governance perspective, key things that happened 1 April 2023 – 31 March 2024 include:

- **New CEO** – After six years Prue Younger departed as FICA CEO. A key project for the FICA Board was the recruitment of Rowan Struthers to take over the reins. Rowan officially started 1 April 2024.
- **Increased emphasis on governance processes** – We have invested in board software, engaged a law firm, updated and improved our accounting processes and streamlined our audit to ensure efficiency and compliance
- **Solidifying relationships** – As an organisation we've been working to reconnect and engage with our key stakeholders and ensure we are included in the decision making that affects our businesses
- **Back to Basics Strategy** – In February 2024 we began the process of developing a new strategic plan with an emphasis on back to basics and adding value to our members

Looking forward, we are focused on:

- **Re-engaging** with more members in more places and building relationships with sponsors and industry
- **Delivering for members** – ensuring as a board we focus on what matters to our members
- **Constitutional changes** – in this next financial year, we will be working on a Constitution update to comply with Association law changes.

Thank you to:

- **Prue Younger** who put in six years of hard work as the FICA CEO – we wish you all the best in this next stage Prue
- **The FICA Board** for volunteering your time to FICA and taking time out of your personal businesses
- **Our partners and sponsors** who support us financially and help FICA to deliver on our strategy



A handwritten signature in black ink, appearing to read 'Nick Tombleson', written over a horizontal line.

**NICK TOMBLESON**  
Chair

# CEO'S REPORT

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**FOREST INDUSTRY  
CONTRACTORS  
ASSOCIATION**

# CEO'S REPORT

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Welcome to the FICA Annual Report for the 2023-2024 financial year. I officially took over as FICA CEO on 1 April 2024, just after the conclusion of this financial year. So, it is somewhat unusual to be presenting this Annual Report, covering activity and initiatives led by departing CEO Prue Younger and the FICA Board.

The financial year began in the early weeks post-Cyclone Gabrielle. The impacts were felt by a huge portion of our membership and our wider industry, particularly in the Tairāwhiti, Hawkes Bay, Northland and Central regions.

The effects are still being felt now, with the clean-up of wood debris continuing and the GDC and Forest Industry struggling to find a way forward, at the time of writing this is having a major affect on Forestry contractors in Tairāwhiti and to a lesser extent Hawkes Bay.

It was also an Election year, with a change in Government coming in halfway through the financial year. It has seen a 180 degree turn on many of the policies of the previous government. At the time of writing FICA is working on a number of submissions regarding regulatory change (Vocational Training, Immigration, ACC and H&S).

Here are some of the key things FICA focused on under Prue's leadership within the 2023-24 year:

1. North Island Weather Event (NIWE) funding secured for delivery of Future Proofing Contractor Workshops and Be A Mate Workshops
2. Industry Model Contract Template Project
3. ACC Recovery at Work Project (ongoing)
4. Establishment of the Pan Sector Forum
5. Te Kawa o Tane Tairāwhiti Accord
6. ACOP Review (ongoing)
7. Yarder Tower Inspection Programme
8. Hauler Guarding TAG

Operationally, FICA accounts were in reasonable shape at the end of the year, despite a reasonable loss for the year and the Audit process was completed.

The coming (this) financial year is and was always going to be challenging for FICA and our members, driven by soft markets and the aftermath of high inflation and change in Government.

I'm seven months into my role with FICA, it has been a steep learning curve. I want to take this opportunity to thank the Board, Members and Sponsors for your support.



A stylized, handwritten signature in black ink, appearing to be 'R Struthers'.

**ROWAN STRUTHERS**  
CEO

# ANNUAL ACCOUNTS

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FOREST INDUSTRY  
CONTRACTORS  
ASSOCIATION



# Annual Financial Statements

Forest Industry Contractors Association  
For the year ended 31 March 2024

Prepared by Blackburne Group LP

## Contents

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Forest Industry Contractors Association Inc

### Report on the Performance Report

We have audited the performance report of Forest Industry Contractors Association Inc (the Incorporation) on pages 7 to 19 which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 March 2024, the statement of financial position as at 31 March 2024, and the statement of accounting policies and other explanatory information.

