

NEW ZEALAND NUTRITION FOUNDATION

**ANNUAL REPORT
FOR THE YEAR ENDED
31 MARCH 2008**

NEW ZEALAND NUTRITION FOUNDATION

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FOR THE YEAR ENDED 31 MARCH 2008

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NEW ZEALAND NUTRITION FOUNDATION
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2008

	Note	2007
INCOME		
Project Income/(Loss)	(20,905)	9,500
Subscriptions/Membership	104,894	87,643
Consulting Fees	2,300	-
Income from Trust Funds	<u>27,447</u>	<u>24,783</u>
	113,737	121,926
Add SUNDRY INCOME		
Interest Received	2,194	3,151
Dividends Received	<u>1,489</u>	<u>1,332</u>
	<u>3,683</u>	<u>4,483</u>
	117,420	126,409
Less EXPENSES		
Accident Compensation Levy	439	370
Annual General Meeting Expenses	1,693	1,486
Audit Fees	3,200	2,530
Bank Charges	139	61
Cleaning	160	107
Computer Expense	2,540	784
Consultancy	273	1,992
Depreciation	374	150
Entertainment	-	34
General Expenses	970	1,674
Hire of Halls	-	824
Insurance	1,737	1,815
Interest Paid	<u>234</u>	<u>7</u>
Expenses C/Fwd	11,759	11,833

The attached notes form an integral part of these financial statements and are to be read in conjunction with them.

NEW ZEALAND NUTRITION FOUNDATION

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2008

	Note	2007
Expenses B/Fwd	11,759	11,833
Legal Re - Collections	500	-
Light and Power	1,103	558
Management and Secretarial	82,560	81,493
Office Expense	258	-
Postages	245	341
Printing and Stationery	5,109	4,220
Rates	94	2,410
Removal Expenses	765	-
Rent - Office	17,179	16,420
Repairs and Maintenance	-	135
Staff Training	860	533
Subscriptions	627	909
Telephone and Tolls	3,905	4,564
Travel Local	4,278	3,662
Travel Overseas	<u>3,406</u>	<u>-</u>
	<u>132,648</u>	<u>127,078</u>
NET SURPLUS/(DEFICIT) AFTER TAX TO ACCUMULATIONS	<u><u>(\$15,228)</u></u>	<u><u>(\$669)</u></u>

The attached notes form an integral part of these financial statements and are to be read in conjunction with them.

NEW ZEALAND NUTRITION FOUNDATION

STATEMENT OF MOVEMENTS IN ACCUMULATIONS

FOR THE YEAR ENDED 31 MARCH 2008

	2007	
EQUITY BROUGHT FORWARD	52,665	53,334
Net Surplus/(Deficit) for the Year	<u>(15,228)</u>	<u>(669)</u>
Total Recognised Revenues and Expenses for the Year	(15,228)	(669)
Project Reserve Fund Transferred to Accumulated Fund	<u>41,411</u>	<u>-</u>
EQUITY CARRIED FORWARD	<u><u>\$78,847</u></u>	<u><u>\$52,665</u></u>

The attached notes form an integral part of these financial statements and are to be read in conjunction with them.

NEW ZEALAND NUTRITION FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2008

	Note	2007
ACCUMULATIONS		
Salary Endowment Fund	330,000	330,000
Project Reserve Fund	-	41,411
Accumulated Fund	<u>78,847</u>	<u>52,665</u>
	<u>408,847</u>	<u>424,075</u>
	<u>\$408,847</u>	<u>\$424,075</u>
Represented by:		
CURRENT ASSETS		
NBNZ Current -00 acc	38,748	27,516
Petty Cash	194	200
Taxation Paid	409	324
Accounts Receivable	<u>36,278</u>	<u>34,581</u>
	75,630	62,620
Less CURRENT LIABILITIES		
Accounts Payable	1,309	2,175
Prepayments	-	1,000
Older Peoples Working Group	5 3,000	19,070
Emark Project	5 10,249	4,517
Goods and Services Tax	<u>7,186</u>	<u>6,070</u>
	<u>21,744</u>	<u>32,833</u>
WORKING CAPITAL C/Fwd	53,886	29,787

The attached notes form an integral part of these financial statements and are to be read in conjunction with them.

