



**NZIS**  
New Zealand  
Institute of Surveyors  
Te Rōpū Kairūri o Aotearoa

# Annual Report

New Zealand Institute of Surveyors  
For the year ended 30 June 2018

Prepared by Hudson Taylor Chartered Accountants Limited

# Contents

3	Independent Auditor's Report
5	Statement of Financial Position
7	Statement of Profit or Loss
9	Statement of Movements in Equity
10	Notes to the Financial Statements

# Independent auditor's report

## To the Members of New Zealand Institute of Surveyors Group

### Opinion

We have audited the special purpose financial statements of New Zealand Institute of Surveyors and its subsidiary (from herein referred to as "the Group") on pages 5 to 15, which comprise the statement of financial position as at 30 June 2018 and the statement of profit or loss, and statement of movements in equity for the year then ended, and notes to the special purpose financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Group for the year ended 30 June 2018 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 Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the special purpose financial statements' section of our report.

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

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 Board of the Group to meet the requirements of its Rules, and to assist in assessing obligations to the Commissioner of Inland Revenue. As a result, the special purpose financial statements may not be suitable for another purpose.

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

The Board are responsible on behalf of the Group 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 Board determine is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board 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 Board 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 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

[https://xrb.govt.nz/Site/Auditing\\_Assurance\\_Standards/Current\\_Standards/Page8.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx)



**Moore Stephens Wellington Audit** | Qualified Auditors, Wellington, New Zealand  
14 September 2018

# Statement of Financial Position

New Zealand Institute of Surveyors

As at 30 June 2018

	NOTES	30 JUN 2018 KAIRURI COMMUNITY TRUST	30 JUN 2018 NZIS	30 JUN 2018 CONSOLIDATED GROUP	30 JUN 2017
<b>Assets</b>					
<b>Current Assets</b>					
Accounts Receivable		3,750	35,445	33,421	38,135
Bank Accounts & Cash		42,797	13,503	56,299	58,787
Forsyth Barr Cash Management Accounts	2	-	34,354	34,354	10,436
GST Receivable		-	10,058	10,058	5,993
Prepayments		1,413	3,733	5,146	1,103
Kairuri Community Trust Loan (Current Portion)		-	4,000	-	-
<b>Total Current Assets</b>		<b>47,960</b>	<b>101,093</b>	<b>139,279</b>	<b>114,454</b>
<b>Non-Current Assets</b>					
Fixed Assets	3	2,779	20,022	22,801	21,617
Kairuri Community Trust Loan		-	12,000	-	-
<b>Investments</b>					
Forsyth Barr Portfolio	4	-	483,426	483,426	455,698
<b>Total Investments</b>		<b>-</b>	<b>483,426</b>	<b>483,426</b>	<b>455,698</b>
<b>Total Non-Current Assets</b>		<b>2,779</b>	<b>515,448</b>	<b>506,227</b>	<b>477,315</b>
<b>Total Assets</b>		<b>50,739</b>	<b>616,541</b>	<b>645,506</b>	<b>591,769</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Bank Overdraft		-	34,186	34,186	-
Accounts Payable		5,648	125,437	125,312	112,424
Accrued Expenses		900	5,750	6,650	6,210
Income Tax Payable		-	-	-	832
Employee Entitlements		-	42,422	42,422	29,725
Income Received in Advance	5	-	5,000	5,000	5,000
NZIS Loan (Current Portion)		4,000	-	-	-
<b>Total Current Liabilities</b>		<b>10,548</b>	<b>212,795</b>	<b>213,569</b>	<b>154,191</b>
<b>Non-Current Liabilities</b>					
NZIS Loan		12,000	-	-	-
<b>Total Non-Current Liabilities</b>		<b>12,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>22,548</b>	<b>212,795</b>	<b>213,569</b>	<b>154,191</b>
<b>Net Assets</b>		<b>28,191</b>	<b>403,746</b>	<b>431,937</b>	<b>437,577</b>
<b>Accumulated and Special Funds</b>					
Retained Earnings		28,191	398,446	426,637	432,277
<b>Special Funds</b>					
Bogle Award		-	500	500	500