#### In our opinion:

In our opinion the accompanying performance report presents fairly, in all material respects:

- a) the entity information and service performance for the year ended 31 March 2024 in that the service performance information is appropriate and meaningful and prepared in accordance with the entity's measurement bases or evaluation methods;
- b) the financial position of Forest Industry Contractors Association Inc as at 31 March 2024, and the statement of financial performance and cashflows for the year ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

#### Basis of Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance in accordance with the ISAs (NZ) and New Zealand Auditing Standard (NZ AS) 1 (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance report* section of our report. We are independent of the entity in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards (New Zealand))* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Forest Industry Contractors Association Inc.

#### **Responsibilities of the Board for the Performance Report**

The Board are responsible for the preparation of the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

- (a) The selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with the applicable performance reporting framework, The preparation and fair presentation of service performance information in accordance with the entity's measurement bases or evaluation methods, in accordance with the applicable performance reporting framework; The overall presentation, structure and content of the service performance information in accordance with the applicable performance reporting framework; and;
- (b) the preparation and fair presentation of the performance report on behalf of the entity which comprises:
  - the entity information;
  - the statement of service performance; and
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and
- (c) such internal control as the Board determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Board is responsible on behalf of Forest Industry Contractors Association Inc for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate Forest Industry Contractors Association Inc or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Performance Report**

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

A further description of the auditors responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-18/>

**Restriction on Responsibility**

This report is made solely to the Board, as a body, in accordance with section 9 of the rules of Forest Industry Contractors Association Inc. Our audit work has been undertaken so that we might state to the Board those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board as a body, for our audit work, for this report, or for the opinions we have formed.



**Sarah Jenkins**  
**Silks Audit Chartered Accountants Ltd**  
**Whanganui, New Zealand**

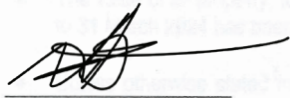
**Date: 16 September 2024**

# Approval of Financial Report

## Forest Industry Contractors Association For the year ended 31 March 2024

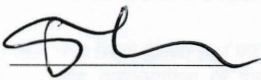
The Board are pleased to present the approved financial report of Forest Industry Contractors Association for the year ended 31 March 2024.

Approved on.....16th..... day of September 2024.



Nick Tombleson

Chair




Steven Yeoman

Deputy Chair

Approved on behalf of Forest Industry Contractors Association by:

Chairperson

  
Deputy Chair  
Steven Yeoman

## Entity Information

### Forest Industry Contractors Association For the year ended 31 March 2024

#### Legal Name of Entity

Forest Industry Contractors Association Incorporated

#### Entity Type and Legal Basis

Incorporated Society

#### Registration Number

1238821

#### Entity's Purpose or Mission

Be the strong, informed, and respected voice of the forestry contractor community.

#### Entity Structure

The organisation is governed by a board consisting of a president and a minimum of eight other board members.

#### Main Sources of Entity's Cash and Resources

Membership fees, sponsorship revenue and contracts for project delivery.

#### Main Methods Used by Entity to Raise Funds

The entity is not an active fundraiser.

#### Entity's Reliance on Volunteers to provide peer support to fellow members

Board members provide their time as volunteers to attend meetings, meet with related groups and provide peer support to fellow members.

#### Physical Address

74 Kaimanawa Street, Taupo, New Zealand. 3330

#### Postal Address

PO Box 12017, Napier, New Zealand. 4144

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This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Audit Report.

# Statement of Service Performance

## Forest Industry Contractors Association For the year ended 31 March 2024

### Description of the Entity's Outcomes

Drive the professionalism of forestry contractors and support members to prepare for the changing industry environment, compliance, and future opportunities.

Description and Quantification (to the extent practicable) of the Entity's Outputs	Actual This Year	Actual Last Year
Maintain steady membership numbers and encourage new memberships	191	213
Events and workshops held during the year to support members and the forestry community	10	9
Newsletters prepared on monthly basis (1 newsletter for January/February) to keep members updated on industry updates and news/recognitions and upcoming events	11	11

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This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Audit Report.



