



# **2019 ANNUAL REPORT**

**The 131<sup>st</sup> Annual Report  
and Audited Accounts of  
New Zealand Institute  
of Surveyors Incorporated**



## Secretariat

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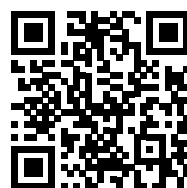
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## PRESIDENT'S REPORT

THE PAST YEAR HAS SEEN our organisation continue to evolve so that we remain relevant in the future. Following our governance review in 2018, Council was tasked with preparing a letter of expectations to the Board to assist them in developing a more simplified business plan for 2019. There was broad recognition that as a relatively small, volunteer led membership-based organisation, we were spread too thinly across too many activities and projects.

Our strategic priorities included:

- Support of the spatial strategy
- Reviewing and simplifying governance arrangements
- Focusing advocacy on two key areas (built environment and resilience)
- Developing competency standards for engineering surveying
- Review of professional examinations processes.

I am confident that we are now beginning to see progress in these areas but there is still significant work to be done. Specific achievements include:

- Spatial workshop held to understand needs of sector
- Significant 'behind the scenes' work to better support the examinations panels, address succession planning and improve professional exam processes
- Established a resilience group to continue knowledge-sharing work started post-Christchurch earthquakes; presented to the Select Committee on the National Disaster Resilience Strategy
- Research undertaken to understand competency standards for engineering surveyors overseas;

engagement with the Minister for Building and Construction on regulatory systems.

At a time when everyone in our sector is heavily committed in their day-to-day jobs, I understand that our members will only volunteer their discretionary time if they can see there is a clear benefit. I would therefore like to thank the many people that continue to contribute at branch, committee and interest group level. Everyone's contribution counts and it is because of you that members continue to front up at local branch meetings, conferences and other events. I want to personally thank Mark Dyer for his efforts and support as Acting CEO over the past year.

It has been a privilege to work with a diverse group of passionate and committed people both on Council and the Board during my six years on Council and two-year term as President. I have made many new friends along the way and learnt a lot about governance, leadership, patience and personal resilience. I hope the incoming President and Council enjoy the challenges and opportunities as much as I have.

Ngā mihi nui

*Rebecca Strang, President*



## BOARD REPORT

THIS YEAR HAS BEEN A busy year for the Survey and Spatial New Zealand (S+SNZ) Board as we have sought to consolidate and expand on the work that has been undertaken in recent years. As you will all be aware we had a change of CEO late last year and I would like to take this opportunity to thank Mark Dyer for stepping into this role and helping to continue supporting and growing the capability of National Office to deliver the changes that we need to make to our professional body if we are to remain relevant to the modern world.

There is a growing trend worldwide that membership organisations are struggling to find their place in the modern world; members are time poor and changes in technology mean that change is often occurring faster than organisations are able to adapt. S+SNZ is no exception to this trend and we are looking at ways that we are able to streamline our operations and narrow our focus in order that we are delivering the things that really matter to our members.

One of the significant changes that has occurred this year has been the introduction of a letter of expectation between Council and the Board. This letter from Council provides guidance around the priorities that they wish the Board to work with National Office and members to deliver in both the short and medium-term. While this is only in its initial year, this document will influence the preparation of our five-year plan and will ensure that there is discipline around decisions made at both Council and Board level. We see this document as being critical in focussing our attention to the things that matter for our members.

The focus for this year has been a continuation of the projects that commenced last year. We continue to advocate with LINZ around Landonline performance as well as progress

on the Landonline rebuild. We have multiple meetings with like-minded organisations identifying areas that we have in common, and issues that we can collaborate on. These include the Assoc. for Consulting and Engineering Professionals (ACENZ), Engineering NZ, NZ Institute of Architects (NZIA) as well as meetings with Ministers involved in the housing process.

All of these things take time, and I would like to take this opportunity to thank our members that do get involved in supporting these activities. Without your input and time, we would not have been able to achieve the things that we have this year.

I would also like to take this opportunity to ask that each one of you think about the ways that you can become involved and help support the activities of S+SNZ, whether it is at branch level, involvement in a special interest group or via your Council stream. The strength and recognition of S+SNZ is that members are prepared to make time in their busy lives and become involved in promoting the things that we are able to do. No matter how big or small the effort, it all makes a difference when we work together. We need to ensure that Survey and Spatial members are visible not only in the communities that they work in, but also at a national level. This will only



occur with more participation from you, the members.

It has been a busy year for the Board as we have sought to support a number of activities being undertaken by both Council and National Office. Special mention must be made of the delivery of what was a very successful conference in Auckland. This event showcased both what members are doing now, as well as what the future might hold, and was only possible because of the hard work of many people.

We continue to support Council initiatives such as the spatial strategy as well as ongoing engagement with both the Landonline rebuild and the certification project. These things have taken longer than we have anticipated, but we are better placed to make more progress on these issues over the next 12 months.

This will be achieved via the letter of expectation and a more refined focus on delivering the things that matter.

As can be seen from the annual accounts, S+SNZ continues to operate in a fiscally prudent manner and this year we will look to utilise some of our reserve funding to fund the delivery of key projects.

Finally, I would like to acknowledge the continuing support that we receive from our commercial partners. This support whether it be financial or provision of expertise helps us to deliver services to all of our members.

The Kairūri Community Trust has benefitted from the generosity of our partners and members alike. I take this opportunity to thank those who have donated and especially the Trustees for their leadership – this will make a difference for

positioning our profession and NZ as 'future-ready'.

We look forward to working with all of our stakeholders and members over the coming 12 months to deliver more value and ensuring that we are recognised in the community at large for the value we bring to NZ inc.

*Daniel Williams,  
Board Chair*





# COUNCIL AND BOARD MEETINGS

## Council Meetings

Council meetings were held:

**2018:** 13-14 April 2018, 21 June 2018 (Teleconference),  
26 September 2018 (Teleconference), 14 November 2018

**2019:** 13 February 2019 (Teleconference), 29 March 2019,  
29 May 2019 (Teleconference)

### *Council 2018-2019*

#### **President**

Rebecca Strang, Auckland

#### **Vice-President**

Guy Panckhurst, Napier

#### **Councillors**

Michael Cutfield (Engineering Stream)

Matt Ryder, Taupo (Cadastral Stream)

Emily Tidey, Dunedin (Hydrography Stream)

Julia Glass, Tauranga (Land Development and Urban  
Design Stream)

Robert Mears, Auckland (Young Professionals)

Elaine McAlister, Wellington (Women in Surveying/  
Spatial)

Bruce Robinson, Auckland (Positioning & Measurement  
Stream)

Kat Salm, Christchurch (Spatial Stream)

Prof. Christina Hulbe, Dunedin (Tertiary)