The accompanying notes form part of this financial statement

NOTES	30 JUN 2018 KAIRURI COMMUNITY TRUST	30 JUN 2018 NZIS	30 JUN 2018 CONSOLIDATED GROUP	30 JUN 2017
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
<b>Total Special Funds</b>	-	<b>5,300</b>	<b>5,300</b>	<b>5,300</b>
<b>Total Accumulated and Special Funds</b>	<b>28,191</b>	<b>403,746</b>	<b>431,937</b>	<b>437,577</b>

Rebecca Strang - President

Andrew Stirling - Chair

Date 14 September 2018

# Statement of Profit or Loss

## New Zealand Institute of Surveyors For the year ended 30 June 2018

	NOTES	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	2017
<b>Income</b>					
Commercial Income		-	80,770	80,770	79,414
Conference Commercial Income		-	63,790	63,790	58,795
Conference Income		-	120,104	120,104	77,841
CPD/Training Income		-	127,680	127,680	117,717
Investment Income	7	-	55,716	55,716	37,193
Members Fees NZ		-	528,873	528,873	512,871
Members Fees Overseas		-	10,273	10,273	12,535
NZSEA Income		-	79,221	79,221	77,905
Professional Examinations		-	46,767	46,767	32,301
Publication Advertising		-	16,970	16,970	18,930
RP Surv Fees		-	83,601	83,601	79,109
Sundry Revenue		-	738	738	5,425
ASaTS Revenue		-	103,657	103,657	-
Donations Received		26,550	-	26,550	-
Forgiveness of NZIS Loan	10	4,000	-	-	-
<b>Total Income</b>		<b>30,550</b>	<b>1,318,159</b>	<b>1,344,709</b>	<b>1,110,037</b>
<b>Total Income</b>		<b>30,550</b>	<b>1,318,159</b>	<b>1,344,709</b>	<b>1,110,037</b>
<b>Expenses</b>					
Accounting & Xero Fees		503	6,314	6,817	4,889
Annual Conference		-	235,621	235,621	128,978
ASaTS Expenses		-	103,657	103,657	-
Audit Fee		400	5,902	6,302	8,668
Awards		-	1,992	1,992	760
Bank Fees		-	579	579	1,843
Board Costs		-	14,606	14,606	19,004
Board/Council/Branch Delegate AGM Expenses		-	25,801	25,801	15,959
Branch Fees		-	18,026	18,026	18,523
Commercial Expenses		-	6,189	6,189	9,525
Committees		-	1,053	1,053	3,719
Communications		-	581	581	-
Council Meeting & General costs		-	7,015	7,015	5,946
Council Travel, Accommodation & Meals		-	14,189	14,189	20,655
CPD/Training Expenses		-	50,030	50,030	31,398
Credit Card Costs		-	7,900	7,900	6,589
Depreciation	3	121	10,994	11,115	18,616
FIG WW 2016 Expenses	8	-	-	-	2,894
Insurance		283	5,740	6,024	6,175
Interest Expense		-	377	377	-