## Statement of Financial Performance

### Forest Industry Contractors Association For the year ended 31 March 2024

	NOTES	2024	2023
<b>Revenue</b>			
Revenue from providing goods or services	1	565,173	1,338,872
Interest, dividends and other investment revenue	1	26,907	12,071
<b>Total Revenue</b>		<b>592,080</b>	<b>1,350,944</b>
<b>Expenses</b>			
Costs related to providing goods or service	2	638,854	1,141,854
Other expenses	2	44,656	40,665
<b>Total Expenses</b>		<b>683,510</b>	<b>1,182,519</b>
<b>Surplus/(Deficit) for the Year</b>		<b>(91,430)</b>	<b>168,425</b>

This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Audit Report.

# Statement of Financial Position

## Forest Industry Contractors Association As at 31 March 2024

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

	NOTES	31 MAR 2024	31 MAR 2023
<b>Assets</b>			
<b>Current Assets</b>			
<b>Bank accounts and cash</b>			
Business Online Saver		923	36,071
FICA Westpac (NZ) Rotorua		304,397	360,594
Westpac Credit Card		(861)	-
<b>Total Bank accounts and cash</b>		<b>304,460</b>	<b>396,665</b>
<b>Other Current Assets</b>			
Trade receivables		16,541	35,546
Prepayments		1,975	16,055
Accrued Interest		1,453	5,931
Goods and Services Tax		14,901	37,141
Income Tax Refund	10	6,785	1,293
Term Investment		351,350	332,924
<b>Total Other Current Assets</b>		<b>393,005</b>	<b>428,890</b>
<b>Total Current Assets</b>		<b>697,464</b>	<b>825,555</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4	3,440	6,862
<b>Total Non-Current Assets</b>		<b>3,440</b>	<b>6,862</b>
<b>Total Assets</b>		<b>700,905</b>	<b>832,418</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	3	21,237	59,143
Other current liabilities	3	20,475	22,652
<b>Total Current Liabilities</b>		<b>41,712</b>	<b>81,795</b>
<b>Total Liabilities</b>		<b>41,712</b>	<b>81,795</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>659,193</b>	<b>750,623</b>
<b>Accumulated Funds</b>			
Accumulated surpluses or (deficits)	5	659,193	750,623
<b>Total Accumulated Funds</b>		<b>659,193</b>	<b>750,623</b>

This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Audit Report.

## Statement of Cash Flows

### Forest Industry Contractors Association For the year ended 31 March 2024

	2024	2023
<b>Cash Flows from Operating Activities</b>		
<b>Cash was received from:</b>		
<b>Providing goods or services</b>		
Receipts from members and customers	579,288	1,371,249
<b>Total Providing goods or services</b>	<b>579,288</b>	<b>1,371,249</b>
<b>Interest, Dividends &amp; Other Investments</b>		
Interest received	25,893	7,387
<b>Total Interest, Dividends &amp; Other Investments</b>	<b>25,893</b>	<b>7,387</b>
<b>Total Cash was received from:</b>	<b>605,181</b>	<b>1,378,636</b>
<b>Net GST</b>		
GST	20,391	(2,901)
<b>Total Net GST</b>	<b>20,391</b>	<b>(2,901)</b>
<b>Cash was applied to:</b>		
Payments to suppliers	(699,352)	(1,287,927)
<b>Total Cash was applied to:</b>	<b>(699,352)</b>	<b>(1,287,927)</b>
<b>Total Cash Flows from Operating Activities</b>	<b>(73,780)</b>	<b>87,809</b>
<b>Cash Flows from Investing Activities</b>		
<b>Cash was applied to:</b>		
Payments to acquire property, plant & equipment	-	(11,436)
Payment for investments	(18,426)	(3,393)
<b>Total Cash was applied to:</b>	<b>(18,426)</b>	<b>(14,830)</b>
<b>Total Cash Flows from Investing Activities</b>	<b>(18,426)</b>	<b>(14,830)</b>
<b>Net Cash Flows</b>	<b>(92,206)</b>	<b>72,979</b>
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	396,665	323,686
Cash and cash equivalents at end of period	304,460	396,665
<b>Net change in cash for period</b>	<b>(92,206)</b>	<b>72,979</b>

This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Audit Report.