Paul Newton, Nelson (CSNZ)

## Board Meetings

**2018:** 14 June 2018,  
17 August 2018,  
17 October 2018

**2019:** 11 April 2019,  
13 June 2019

### *Board 2017-18*

#### **Chair**

Daniel Williams, Auckland  
(Voting Member)

#### **Board Members**

Simon Jellie, Wellington  
(Voting Member)

Thomas Gibbons, Hamilton  
(Independent)

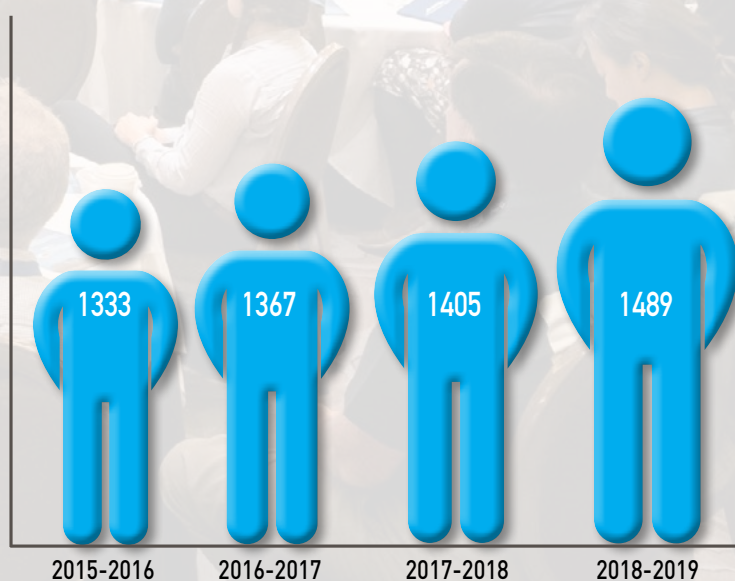
Michelle Bain, Auckland  
(Voting Member)

Jordan Alexander,  
Wellington (Independent)

Mike Benning, Auckland  
(Voting Member)

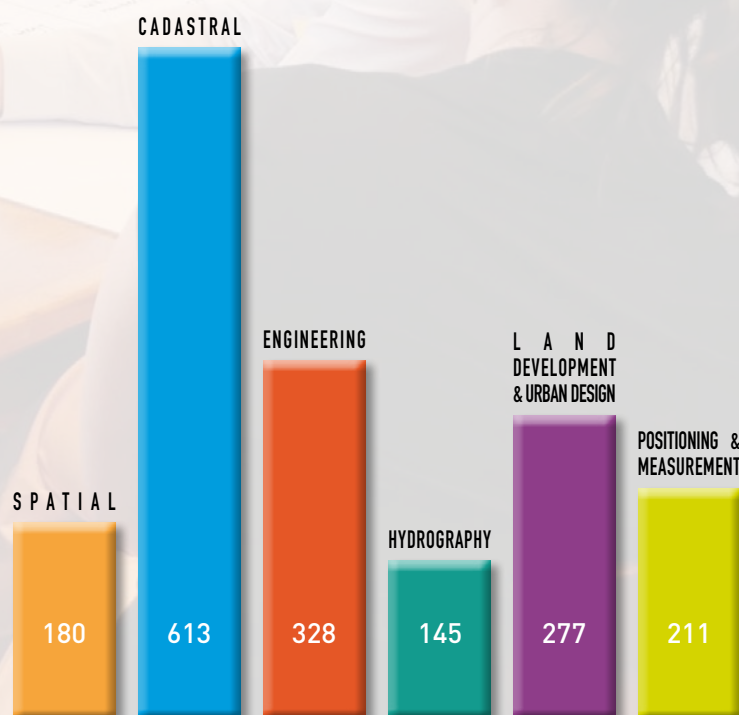
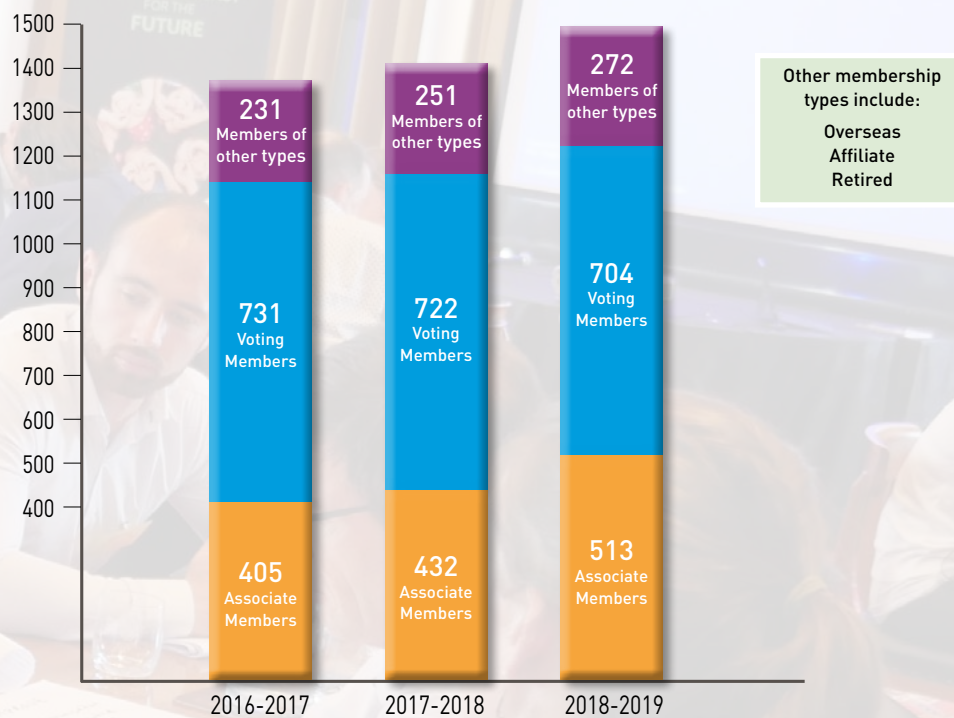
Rebecca Strang, Auckland  
(Ex-Officio as Council  
President)