NEW ZEALAND NUTRITION FOUNDATION

STATEMENT OF FINANCIAL POSITION

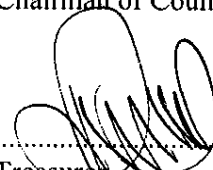
AS AT 31 MARCH 2008

	Note		2007
WORKING CAPITAL B/Fwd		53,886	29,787
Add FIXED ASSETS PER SCHEDULE	10	<u>2,757</u>	<u>745</u>
		56,643	30,532
Add TERM INVESTMENTS			
Fixed Deposit		250,639	267,891
Burns Philp Finance NZ Ltd		50,218	50,226
Kiwi Income Property Trust	11	11,883	11,883
Wespac Investments	11	<u>17,260</u>	<u>-</u>
Total Investments of Salary Endowment Fund		<u>330,000</u>	<u>330,000</u>
		386,643	360,532
Add OTHER INVESTMENTS			
NBNZ Call - 25 acc		22,205	11,291
Westpac Investments	11	-	17,260
Fixed Deposit		<u>-</u>	<u>34,993</u>
		<u>22,205</u>	<u>63,544</u>
		<u>\$408,847</u>	<u>\$424,075</u>

Approved on behalf of the Board of Foundation, dated 8/8/08.



 Chairman of Council



 Treasurer

The attached notes form an integral part of these financial statements and are to be read in conjunction with them.

NEW ZEALAND NUTRITION FOUNDATION
STATEMENT OF ACCOUNTING POLICIES
AND NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008

1. STATEMENT OF ACCOUNTING POLICIES

GENERAL ACCOUNTING POLICIES

Reporting Entity

New Zealand Nutrition Foundation is registered under the Charitable Trusts Act 1957.

The financial statements of New Zealand Nutrition Foundation have been prepared in accordance with generally accepted accounting practice.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Charitable Trust.

2. PARTICULAR ACCOUNTING POLICIES

(a) Differential Reporting

The Charitable Trust is a qualifying entity for differential reporting as it is not publicly accountable and by virtue of its size.

The Charitable Trust has taken advantage of all differential reporting concessions.

(b) Accounts Receivable

Accounts receivable are valued at expected realisable value.

(c) Fixed Assets & Depreciation

Fixed assets are recorded initially at cost. Depreciation is provided on the diminishing balance method at rates calculated to allocate the cost less estimated residual value over the estimated economic lives of the assets. The current rates of depreciation, which are the maximum allowed by the Inland Revenue Department, are disclosed in the attached schedule of fixed assets and Note 10.

(d) Income Taxation

New Zealand Nutrition Foundation is an approved charitable organisation recognised by the Inland Revenue Department. As such, it is exempt from income tax on income derived for charitable purposes.

NEW ZEALAND NUTRITION FOUNDATION

STATEMENT OF ACCOUNTING POLICIES

AND NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2008

(e) Investments

Investments are recorded at cost.

(f) Leases

Lease payments under operating leases are charged as expenses in the periods in which they are incurred.

(g) Goods & Services Tax

These financial statements have been prepared exclusive of Goods and Services Tax.

3. CHANGES IN ACCOUNTING POLICIES

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

4. BUSINESS

The principal activity is that of Nutritional Research.

5. CURRENT PROJECTS

The following projects were not completed as at 31 March 2008 and therefore the balances represent monies held to cover future expenditure.