# Statement of Accounting Policies

## Forest Industry Contractors Association For the year ended 31 March 2024

### Basis of Preparation

These are the Financial Statements of Forest Industry Contractors Association. Forest Industry Contractors Association is an Incorporated Society established under the Incorporated Societies Act 1908.

Forest Industry Contractors Association has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Annual Report are reported using the accrual basis of accounting. The Annual Report is prepared under the assumption that the entity will continue to operate in the foreseeable future. Forestry Industry Contractors Association is not required to produce a Statement of Service Performance.

### Tier 2 PBE Accounting Standards Applied

The Board has not applied any Tier 2 PBE Accounting Standards in the preparation of the performance report.

### Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

### Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

### Trade Receivables

Trade receivables are stated at their estimated realisable value.

### Income Tax

Income tax is calculated on payments basis. The Association is liable for income tax on all non-member income less a \$1,000 exemption.

### Property, Plant & Equipment

Property, plant and equipment is shown at cost less any accumulated depreciation and impairment losses. Gains and losses on disposals of fixed assets are taken into account in determining the operating result for the year.

### Depreciation

Depreciation is charged on a diminishing value basis on all property, plant and equipment, at rates permitted by the Income Tax Act 2007. The rates of depreciation used are:

Property, Plant & Equipment 40% DV

Website Development 50% DV

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This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Audit Report.

### **Revenue from Providing Goods or Services**

Revenue from providing goods or services is recognised on an accrual basis. Project funding income is accounted for depending upon whether or not it has a "use or return" condition attached. Where no use or return conditions are attached, the funding is recorded as income when it becomes receivable under the terms of the project. Where project funding income includes a use or return condition, it is initially recorded as a liability when it becomes receivable under the terms of the project. The income is then subsequently recognised within the Statement of Financial Performance as the performance conditions are met.

### **Investment Income**

Investment income is recognised on an accrual basis.

### **Changes in Accounting Policies**

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

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This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Audit Report.

# Notes to the Financial Report

## Forest Industry Contractors Association For the year ended 31 March 2024

	2024	2023
<b>1. Analysis of Revenue</b>		
<b>Revenue from providing goods or services</b>		
<b>Association</b>		
Membership Fees	214,945	233,675
Member Fee Discount 15%	-	(24,388)
Other Income	-	5,854
<b>Total Association</b>	<b>214,945</b>	<b>215,141</b>
<b>Taxable Income</b>		
<b>Taxable Activities</b>		
Event Sponsorship	-	32,584
Event Fees	-	38,475
Fast Forward Forestry Expo	(696)	369,859
Food & Fibre CoVE Board Fees	5,000	12,500
Harvesting Subsidy Administration	-	7,750
Other Contracts & Services	2,174	2,500
Sponsorships	164,764	180,000
V8 Car Racing Client Event	17,226	-
Yarder Tower Income	2,223	1,056
<b>Total Taxable Activities</b>	<b>190,691</b>	<b>644,724</b>
<b>Funding Received</b>		
Be A Mate/Mates4Life Pilot	101,079	20,000
Model Contract Template	-	95,000
MPI - Universal Forestry Platform	-	163,250
NIWE Future Proofing Forestry Contractors	58,458	-
Recruitment Campaign	-	145,758
Worksafe ACOP Project Income	-	55,000
<b>Total Funding Received</b>	<b>159,537</b>	<b>479,008</b>
<b>Total Taxable Income</b>	<b>350,229</b>	<b>1,123,731</b>
<b>Total Revenue from providing goods or services</b>	<b>565,173</b>	<b>1,338,872</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Income	26,907	12,071
<b>Total Interest, dividends and other investment revenue</b>	<b>26,907</b>	<b>12,071</b>

This statement is to be read in conjunction with the Audit Report.