# Membership Demographics





## Membership Demographics continued

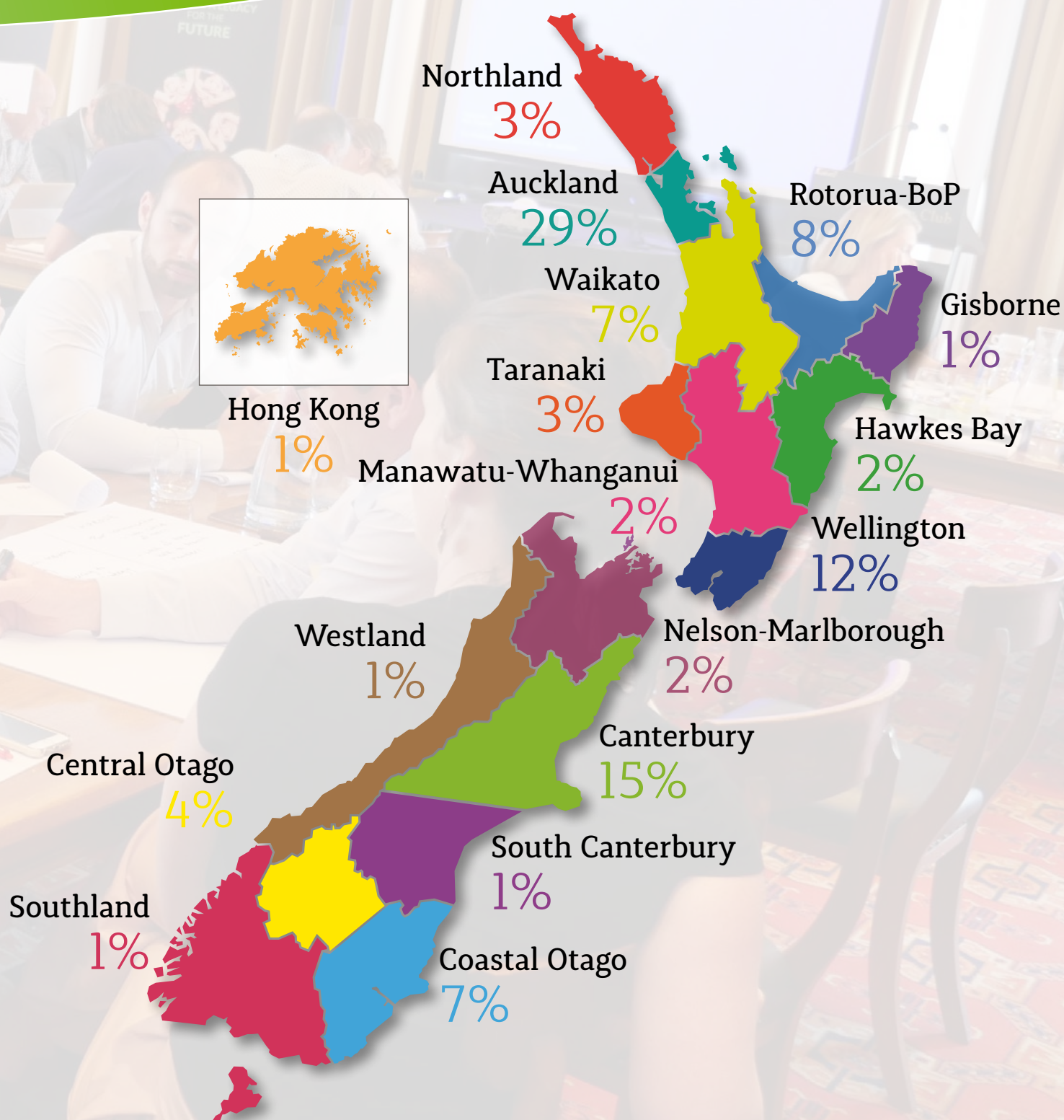


## Membership Demographics continued





## Membership Demographics continued



## COUNCIL COMMITTEES and BOARD SUPPORT

Reports from the various Council committees, branches, streams, divisions and special interest groups are available on the following web pages:



*(click on this banner  
to go to web page)*



*(click on this banner  
to go to web page)*

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## OBITUARIES

It is with deep regret that we record the deaths of following members:

Ralph Winmill  
New Plymouth

Ron George Lipinski  
Tauranga

Norman Eathorne  
Hawkes Bay

Brian Lloyd Currie  
Whangarei

# S+SNZ STRATEGIC PLAN RESULTS

## 2018-19

The base for the plan has been simplified down to four headings. Our objectives remain the same but some of the actions have merged or evolved. The following key outcomes are sought in year four of the 2015 to 2020 NZIS Strategic Plan. The objectives stated will be reported on at the end of the 2018/19 financial year.

Key Objectives	Comment
<b>1. GROWTH – Grow NZIS by providing leadership and governance in standards, training certification, planning and financial management.</b>	
Remain relevant – lead the way by identifying future opportunities and embracing new technologies.	Realigning governance culture to ensure decisions are member-driven and strategy-led. Enabling membership to maintain currency through information-sharing, setting context (the big picture) at conferences, seminars, and webinars.
Develop and strengthen the S+SNZ brand.	Consistently using S+SNZ logo, but more work to be done on strengthening the brand.
Deliver value to members and support their innovation, currency and competency.	Membership satisfaction surveys routinely occur following events- which most attendees consistently rate as excellent and very good. The necessary reliance on subject matter experts remains a challenge.
Develop a sustainable governance succession plan.	Governance at all levels has not supported succession and leadership growth amongst members. The Governance Committee for the most part has not functioned. A new model of 'growing' leaders by providing a supportive leadership growth programme is needed to get the right people in the right roles at the right time. Sustained succession of the Examinations Committee and Panels is now better placed.
Ensure prudent management of NZIS equity.	We are continuing to be served well by our financial advisors, professional accountants and auditors, and our Audit and Risk Committee.

*(continued next page)*



<b>2. ADVOCACY – advocate on issues that affect S+SNZ, the sector, New Zealand, the South West Pacific and globally.</b>	
Engage on relevant local, national, regional and international issues.	The Letter of Expectation has given new focus to advocacy efforts. These have concentrated on resilience and built environment policy as well as the sustained effort in relation to the Landonline Rebuild.
Gather workforce data to identify gaps in the sector and seek solutions	The recruitment industry, CSNZ, and others such as ACENZ all undertake research to identify gaps. The Construction Accord has identified workforce capability as a priority. We continue to build relationships and support tertiary education providers, as well as deliver capability building events.
Lead and uphold ethical behaviour.	We have an effective Ethics and Standards Committee supported by Council. This committee responds to complaints from the public and members and is increasingly complimenting this with professional development.
Promote the value of professional standards.	We understand and consistently advocate for our place in the broader regulatory system.
<b>3. RELATIONSHIPS – Build a greater awareness through public relations in key areas for the sector and communities of interest</b>	
Build a unified, strong brand.	An inclusive Council and delivery of a conference that cut across all streams positively contributed towards unifying our brand.
Engage with LINZ, other government bodies and organisations with similar interests.	Landonline Rebuild remains our most significant advocacy commitment. We also engaged with the Minister of Construction and MBIE, as well as MfE, LGNZ, and related professional bodies.
Communicate and connect with members.	Our social media impact has increased significantly – Instagram up 120%, LinkedIn 94% and Facebook 61%. We have a 'digital first' approach but still provide hardcopy of some publications on request. There is no programme of regular communication from leaders (Board, Council, Streams).
<b>4. DIVERSITY – Attract, develop and retain diverse talent to strengthen S+SNZ</b>	
Identify and recruit new membership.	Significant growth occurred within associate membership mainly attributed to engineering surveying. The spatial stream has held a workshop to determine the value proposition for spatial professionals. Overseas membership continues to be attractive to professionals looking to relocate to NZ.
Connect with secondary schools and tertiary institutions.	YP's have been profiled in S+SNZ sponsored careers features. A school careers function was held in conjunction with Conference 2019. Tertiary institutions are connected with a close relationship with Otago University.
Develop and promote opportunities for sector minorities.	Several opportunities were provided for papers to be presented at conference. S+SNZ became a founding partner of the Diversity Agenda in 2018/19.