The accompanying notes form part of this financial statement

	NOTES	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	2017
International Expenses		-	4,053	4,053	19,555
International Flights		-	11,803	11,803	-
Investment Management Fees		-	4,415	4,415	4,459
KiwiSaver Employer Contributions		-	14,406	14,406	13,828
Legal expenses		-	5,869	5,869	17,471
Miscellaneous Costs		-	-	-	5,000
NZSEA Expenses		-	89,261	89,261	69,491
Office Expenses		407	10,484	10,891	14,067
Postage & Courier		-	2,017	2,017	1,844
Power		-	1,503	1,503	1,514
Printing & Stationery		-	7,679	7,679	2,644
Professional Examinations		-	15,833	15,833	17,072
Professional Streams		-	3,159	3,159	5,952
Publications		-	49,129	49,129	45,034
Rent		-	27,077	27,077	27,135
Salaries & Wages		-	495,028	495,028	469,723
Sponsorship		-	4,000	4,000	1,370
Staff Support		-	11,175	11,175	13,103
Strategic Projects		-	41,072	41,072	31,922
Subscriptions NZ		-	225	225	2,283
Subscriptions Overseas		-	5,220	5,220	1,905
Telephone & Internet		-	19,854	19,854	9,267
Travel and Accommodation		-	-	-	-
Trustee Expenses		645	-	645	-
Website Expenses		-	10,344	10,344	12,807
Forgiveness of Kairuri Community Trust Loan	10	-	4,000	-	-
<b>Total Expenses</b>		<b>2,359</b>	<b>1,354,171</b>	<b>1,352,530</b>	<b>1,091,586</b>
<b>Net (Loss) Surplus Before Taxation</b>		<b>28,191</b>	<b>(36,012)</b>	<b>(7,821)</b>	<b>18,451</b>
<b>Taxation and Adjustments</b>					
Income Tax Expense	6	-	(2,279)	(2,279)	2,279
Tax Penalties		-	99	99	-
<b>Total Taxation and Adjustments</b>		<b>-</b>	<b>(2,180)</b>	<b>(2,180)</b>	<b>2,279</b>
<b>Net (Loss) Surplus for the Year</b>		<b>28,191</b>	<b>(33,832)</b>	<b>(5,641)</b>	<b>16,172</b>

The accompanying notes form part of this financial statement

# Statement of Movements in Equity

New Zealand Institute of Surveyors  
For the year ended 30 June 2018

	NOTES	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	2017
<b>Equity</b>					
Opening Balance		-	437,577	437,577	421,405
<b>Increases</b>					
(Deficit) Surplus for the Period		28,191	(33,832)	(5,641)	16,172
<b>Total Increases</b>		<b>28,191</b>	<b>(33,832)</b>	<b>(5,641)</b>	<b>16,172</b>
<b>Total Equity</b>		<b>28,191</b>	<b>403,746</b>	<b>431,937</b>	<b>437,577</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

## New Zealand Institute of Surveyors For the year ended 30 June 2018

### 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 an accruals basis to recognised on a cash basis as detailed below. All other policies have been applied on a consistent basis with those of the previous reporting period.

#### Consolidated Group

In the 2018 Financial Year the Kairuri Community Trust was established. Due to the contents of the Trust Deed the New Zealand Institute of Surveyors 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 for the 2018 financial year. The Community Trust only began activities in December 2018 and as such the 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 for July 2018 before returning to a limit of \$5,000. At balance date there was an overdraft of \$(34,186) (2017: \$nil).

#### 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 and also payments made for fixed assets not yet delivered. 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 2018. 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. There is no accrual for membership fees receivable at reporting date as payment is voluntary.

### 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 events held in future years is held on the Statement of Financial Position.

Amounts held are stated in Note 5.

## 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.

	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	NZIS 2017
<b>2. Short Term Deposits</b>				
Forsyth Barr - NZD Account	-	23,337	23,337	2,517
Forsyth Barr - AUD Account	-	4,606	4,606	2,628
Forsyth Barr - GBP Account	-	6,202	6,202	5,099
Forsyth Barr - USD Account	-	209	209	192
<b>Total Short Term Deposits</b>	<b>-</b>	<b>34,354</b>	<b>34,354</b>	<b>10,436</b>

	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	NZIS 2017
<b>3. Fixed Assets</b>				
<b>Furniture &amp; Fittings</b>				
At Cost	-	11,251	11,251	10,702
Less: Accumulated Depreciation	-	(9,339)	(9,339)	(9,100)
<b>Total Furniture &amp; Fittings</b>	<b>-</b>	<b>1,912</b>	<b>1,912</b>	<b>1,602</b>
<b>Office Equipment</b>				
At Cost	-	49,484	49,484	40,634
Less: Accumulated Depreciation	-	(38,868)	(38,868)	(35,176)
<b>Total Office Equipment</b>	<b>-</b>	<b>10,616</b>	<b>10,616</b>	<b>5,458</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	28,254
Less: Accumulated Depreciation	(121)	(21,190)	(21,311)	(14,127)
<b>Total Intangible Assets</b>	<b>2,779</b>	<b>7,064</b>	<b>9,843</b>	<b>14,127</b>
<b>Total Fixed Assets</b>	<b>2,779</b>	<b>20,022</b>	<b>22,801</b>	<b>21,617</b>
<b>Depreciation</b>				
Furniture & Fittings	-	239	239	244
Office Equipment	-	3,691	3,691	4,245
Intangible Assets	121	7,064	7,185	14,127
<b>Total Depreciation</b>	<b>121</b>	<b>10,994</b>	<b>11,115</b>	<b>18,616</b>