2024 2023

## 2. Analysis of Expenses

### Costs related to providing goods or services

#### Taxable Expenses

##### Taxable Activities

Administration Contract Fees 60%	9,407	8,850
Advertising	8,223	27,677
Conference Costs	-	134,646
Contract Tree Falling Guide	5,264	-
Contractor Videos - Doing it Real	37,332	-
Credit Card Merchant Fees/Bank fees	314	109
Corporate Gifts	2,000	1,715
Donation	-	3,000
Other Contracts & Services	-	5,000
Event Sponsorship	3,454	2,500
Fast Forward Forestry Expo	-	233,264
FICA Workshops	317	5,116
Journals	32,737	9,163
Management Contract Fees 60%	127,439	107,267
Postage & Courier Fees	88	719
Printing & Stationery	246	443
PR/Marketing Costs	15,288	13,828
Telephone & Internet	2,731	3,004
Travel Expenses	13,423	20,160
V8 Car Racing Client Event	13,405	-
Women In Forestry Contractor	1,362	-
Yarder Tower	12,779	7,698
<b>Total Taxable Activities</b>	<b>285,806</b>	<b>584,158</b>

##### Funded Project Expenses

Career Expos	-	225
FRAG	-	2,131
Hauler Guard BPG	12,188	-
Be A Mate/Mates4Life Pilot	75,644	32,969
Model Contract Template	1,801	27,319
MPI - Universal Forestry Platform	-	172,828
MSD Harvesting Subsidy	-	11,288
NIWE Future Proofing Forestry Contractors Costs	17,661	-
Pan Sector Group NZFWSF	4,615	-
Recruitment Campaign	10,000	163,616
Silviculture Funding Administration	-	435
Worksafe ACOP Project Costs	10,794	-
<b>Total Funded Project Expenses</b>	<b>132,703</b>	<b>410,809</b>

<b>Total Taxable Expenses</b>	<b>418,510</b>	<b>994,967</b>
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This statement is to be read in conjunction with the Audit Report.

	2024	2023
<b>Association Expenses</b>		
Administration Contract Fees 40%	6,271	5,900
Board Expenses	3,224	-
Catering	3,432	1,529
Computing Services	143	118
General Expenses	1,208	1,461
Insurance	6,711	4,794
Low Value Assets	1,391	-
Management Contract Fees 40%	84,959	71,511
Motor Vehicle Expense	5,212	2,403
Motor Vehicle Lease	11,121	5,773
Promotion Collateral	5,039	812
Sponsorship	10,086	23,325
Training	8,221	-
Subscriptions	33,006	27,376
Travel	30,646	-
Venue & Equipment Hire	9,675	1,457
Website & Updates	-	426
<b>Total Association Expenses</b>	<b>220,344</b>	<b>146,887</b>
<b>Total Costs related to providing goods or services</b>	<b>638,854</b>	<b>1,141,854</b>
<b>Other expenses</b>		
<b>Association Expenses</b>		
Accounting Fees	17,669	12,957
Audit Fees	6,000	6,000
Depreciation	3,422	4,927
Legal expenses	4,755	-
Other Consultants Fees	12,810	16,781
<b>Total Association Expenses</b>	<b>44,656</b>	<b>40,665</b>
<b>Total Other expenses</b>	<b>44,656</b>	<b>40,665</b>

This statement is to be read in conjunction with the Audit Report.



	2024	2023
<b>3. Analysis of Liabilities</b>		
<b>Creditors and accrued expenses</b>		
Accounts Payable	21,237	59,143
<b>Total Creditors and accrued expenses</b>	<b>21,237</b>	<b>59,143</b>
<b>Other Current Liabilities</b>		
Insurance Funds Received in Advance	-	1,203
Membership Fees Received in Advance	1,725	2,700
MSD Harvesting Subsidy	18,750	18,750
<b>Total Other Current Liabilities</b>	<b>20,475</b>	<b>22,652</b>
	2024	2023

**4. Property, Plant & Equipment**

<b>Property, Plant &amp; Equipment</b>		
Property, Plant & Equipment	1,084	1,084
Less Accumulated Depreciation on Property, Plant & Equipment	(1,031)	(995)
<b>Total Property, Plant &amp; Equipment</b>	<b>53</b>	<b>89</b>
<b>Website Development</b>		
Website Development	17,534	6,098
Purchases	-	11,436
Less Accumulated Depreciation on Website Development	(14,147)	(10,760)
<b>Total Website Development</b>	<b>3,387</b>	<b>6,774</b>
<b>Total Property, Plant &amp; Equipment</b>	<b>3,440</b>	<b>6,862</b>
	2024	2023