# Annual Report

Survey and Spatial New Zealand  
For the year ended 30 June 2019

Prepared by Hudson Taylor Chartered Accountants Limited

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# Independent auditor's report

## To the Members of Survey and Spatial New Zealand Group

### Qualified Opinion

We have audited the special purpose financial statements of Survey and Spatial New Zealand ("Parent") and its subsidiary (herein collectively referred to as "the Group") on pages 5 to 15, which comprise the statement of financial position as at 30 June 2019 and the statement of profit or loss and notes to the special purpose financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of report the accompanying financial statements of the Group for the year ended 30 June 2019 are prepared, in all material respects, in accordance with the accounting policies set out in the statement of accounting policies of the special purpose financial statements.

### Basis for Qualified Opinion

The Parent outsources significant functions and control of its annual conference to a third party conference provider. Controls over conference income prior to being recorded is limited, and there are no practical audit procedures to determine the effect of these limited controls. The effect of these limitations meant we were unable to confirm or verify by alternative means the completeness of revenue from the conference income reported at \$198,786. As a result, we were unable to determine whether adjustments might have been necessary in respect of the surplus for the year reported in the statement of financial performance.

We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) 'Code of ethics for assurance practitioners' 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 our capacity as auditor we have no relationship with, or interests in, the Group.

### Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the special purpose financial statements which describes the basis of accounting. The special purpose financial statements are prepared to assist the Group to meet its rules and in preparing the tax return. As a result, the special purpose financial statements may not be suitable for another purpose. Our report is intended solely for the Group and its Board and should not be distributed to parties other than the Group or its shareholder.

### Director's responsibilities for the special purpose financial statements

The directors are responsible on behalf of Survey and Spatial New Zealand for the preparation of these special purpose financial statements in accordance with the accounting policies set out in the statement of accounting policies of the special purpose financial statements and for such internal control the directors determine is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, the directors are responsible on behalf of the Group for assessing the Group'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 directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the special purpose financial statements**

Our objectives are to obtain reasonable assurance about whether the special purpose financial statements as a whole are 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) 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, they could reasonably be expected to influence the decisions of users taken on the basis of these special purpose financial statements.

A further description of the auditor's responsibilities for the audit of the special purpose financial statements is located at the XRB's website at <http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>



**Moore Markhams Wellington Audit** | Qualified Auditors, Wellington, New Zealand  
2 October 2019



# Statement of Financial Position

## Survey and Spatial New Zealand

As at 30 June 2019

	NOTES	30 JUN 2019 KAIRURI COMMUNITY TRUST	30 JUN 2019 SSNZ	30 JUN 2019 CONSOLIDATED GROUP	30 JUN 2018 CONSOLIDATED GROUP
<b>Assets</b>					
<b>Current Assets</b>					
Accounts Receivable		-	91,730	88,706	42,655
Accounts Receivable - Membership Fees		-	669,646	669,646	-
Bank Accounts & Cash		53,776	3,913	57,689	56,299
Forsyth Barr Cash Management Accounts	2	-	48,140	48,140	34,354
GST Receivable		-	-	-	10,058
Prepayments		-	5,853	5,853	5,146
Kairuri Community Trust Loan (Current Portion)		-	4,000	-	-
Kairuri Community Trust Advance		5,500	-	-	-
<b>Total Current Assets</b>		<b>59,276</b>	<b>823,282</b>	<b>870,034</b>	<b>148,513</b>
<b>Non-Current Assets</b>					
Fixed Assets	3	1,390	13,402	14,792	22,801
Kairuri Community Trust Loan		-	8,000	-	-
Investments		-	512,946	512,946	483,426
<b>Total Non-Current Assets</b>		<b>1,390</b>	<b>534,348</b>	<b>527,737</b>	<b>506,227</b>
<b>Total Assets</b>		<b>60,666</b>	<b>1,357,629</b>	<b>1,397,771</b>	<b>654,740</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Bank Overdraft		-	32,172	32,172	34,186
Accounts Payable		3,024	21,461	21,461	125,312
Accrued Expenses		900	14,378	15,278	6,650
GST Payable		-	117,804	117,804	-
Employee Entitlements		-	35,656	35,656	42,422
Income in Advance		-	621,528	621,528	5,000
NZIS Loan (Current Portion)		4,000	-	-	-
Kairuri Community Trust Advance		-	5,500	-	-
NZSEA Funds Held		-	25,944	25,944	-
<b>Total Current Liabilities</b>		<b>7,924</b>	<b>874,442</b>	<b>869,842</b>	<b>213,569</b>
<b>Non-Current Liabilities</b>					
NZIS Loan		8,000	-	-	-
<b>Total Non-Current Liabilities</b>		<b>8,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>15,924</b>	<b>874,442</b>	<b>869,842</b>	<b>213,569</b>
<b>Net Assets</b>		<b>44,742</b>	<b>483,187</b>	<b>527,929</b>	<b>441,171</b>
<b>Accumulated and Special Funds</b>					
Retained Earnings		44,742	477,887	522,629	435,871

The accompanying notes form part of this financial statement

	NOTES	30 JUN 2019 KAIRURI COMMUNITY TRUST	30 JUN 2019 SSNZ	30 JUN 2019 CONSOLIDATED GROUP	30 JUN 2019 CONSOLIDATED GROUP
<b>Special Funds</b>					
Bogle Award	-	-	500	500	500
Fulton Bequest	-	-	500	500	500
Percy Dyett Award	-	-	900	900	900
Research Scholarship	-	-	1,200	1,200	1,200
State Sector Award	-	-	2,200	2,200	2,200
Total Special Funds	-	-	5,300	5,300	5,300
Total Accumulated and Special Funds		44,742	483,187	527,929	441,171