	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	NZIS 2017
<b>4. Investments</b>				
New Zealand Shares	-	132,406	132,406	126,468
New Zealand Bonds	-	156,432	156,432	166,826
New Zealand Property	-	35,710	35,710	34,710
International Shares	-	147,756	147,756	109,802
International Property	-	11,122	11,122	17,891
<b>Total Investments</b>	<b>-</b>	<b>483,426</b>	<b>483,426</b>	<b>455,697</b>

	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	NZIS 2017
<b>5. Income Received in Advance</b>				
Local Authority Surveyors Group	-	5,000	5,000	5,000
<b>Total Income Received in Advance</b>	<b>-</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>

Income received in advance includes amounts held for the Local Authority Surveyors Group and NZSEA, which are earmarked for the support of NZIS projects.

	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	NZIS 2017
<b>6. Income Tax Expense</b>				
<b>Net Surplus on Investment Income</b>				
Taxable Investment Income	-	15,877	15,877	17,051
Taxable/(Deductible) Portion of Non Member Revenue	-	(3,556)	(3,556)	-
Losses Brought Forward	-	(18,427)	(18,427)	-
<b>Total Net Surplus on Investment Income</b>	<b>-</b>	<b>(6,106)</b>	<b>(6,106)</b>	<b>17,051</b>
Taxable Surplus (Loss)	-	(6,106)	(6,106)	17,051
Tax Payable at 28%	-	-	-	4,774
<b>Deductions from Tax Payable</b>				
Dividend Imputation Credits Utilised	-	-	-	2,495
<b>Total Deductions from Tax Payable</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,495</b>
Tax Expense	-	-	-	2,279

Excess Imputation Credits of \$1,900 (2017: \$2,495) will be converted to tax losses brought forward of \$6,787 (2017: \$8,912).

	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	NZIS 2017
<b>7. Investment Income</b>				
Interest Received	-	7,365	7,365	7,721
Dividends Received	-	4,879	4,879	6,124
FIF Dividends	-	1,682	1,682	1,816
PIE Income	-	2,311	2,311	2,285
Realised Gain/(Loss) on Investments	-	330	330	(4,175)
Unrealised Gain/(Loss) on Investments	-	39,149	39,149	23,442
<b>Total Investment Income</b>	<b>-</b>	<b>55,716</b>	<b>55,716</b>	<b>37,213</b>

	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	NZIS 2017
<b>8. FIG Working Week 2016 Expenses</b>				
FIG Pre Event Costs	-	-	-	2,894
NZAID Expenses	-	-	-	-
<b>Total FIG Working Week 2016 Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,894</b>

## 9. 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.

	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	NZIS 2017
<b>Operating Lease Commitments</b>				
Current	-	26,184	26,184	27,077
Non Current	-	26,184	26,184	54,155
<b>Total Operating Lease Commitments</b>	<b>-</b>	<b>52,368</b>	<b>52,368</b>	<b>81,232</b>

	2018 KAIRURI COMMUNITY TRUST	2018 NZIS	2018 CONSOLIDATED GROUP	NZIS 2017
<b>10. Kairuri Community Trust Loan</b>				
NZIS Loan to Kairuri Community Trust	(16,000)	16,000	-	-
<b>Total Kairuri Community Trust Loan</b>	<b>(16,000)</b>	<b>16,000</b>	<b>-</b>	<b>-</b>

The Institute 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.

## 11. Related Party Transactions

Haydn Smith is also a Director of Land Professionals NZ. During the year \$40,367 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.