**5. Accumulated Funds**

<b>Accumulated Funds</b>		
Opening Balance	750,623	582,198
Accumulated surpluses or (deficits)	(91,430)	168,425
<b>Total Accumulated Funds</b>	<b>659,193</b>	<b>750,623</b>
<b>Total Accumulated Funds</b>	<b>659,193</b>	<b>750,623</b>

**6. Management Contracts / Contracts for Service and Related Parties**

Forest Industry Contractors Association has a contract for services agreement with Public Impressions Limited (a company owned by Prue Younger, the former CEO of Forest Industry Contractors Association). The contract is for the provision of management and operational services by Public Impressions Limited. The amount paid was \$225,055 (2023: \$201,545).

Forest Industry Contractors Association also has a contract for event management services with Public Impressions Limited. The amount paid was \$Nil (2023: \$43,078).

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Forest Industry Contractors Association has a contract for services agreement with Frank Communication NZ Limited (a company owned by Sarah Davis the daughter of Ross Davis who was a member of the board that governs the organisation Forest Industry Contractors Association). The contract is for the provision of consultancy and marketing services by Frank Communications NZ Limited. The amount paid was \$4,769 (2023: Nil).

Blackburne Group are not independent of Forest Industry Contractors Association as Sonya Elmiger, a partner in the firm, was a member of the board that governs the organisation Forest Industry Contractors Association. The amount paid for accounting services was \$17,669 (2023: \$12,957). The amount paid for workshop presentations was \$5,531 (2023: \$Nil). The amount received for sponsorship and event registration fees was \$10,000 (2023: \$10,000).

#### 7. Operating Lease Commitments and Other Commitments

Forest Industry Contractors Association has a 36 month lease agreement for a Maxxia Truck, at \$1,194.05/month. This lease expires on 14 September 2026 (2023: \$481.12/month expired 1 August 2023). There are no other commitments as at 31 March 2024 (Last year – Nil).

#### 8. Contingent Liabilities, Guarantees and Securities

There are no contingent liabilities or guarantees as at 31 March 2024 (Last year - Nil). There is a business Mastercard facility available with Westpac Bank, with a limit of \$10,000.

#### 9. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

#### 10. Income Tax

These figures are subject to confirmation by Inland Revenue.

Administrative and overhead expenses, other than management contract fees, CEO Support Services and performance payments which are attributed separately, are allocated to Association Expenses for the purpose of calculating the association's income tax liability, based on the percentage of total income.

The losses are subject to Inland Revenue approval. The taxation benefits of losses will be available if provided:

- The association complies with conditions for offset imposed by the Income Tax Act 2007 and amendments thereto; and
- No change in taxation legislation adversely affects the association in realising the taxation benefits of those losses; and
- The association generates assessable income in the future, against which the losses can be offset.

Income Tax Calculation	2024	2023
Gross Interest Received	26,907	12,071
Net Surplus (Deficit) from Taxable Trading	(68,281)	128,764
Share of Administration/Overhead Expenses	(111,568)	(97,395)
Exemption	(1,000)	(1,000)
Add:		
Non Deductible Provisions		

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Exemption Lost	1,000	-
Taxable Income /(Loss)	(152,942)	42,440
This is made up of:		
Interest Income	26,907	12,071
Business Income / (Loss)	(179,849)	30,369
	(152,942)	42,440
Taxation Due		
Plus: Losses Brought Forward	(518,601)	(561,041)
Total Losses to Carry Forward	(671,543)	(518,601)
RWT Paid	5,492	1,293
Tax Payable/(Refund) as per Statement of Financial Position	(5,492)	(1,293)

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This statement is to be read in conjunction with the Audit Report.



FOREST INDUSTRY  
CONTRACTORS  
ASSOCIATION

# FICA PARTNERS

Thank you to all of the organisations who support FICA, which in turn works to promote business growth and improved safety and efficiency amongst forestry contractors for the benefit of New Zealand's Forestry Industry.

## STRATEGIC PARTNERS



## BUSINESS PARTNERS



## GOLD PARTNERS