  
 Daniel Williams - Chair

Date 2/10/19


Mike Benning - Board Member  
02/10/2019

The accompanying notes form part of this financial statement

# Statement of Profit or Loss

## Survey and Spatial New Zealand For the year ended 30 June 2019

	NOTES	2019 KAIRURI COMMUNITY TRUST	2019 SSNZ	2019 CONSOLIDATED GROUP	2018
<b>Income</b>					
Commercial Income		-	228,065	228,065	187,261
Conference Commercial Income		-	101,175	101,175	70,190
Conference Income		-	198,786	198,786	120,104
CPD/Training Income		-	68,679	68,679	127,680
Investment Income	6	-	48,890	48,890	55,716
Membership Fees		-	597,065	597,065	539,146
NZSEA Income		-	59,906	59,906	79,221
Professional Examinations		-	54,878	54,878	46,767
Publication Advertising		-	19,818	19,818	16,970
RP Surv Fees		-	80,167	80,167	83,601
Sundry Revenue		-	5,175	5,175	738
Donations Received		19,500	-	19,500	26,550
Forgiveness of NZIS Loan	8	4,000	-	-	-
<b>Total Income</b>		<b>23,500</b>	<b>1,462,605</b>	<b>1,482,105</b>	<b>1,353,943</b>
<b>Total Income</b>		<b>23,500</b>	<b>1,462,605</b>	<b>1,482,105</b>	<b>1,353,943</b>
<b>Expenses</b>					
ACC Levies		-	1,274	1,274	-
Accounting & Xero Fees	278	-	4,486	4,764	6,817
Advertising		-	300	300	-
Annual Conference		-	253,557	253,557	235,621
Audit Fee		-	5,911	5,911	6,302
Awards		-	719	719	1,992
Bank Fees	102	-	1,230	1,332	579
Board Costs		-	24,775	24,775	14,606
Board/Council/Branch Delegate AGM Expenses		-	20,140	20,140	25,801
Branch Fees		-	20,360	20,360	18,026
Commercial Expenses		-	11,505	11,505	6,189
Committees		-	-	-	1,053
Communications		-	-	-	581
Conference Commercial Exhibition Expenses		-	11,225	11,225	-
Council Meeting & General costs		-	9,056	9,056	7,015
Council Travel		-	10,393	10,393	14,189
CPD/Training Expenses		-	24,483	24,483	50,030
Credit Card Costs		-	7,703	7,703	7,900
Depreciation	3	1,390	7,472	8,862	11,115
Forgiveness of Kairuri Community Trust Loan	8	-	4,000	-	-
General Contractor		-	920	920	-
General Expenses		1,944	-	1,944	-

The accompanying notes form part of this financial statement

	NOTES	2019 KAIRURI COMMUNITY TRUST	2019 SSNZ	2019 CONSOLIDATED GROUP	2018
Governance Committee		-	483	483	-
Insurance		1,413	852	2,265	6,024
Interest Expense		-	-	-	377
International Expenses/Attendance Fees		-	6,222	6,222	4,053
International Flights/Accommodation		-	19,229	19,229	11,803
Investment Management Fees		-	5,140	5,140	4,415
KiwiSaver Employer Contributions		-	17,944	17,944	14,406
Legal expenses		-	4,737	4,737	5,869
Membership Services Com		-	1,017	1,017	-
NZSEA Expenses		-	59,906	59,906	89,261
Office Expenses		-	13,457	13,457	10,891
Postage & Courier		-	4,034	4,034	2,017
Power		-	1,140	1,140	1,503
Printing & Photocopy		-	6,668	6,668	7,679
Professional Examinations		-	31,169	31,169	18,992
Publications		-	30,072	30,072	49,129
Rent		-	27,077	27,077	27,077
Division - Women in Spatial		-	542	542	-
Salaries & Wages		-	666,123	666,123	598,685
Service Agreement, Licences & Subscriptions		-	634	634	-
Sponsorship		-	-	-	4,000
Staff Related Expenses		-	8,806	8,806	11,175
Strategic Projects		-	30,831	30,831	41,072
Subscriptions NZ		-	2,779	2,779	225
Subscriptions Overseas		-	-	-	5,220
Telephone & Internet		-	19,987	19,987	19,854
Travel and Accommodation		-	2,747	2,747	-
Trustee Expenses		1,822	-	1,822	645
Website Expenses		-	11,293	11,293	10,344
<b>Total Expenses</b>		<b>6,949</b>	<b>1,392,398</b>	<b>1,395,347</b>	<b>1,352,530</b>
<b>Net (Loss) Surplus Before Taxation</b>		<b>16,551</b>	<b>70,207</b>	<b>86,758</b>	<b>1,413</b>
<b>Taxation and Adjustments</b>					
Income Tax Expense	5	-	-	-	(2,279)
Tax Penalties		-	-	-	99
<b>Total Taxation and Adjustments</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,180)</b>
<b>Net (Loss) Surplus for the Year</b>		<b>16,551</b>	<b>70,207</b>	<b>86,758</b>	<b>3,593</b>

The accompanying notes form part of this financial statement

# Statement of Movements in Equity

Survey and Spatial New Zealand  
For the year ended 30 June 2019

	NOTES	2019 KAIRURI COMMUNITY TRUST	2019 SSNZ	2019 CONSOLIDATED GROUP	2018
<b>Equity</b>					
Opening Balance		28,191	412,980	441,171	437,577
<b>Increases</b>					
(Deficit) Surplus for the Period		16,551	70,207	86,758	3,593
<b>Total Increases</b>		<b>16,551</b>	<b>70,207</b>	<b>86,758</b>	<b>3,593</b>
<b>Total Equity</b>		<b>44,742</b>	<b>483,187</b>	<b>527,929</b>	<b>441,171</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.



# Notes to the Financial Statements

## Survey and Spatial New Zealand For the year ended 30 June 2019

### 1. Statement of Accounting Policies

The Financial Statements have been prepared in accordance with the requirements of the rules of the Institute. New Zealand Institute of Surveyors has been incorporated pursuant to the Incorporated Societies Act 1908. The financial statements have been prepared to meet the requirements of its rules, and to assist in assessing obligations to the commissioner of Inland Revenue.

#### Basis of Preparation

The External Reporting Board removed authoritative support from "old NZ GAAP" for all year ends with periods beginning on or after 1 April 2015. Having given consideration to its ongoing financial reporting requirements, the Institute reports using a special purpose basis going forward in accordance with the policies set out below.

#### Measurement Base

The Financial Statements have been prepared on an accruals basis, except as noted otherwise below. The information presented is in New Zealand dollars and has been rounded to whole dollars, unless otherwise stated.

#### Changes in Accounting Policies

There has been one change in accounting policy. Recognition of Commercial Income has been changed from being recognised on a cash basis to being recognised on an accruals basis. As a consequence of this change in policy, membership fees are now recorded as income in advance where applicable.