Older People's Working Group

	2008	2007
Income		
Sponsorship	13,000	11,200
Seminar Income	5,264	14,002
Surplus B/Fwd from previous years	<u>19,070</u>	<u>18,756</u>
Total Income	<u><u>\$37,334</u></u>	<u><u>\$43,958</u></u>

NEW ZEALAND NUTRITION FOUNDATION
STATEMENT OF ACCOUNTING POLICIES
AND NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008

CURRENT PROJECTS Continued

Expenses

Conference & Meeting Expenses	8,624	9,989
Printing & Stationary	861	4,038
Travel Expenses	4,344	1,361
Transfer to Project Income	<u>20,506</u>	<u>9,500</u>
Total Expenses	<u>\$34,334</u>	<u>\$24,888</u>
Balance to C/fwd from Older People's Working	<u>\$3,000</u>	<u>\$19,070</u>

Emark Project

	2008	2007
Income		
Sponsorship	27,420	10,000
Surplus B/fwd from previous year	<u>4,517</u>	<u>11,044</u>
Total Income	<u>\$31,937</u>	<u>\$21,044</u>

Expenses

Printing & Stationary	-	1,051
Travel Expenses	2,303	1,493
Conference and Meeting Expenses	411	840
Trademark Expenses	-	13,706
Salary	54,000	8,025
Website Development	1,170	-
Trademark Expenses	5,215	-
Transfer to Project (Loss)	<u>(41,411)</u>	<u>(8,589)</u>
Total Expenses	<u>\$21,689</u>	<u>\$16,526</u>
Balance to C/Fwd from Emark Project	<u>\$10,249</u>	<u>\$4,517</u>

6. CAPITAL COMMITMENTS

The Foundation has no capital commitments (2007 - \$0).

NEW ZEALAND NUTRITION FOUNDATION

STATEMENT OF ACCOUNTING POLICIES

AND NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2008

7. OBLIGATIONS UNDER LEASES

The Foundation moved to Level 2, NZI House, 507 Lake Road, Takapuna on 16 May 2007.

The Foundation moved to 36B Hurstmere Road, Takapuna on 2 October 2005. The previous lease on 1 Summerhill Place, St Heliers expired on 31 October 2005. The lease was assigned until 17 May 2007 when there is two renewal periods each of 2 years.

The obligations payable after balance date on the non-cancellable operating lease are as follows:

	2008	2007
Current	14,100	2,114
Non-Current	<u>30,550</u>	<u>-</u>
	<u><u>\$44,650</u></u>	<u><u>\$2,114</u></u>

NEW ZEALAND NUTRITION FOUNDATION
STATEMENT OF ACCOUNTING POLICIES
AND NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008

8. RELATED PARTY DISCLOSURES

There were no related party transaction during the year (2007 - \$0).

9. CONTINGENT LIABILITIES

The Foundation has no contingent liabilities (2007 - \$0).

10. FIXED ASSETS

2008	Depn Rate(DV)	Cost	Accum Depn	Closing Bk Value	Depn
Office Equipment	12-36%	23,370	(22,749)	621	124
Leasehold	12%	<u>2,386</u>	<u>(250)</u>	<u>2,136</u>	<u>250</u>
		<u>\$25,756</u>	<u>(\$22,999)</u>	<u>\$2,757</u>	<u>\$374</u>

2007	Depn Rate(DV)	Cost	Accum Depn	Closing Bk Value	Depn
Office Equipment	12-36%	<u>23,370</u>	<u>(22,625)</u>	<u>745</u>	<u>150</u>
		<u>\$23,370</u>	<u>(\$22,625)</u>	<u>\$745</u>	<u>\$150</u>

11. SHARES

2008	# Shares	Market Value	Cost Price
Kiwi Income Property Trust	11,418	13,816	11,883
Westpac Investments	1,000	<u>27,000</u>	<u>17,260</u>
		<u>\$40,816</u>	<u>\$29,143</u>

2007	# Shares	Market Value	Cost Price
Kiwi Income Property Trust	11,418	18,840	11,883
Westpac Investments	1,000	<u>29,750</u>	<u>17,260</u>
		<u>\$48,590</u>	<u>\$29,143</u>