All other policies have been applied on a consistent basis with those of the previous reporting period.

#### Changes to Comparative Figures

During the year, Survey and Spatial New Zealand changed its accounting policy on recognition of commercial income. Comparatives have been restated to conform with the current year's accounting policy. The effects on the prior year's financial statements are set out below.

Account	As previously stated	As restated
Commercial Income	80,770	83,604
Conference Commercial Income	63,790	70,190
Accounts Receivable	33,421	42,655

#### Consolidated Group

In the 2018 Financial Year the Kairuri Community Trust was established. Due to the contents of the Trust Deed, Survey and Spatial New Zealand has been determined to have a controlling interest in this Trust. As a result of this, the Institute is required to present its financial statements as a consolidated group. The Community Trust only began activities in December 2017 and as such the 2018 comparative financial information presented for the Community Trust is for a 7 month period.

#### Bank Accounts & Cash

Bank accounts and petty cash are recorded at their closing amount at balance date. An overdraft facility is also in place with a limit of \$50,000. At balance date there was an overdraft of \$32,172 (2018: \$34,186).

### Accounts Receivable

Accounts receivable are recognised initially at fair value, less an allowance for any uncollectable amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

### Prepayments

Prepayments include expenditure paid relating to subsequent financial years. These prepayments are measured at cost.

### Fixed Assets and Depreciation

All Fixed Assets are recorded at historical cost less accumulated depreciation or impairment losses. Historical cost includes expenditure directly attributable to the acquisition to assets.

Depreciation of the assets has been calculated on a diminishing value basis over the estimated useful life of the asset using depreciation rates published by Inland Revenue. The following depreciation rates have been used:

• Office Equipment	30 - 50% Diminishing Value
• Furniture & Fittings	13 - 16% Diminishing Value
• Paintings	0% No Depreciation
• Intangibles	50% Diminishing Value

A fixed asset is derecognised upon disposal of that asset, any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Financial Performance in the year of disposal.

### Investments

All investments are carried at the current market value as at 30 June 2019. Unrealised gains or losses are recognised in the Statement of Financial Performance for movements in the market value and realised gains or losses when individual investments are sold.

### Foreign Currency

Transactions denominated in foreign currencies are converted at the exchange rate current at the transaction date. Foreign currency receivables and payables are converted at exchange rates current at balance date. Foreign exchange gains or losses are included as income or expenses respectively in the Statement of Financial Performance.

### Accounts Payable

Accounts payable are recognised at fair value and represents the amount outstanding by the Group to its suppliers as at balance date.

### Employee Entitlements

Amounts owing to employees or on behalf of employees to IRD at balance date are recorded on the Statement of Financial Position at cost.

### Income Tax

Taxation on investment income has been charged at the applicable tax rate after claiming all due allowances and recognises the current obligations payable to the Inland Revenue Department.

Taxation is not payable on subscription and other income from members.

The Kairuri Community Trust is a registered charity and not liable for Income Tax on donations received.

### Goods and Services Tax

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

The Kairuri Community Trust is not registered for GST and so is presented on a GST inclusive basis.

### Revenue Recognition

Revenue is accounted for as follows:

#### Membership Income

Fees and subscriptions are initially recorded as income in advance and recognised in revenue evenly over the membership period.

#### Event Income

Entrance fees for functions and events are recorded as revenue when the function or event takes place.

#### Interest and Dividend Income

Interest income is recognised on an accruals basis

Dividend income is recognised when the dividend is declared.

#### Donations Received

Charitable Donations received by the Kairuri Community Trust are recognised on an accruals basis.

#### Commercial Income

Revenue from Commercial activities is recognised on a cash basis and accounted for when the cash is received.

#### Other Income

All other income is accounted for on an accruals basis and accounted for in accordance with the substance of the transaction.

### Income Received in Advance

Income received in advance in relation to membership fees and events held in future years is held on the Statement of Financial Position.

### Leased Assets

#### Operating Leases:

The Group leases office premises and equipment which are classified as operating leases. Operating lease payments are charged to expense over the periods of expected benefits.

### Non-Member Revenue

Attendance by non-members at events run by the Institute are tracked and currently the Institute does not record a surplus from these interactions. As there is no surplus received from non-members, there are no tax implications on these interactions. If the Institute earns a surplus from non-member transactions in the future, the resulting surplus will be taxable.

### Special Funds

Amounts donated or given to the Institute for awards and scholarships are held on the Balance Sheet under Special Funds. The method these amounts arose are neither revenue or expense and are held separate from the accumulated earnings of the Institute.

	2019 KAIRURI COMMUNITY TRUST	2019 SSNZ	2019 CONSOLIDATED GROUP	SSNZ 2018
<b>2. Short Term Deposits</b>				
Forsyth Barr - NZD Account	-	29,009	29,009	23,337
Forsyth Barr - AUD Account	-	12,309	12,309	4,606
Forsyth Barr - GBP Account	-	6,577	6,577	6,202
Forsyth Barr - USD Account	-	245	245	209
<b>Total Short Term Deposits</b>	<b>-</b>	<b>48,140</b>	<b>48,140</b>	<b>34,354</b>
	2019 KAIRURI COMMUNITY TRUST	2019 SSNZ	2019 CONSOLIDATED GROUP	SSNZ 2018
<b>3. Fixed Assets</b>				
<b>Furniture &amp; Fittings</b>				
At Cost	-	11,251	11,251	11,251
Less: Accumulated Depreciation	-	(9,626)	(9,626)	(9,339)
<b>Total Furniture &amp; Fittings</b>	<b>-</b>	<b>1,625</b>	<b>1,625</b>	<b>1,912</b>
<b>Office Equipment</b>				
At Cost	-	50,336	50,336	49,484
Less: Accumulated Depreciation	-	(42,521)	(42,521)	(38,868)
<b>Total Office Equipment</b>	<b>-</b>	<b>7,815</b>	<b>7,815</b>	<b>10,616</b>
<b>Paintings</b>				
At Cost	-	430	430	430
<b>Total Paintings</b>	<b>-</b>	<b>430</b>	<b>430</b>	<b>430</b>
<b>Intangible Assets</b>				
At Cost	2,900	28,254	31,154	31,154
Less: Accumulated Depreciation	(1,510)	(24,722)	(26,232)	(21,311)
<b>Total Intangible Assets</b>	<b>1,390</b>	<b>3,532</b>	<b>4,922</b>	<b>9,843</b>
<b>Total Fixed Assets</b>	<b>1,390</b>	<b>13,402</b>	<b>14,792</b>	<b>22,801</b>
<b>Depreciation</b>				
Furniture & Fittings	-	288	288	239
Office Equipment	-	3,652	3,652	3,691
Intangible Assets	1,390	3,532	4,922	7,185
<b>Total Depreciation</b>	<b>1,390</b>	<b>7,472</b>	<b>8,862</b>	<b>11,115</b>

	2019 KAIRURI COMMUNITY TRUST	2019 SSNZ	2019 CONSOLIDATED GROUP	SSNZ 2018
<b>4. Investments</b>				
New Zealand Cash and Shares	-	120,709	120,709	132,406
New Zealand Bonds	-	178,786	178,786	156,432
New Zealand Property	-	54,470	54,470	35,710
International Shares	-	158,981	158,981	147,756
International Property	-	-	-	11,122
<b>Total Investments</b>	<b>-</b>	<b>512,946</b>	<b>512,946</b>	<b>483,426</b>

	2019 KAIRURI COMMUNITY TRUST	2019 SSNZ	2019 CONSOLIDATED GROUP	SSNZ 2018
<b>5. Income Tax Expense</b>				
<b>Net Surplus on Investment Income</b>				
Taxable Investment Income	-	19,205	19,205	15,877
Taxable/(Deductible) Portion of Non Member Revenue	-	5,594	5,594	(3,556)
Losses Brought Forward	-	(6,106)	(6,106)	(18,427)
<b>Total Net Surplus on Investment Income</b>	<b>-</b>	<b>18,693</b>	<b>18,693</b>	<b>(6,106)</b>
Taxable Surplus (Loss)	-	18,693	18,693	(6,106)
Tax Payable	-	2,291	2,291	-
<b>Deductions from Tax Payable</b>				
Foreign Withholding Tax Utilised	-	2,236	2,236	-
Dividend Imputation Credits Utilised	-	55	55	-
<b>Total Deductions from Tax Payable</b>	<b>-</b>	<b>2,291</b>	<b>2,291</b>	<b>-</b>
Tax Expense	-	-	-	-

	2019 KAIRURI COMMUNITY TRUST	2019 SSNZ	2019 CONSOLIDATED GROUP	SSNZ 2018
<b>6. Investment Income</b>				
Interest Received	-	7,841	7,841	7,365
Dividends Received	-	4,906	4,906	4,879
FIF Dividends	-	1,328	1,328	1,682
PIE Income	-	2,756	2,756	2,311



	2019 KAIRURI COMMUNITY TRUST	2019 SSNZ	2019 CONSOLIDATED GROUP	SSNZ 2018
Realised Gain/(Loss) on Investments	-	(1,216)	(1,216)	330
Unrealised Gain/(Loss) on Investments	-	33,275	33,275	39,149
<b>Total Investment Income</b>	<b>-</b>	<b>48,890</b>	<b>48,890</b>	<b>55,716</b>

## 7. Commitments and Contingencies

### Rent of Property

The Institute has entered in to leases for premises which expire June 2020 at current annual rentals of \$26,184 plus GST.

	2019 KAIRURI COMMUNITY TRUST	2019 SSNZ	2019 CONSOLIDATED GROUP	SSNZ 2018
<b>Operating Lease Commitments</b>				
Current	-	26,184	26,184	26,184
Non Current	-	26,184	26,184	26,184
<b>Total Operating Lease Commitments</b>	<b>-</b>	<b>52,368</b>	<b>52,368</b>	<b>52,368</b>

	2019 KAIRURI COMMUNITY TRUST	2019 SSNZ	2019 CONSOLIDATED GROUP	SSNZ 2018
<b>8. Kairuri Community Trust Loan</b>				
NZIS Loan to Kairuri Community Trust	(12,000)	12,000	-	-
<b>Total Kairuri Community Trust Loan</b>	<b>(12,000)</b>	<b>12,000</b>	<b>-</b>	<b>-</b>

In the 2018 financial year, Survey and Spatial New Zealand loaned a balance of \$20,000 in seeding funding to the Kairuri Community Trust. This loan is interest free, and the Board intends to forgive the balance of this loan over five years (\$4,000 annually). On consolidation the Community Trust and Institute balances net to zero.

## 9. Related Party Transactions

Haydn Smith (CEO of Survey and Spatial New Zealand until November 2018) is also a Director of Land Professionals NZ. During the year \$39,147 (2018: \$40,357) was paid to Land Professionals NZ for rent and various office expenses. This expenditure was conducted at arm's length during the normal course of business.





# LETTER OF EXPECTATION 2018-2019

As a result of rule changes confirmed at the last year's AGM, the S+SNZ Council is required to provide direction to the Board providing clarity on members' expectations and priorities for the next financial year. Below is the Letter of Expectation from the President to the Board.

## 2019-20 Council Expectations for the S+SNZ Board

I AM WRITING ON BEHALF of the S+SNZ (NZIS Inc) Council to set out our expectations in accordance with the Rules. As the Rules of S+SNZ were changed in November 2018 and the business plan and strategy have been previously approved, this letter provides the strategic direction and annual priorities for the remainder of this year to guide Board decisions and through until the end of the 2019/20 financial year.

The Council is committed to a vibrant surveying and spatial sector. It does so in the belief that success in the sector is foundational to the success of NZ Inc.

We recognise that collectively we are on a transformational journey to respond to the changing demands of our members, and to ensure that our organisation has the capability to support our members, in turn, to respond to the changing needs of our communities. We also recognise that in promoting our organisation as a home for the spatial profession, we need to develop an understanding of the unique demands of spatial members. As a not-for-profit organisation with voluntary membership, we recognise that there are risks with change, or not changing, and we will continue to engage with the Board especially on maintaining relevance, making an impact on the things that matter to NZ, and creating value for our members.

## Strategic context

Our members are presented with a wealth of opportunity to apply their knowledge, skills, and experience. As an organisation, we want to make a difference where it counts. This creates a challenge to mobilise our members with a sense of common purpose, to focus on the things that matter the most to our communities and to prioritise, so we make a real and positive impact. We are too small to go it alone and so must collaborate and partner. We must understand our place in broader systems in which there are multiple participants. And most importantly, we must play our part in solving the big problems or capitalising on the big emerging opportunities in order to be relevant.

The Council is committed to diversity amongst our members and behaving inclusively. We believe that through diversity, we will strengthen

our leadership, and find new people to collaborate with 2 and new solutions. We strongly encourage driving for diversity and encouraging inclusiveness throughout the business of S+SNZ. It is understood that this is a journey which will take some time and capability must be built for risks to be appropriately managed, especially amongst our leaders.