NEW ZEALAND NUTRITION FOUNDATION

SCHEDULE OF FIXED ASSETS AND DEPRECIATION

FOR THE YEAR ENDED 31 MARCH 2008

Asset	Private Use	Cost Price	Book Value 01/04/2007	Additions Disposals	Gain/Loss on Disposal	Capital Profit	---- Depreciation ---- Mth Rate \$	Accum Deprec 31/03/2008	Book Value 31/03/2008
<u>OFFICE EQUIPMENT</u>									
Office Furniture									
Additions		3,387	61				12 20.0% DV	3,338	49
Additions		1,144	41				12 26.0% DV	1,114	30
Additions		879	42				12 20.0% DV	845	34
Additions		185	10				12 20.0% DV	177	8
Additions		1,723					12 8Yr SL	1,723	0
Additions		508					12 8Yr SL	508	0
Filing Cabinet		409	24				12 20.0% DV	390	19
Bookcase		633					12 6Yr SL	633	0
Misc Office Equipment		5,686	82				12 20.0% DV	5,620	66
Cabinets		2,479	448				12 14.4% DV	2,096	383
Filing Cabinet		191	35				12 14.4% DV	161	30
Software		204	2				2Yr SL	202	2
Computer HPD330		1,999					2Yr SL	1,999	0
Computer HPD330		1,673					2Yr SL	1,673	0
Brother Printer		1,430					2Yr SL	1,430	0
Additional Software		300					2Yr SL	300	0
Backup System and UPS		540					2Yr SL	540	0
TOTAL OFFICE EQUIPMENT		23,370	745				124	22,749	621
<u>LEASEHOLD IMPROVEMENTS</u>									
Timber Partitions				1,118			11 12.0% DV	123	995

The attached notes form an integral part of these financial statements and are to be read in conjunction with them.

NEW ZEALAND NUTRITION FOUNDATION
SCHEDULE OF FIXED ASSETS AND DEPRECIATION
FOR THE YEAR ENDED 31 MARCH 2008

Asset	Private Use	Cost Price	Book Value 01/04/2007	Additions Disposals	Gain/Loss on Disposal	Capital Profit	---- Depreciation ---- Mth Rate	Accum Deprec 31/03/2008	Book Value 31/03/2008
Glass				1,268			10 12.0% DV	127	1,141
TOTAL LEASEHOLD IMPROVEMENTS				2,386				250	2,136
TOTAL FIXED ASSETS		23,370	745	2,386				374	2,757

The attached notes form an integral part of these financial statements and are to be read in conjunction with them.

AUDITORS' REPORT TO THE READERS OF THE
FINANCIAL REPORT OF THE NEW ZEALAND NUTRITION FOUNDATION

I have audited the financial report on pages 2 to 13. The financial report provides information about the past financial performance of the Foundation and its financial position as at 31 March 2008. This information is stated in accordance with the accounting policies set out on pages 7 and 8.

Council's Responsibilities

The Council is responsible for the preparation of a financial report which fairly reflect the financial position of the Foundation as at 31 March 2008 and of the results of operations for the year ended 31 March 2008.

Auditor's Responsibilities

It is my responsibility to express an independent opinion on the financial report presented by the Council and report my opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:-

- * the significant estimates and judgements made by the Council in the preparation of the financial report, and
- * whether the accounting policies are appropriate to the Foundation's circumstances, consistently applied and adequately disclosed.

I conducted my audit in accordance with generally accepted auditing standards in New Zealand. I planned and performed my audit so as to obtain all the information and explanations which I considered necessary. I obtained sufficient evidence to give reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in my capacity as auditor, I have no relationship with or interests in the Foundation.

Qualification

Control over seminar income, prior to being recorded is limited. As an audit procedure, it was not practicable to extend my examination of seminar beyond the accounting for amounts received as shown by the books and records of the Foundation.

Qualified Opinion

In this respect alone, I have not obtained all the information and explanations I have required.

In my opinion, except for adjustments that might have been necessary had I been able to obtain sufficient evidence concerning the controls over seminar income:

- * proper accounting records have been kept by the Foundation as far as appears from my examination of those records; and
- * the financial report on pages 2 to 13
 - comply with generally accepted accounting practice;
 - fairly present the financial position of the Foundation as at 31 March 2008 and the results of its operations for the year ended on that date.

My audit was completed on *13 August 2008* and my qualified opinion is expressed as at that date.

C R WYLIE
CHARTERED ACCOUNTANT



P O Box 3015, Auckland