## **Specific expectations**

We expect that your prioritisation decisions will favour those projects and initiatives that will have the most impact in the following priority areas:

### ***Support the Spatial Strategy***

Without specific focus on advancing spatial understanding and the spatial value proposition in Survey and Spatial NZ, we will struggle to grow the number of spatial members. A culture change needs to be driven within our organisation in order to create space for spatial, which profession in its own right, not simply a capability within Survey and Spatial NZ. We will continue to make little progress unless we can demonstrate that we view spatial as a profession rather than a bolt-on stream, that we are willing to make space within the organisation and therefore that our offer to provide spatial professionals a home is a genuine one. It should be recognised that the spatial profession is relatively new in comparison to surveying and it is evolving rapidly due to it being largely technology-based, therefore it requires a different

approach to encouraging membership.

### ***Review and simplify governance arrangements***

We acknowledge that the organisation has a complex governance structure which in part reflects historic organisational structure, in part transitional arrangements resulting from the constitutional review in 2013, and in part a desired future state. We do not intend to embark on further constitutional reform but do expect the Board to progressively review implementation of the current governance arrangements to improve efficiency and effectiveness.

We note the Council has identified the same challenge in relation to its committees and policies. Membership participation and voluntary input is fundamentally important but, like the resourcing of National Office, resources are scarce, and we expect stewardship of those resources to be as effective as possible so that energy is focussed on our role in NZ society rather than internally focussed 'keeping the engine running'.

### ***Focus on key advocacy issues***

As much as possible, Council wants Survey and Spatial NZ resources to be focused on two large, key issues relevant to society that will unite and galvanise our membership.

We see the built environment (including housing) and

resilience as key issues where our contribution can make a difference, and that have the attention of central and local government, allied professions, and our communities.

Advocacy efforts should be focussed on nationally consistent frameworks, standards, and processes as they relate to surveying and spatial in the context of the built environment and resilience, with an emphasis (acknowledging the priorities of others) on advocating for NZVD2016 implementation, national standards for the capture of 'three waters' infrastructure, and open data.

### ***Professional regulation for surveyors***

As a professional body we are in the regulatory business. Our mandate to function in this way only comes from society if we are solving its problems. We must collaborate with other regulators and contributors in the systems in which our members function and ensure that our interventions are working well with those of others. Good regulatory practice is expected of us and that includes being clear on the problems we are helping to solve and monitoring and evaluating the effectiveness of our interventions.

If we do this well, then we will continue to enjoy the right to self-regulate our members' behaviour free from government intervention, and our members will benefit from knowing that the interventions are efficient and effective. Experience shows that professionals that serve society in such a way

receive rewards of freedom to operate, acceptance of fair and reasonable fees, and an elevated status and respect. It is of great value to perform this function well and we note the current plan to continue to focus on this area which we support.

Specifically, this year we wish to see significant progress towards: understanding the nature of the problem(s) in engineering design, construction and asset management as it relates to surveying and spatial that justify intervention; collaborating with other regulators and stakeholders; designing appropriate interventions if required, and; establishing a monitoring and evaluation framework to demonstrate the effectiveness of these interventions in engineering surveying over time.

In addition, we wish to see improvement in the professional examinations conducted under the existing arrangement with the Cadastral Surveyors Licencing Board.

One of the key tool-sets available to us is education and professional development. We fully support efforts on delivering high quality professional development events instead of, or in support of 'hard' interventions such as competency testing and certification.

## **Generic expectations**

### ***Communication***

It is important that we have consistent and clear messaging, supported by an appropriately resourced marketing plan, so

we can harness the energy of our members towards the areas of focus. The messages from Council, the Board, and National Office should all be consistent. A communications and engagement plan developed by National Office with input from the President and Board Chair would help to clarify who is communicating what, how and when. We support the continued development in digital communications, including improvements to our website.

Despite Council meeting only twice a year, we expect regular communication from the Board. While we need to recognise the separate functions and responsibilities, we encourage regular communication between the President, Chairperson, and Chief Executive.

### ***Strategic review***

The Council is focussed on implementing a strategy that will achieve our vision by making an impact where it matters the most. Council notes that progress has been made in many areas set out in the Strategic Plan 2015-2020. It is for the Board to determine its review cycle for the strategic plan and at this stage we expect that that will commence in 2019. However, we also expect that the Board will review the existing strategy this year in the context of this letter and adjust its plans accordingly.

### ***Early notification of any material changes in financial forecast***

While S+SNZ is a not-for-profit, we do expect the Board to

ensure there is a budget surplus or provide Council with timely advice of any risk to financial performance.

### ***Working together***

We are a small organisation and it is critical to our success that we work together while respecting our differing roles. We value the collegial approach to date, and we look forward to a continuation of the 'no-surprises' and communicative approach to strategy and plan development, meaningful consultation with our members, and appropriate transparency.

We understand that it is not the Board's role to undertake the "work" associated with advocacy activities. In most cases, the responsibility for driving specific actions will sit with working groups comprising experts identified through the streams and/or divisions. We must however recognise that individuals within the Board or Council may at times play a key role (for example by facilitating introductions to stakeholders) but they will do so in their capacity as a member of Survey and Spatial NZ. We will be in a much better position to achieve significant things when we work as a team and have a clear understanding of the value that each of us can bring.

Once the Board has developed its Annual Plan, we expect to be formally updated on progress at quarterly intervals. Council has the opportunity to provide feedback at Board meetings via the President.

### ***Prioritisation***

The Council understands that prioritisation is difficult and that

it is important that the Board makes some hard decisions. We expect to work with you so that the expectations of members and stakeholders are met through clear and effective communication about why we are prioritising and the trade-offs we are making.

## **Annex**

Attached is the timeline for the annual planning process. The changes to the rules mean that this may not be achieved this year, but this can be replaced by a realignment and prioritisation review in the light of this letter.

Yours sincerely



Rebecca Strang, President,  
Survey and Spatial New Zealand

## COMMERCIAL PARTNERS

OUR COMMERCIAL partners continued to strongly support us throughout the year with event sponsorship, service provision and as conference supporters. S+SNZ gratefully recognises and acknowledges this growing investment and the support given by this significant group of companies.

- **AllTerra** as Diamond Partner and Premier Conference Partner
- **GSI Insurance Brokers** (formerly Glenn Stone Insurance) as Diamond Partner and the Gala Conference Dinner Partner;
- **Global Survey** as Diamond Partner and conference Platinum Commercial Partner
- **Eighty4 Recruitment** as Diamond Partner and with recruitment and HR support
- **NXP** (formerly WINC) as conference Stationery Partner and NZ wide office equipment and support
- **Accurate Instruments** as Diamond Partner and conference Platinum Commercial Partner.

Two of our partners went through rebranding exercises throughout the year. Diamond Partner Glenn Stone Insurance became GSI Insurance Brokers and WINC became NXP, Net Express Procurement.

GSI Insurance Brokers expanded into Christchurch with Sean Lysaght introduced as a new Director and the southern contact. Members continue to have access to professional indemnity cover that has been specifically enhanced for the surveying and multidisciplinary sector through this partner.



