

Statement of Financial Performance

FOR THE YEAR ENDED 29 FEBRUARY 2012

	Note	Group		National Office	
		2012 \$	2011 \$	2012 \$	2011 \$
Income					
Subscriptions – Forest & Bird		525,584	578,068	525,584	578,068
– Kiwi Conservation Club		85,007	98,418	85,007	98,418
Sustain		112,008	114,057	112,008	114,057
Donations – General	13	1,464,414	849,560	1,472,987	951,809
Donations – Endowment Fund		24,257	250	-	-
Appeals	14	270,654	299,589	270,654	304,589
Grants	15	892,991	1,293,395	641,535	714,522
Sponsorship	16	71,711	166,314	71,711	165,314
Fundraising		-	3,505	-	3,505
Other Operating Income		512,544	573,801	393,772	191,225
Bequests	5	1,320,848	1,048,874	1,174,219	1,045,394
TOTAL OPERATING INCOME		5,280,018	5,025,831	4,747,477	4,166,902
Expenditure					
Nature Conservation Beyond Public Protected Areas		1,313,098	1,428,334	942,685	762,594
Defending & Expanding Protected Area Networks		782,321	1,040,729	737,734	1,039,141
An Ecologically Sustainable Economy		163,375	12,064	162,025	2,734
International		225,271	156,504	225,271	156,504
Communications		546,068	558,754	497,314	508,109
KCC		346,748	368,187	336,567	354,132
Marketing & Promotion		164,891	118,351	164,891	118,351
Membership & Fundraising		2,165,210	1,511,334	2,123,250	1,465,360
Branch Support		139,196	140,262	170,124	173,585
Governance		231,940	175,323	196,649	140,677
Planning and Reporting		220,187	152,315	210,119	142,641
Donations		17,831	40,074	-	-
Other Branch Operation Expenditure		95,924	83,199	-	-
TOTAL OPERATING EXPENDITURE		6,412,058	5,785,429	5,766,629	4,863,828
Operating Surplus / (Deficit) for the year		(1,132,040)	(759,597)	(1,019,152)	(696,926)
Other Income					
Interest Received		219,208	288,718	44,955	109,962
Interest & Dividends Received – Endowment Fund		193,776	219,208	15,065	44,955
Interest & Dividends Received – Endowment Fund		135,935	119,760	-	-
Sale of Shares		-	4,260	-	-
TOTAL OTHER INCOME		329,711	343,228	15,065	44,955
Other Expenditure					
Loss on Sale of Shares		6,004	33,002	-	-
Loss on Sale of Shares		5,213	6,004	-	-
Endowment Fund Expenditure		164,491	45,026	-	-
		169,704	51,030	-	-
Surplus / (Deficit) for the year		(972,033)	(467,399)	(1,004,087)	(651,971)



Forest & Bird
GIVING NATURE A VOICE

Statement of Movements in Member Funds

FOR THE YEAR ENDED 29 FEBRUARY 2012

	Note	Group		National Office	
		2012 \$	2011 \$	2012 \$	2011 \$
Income					
Opening Balance		9,066,443	9,533,842	1,442,397	2,094,368
Plus Surplus / (Deficit) for year					
Current Year Surplus / (Deficit)		(972,033)	(467,399)	(1,004,087)	(651,971)
		8,094,410	9,066,443	438,310	1,442,397
Transfer to Reserves					
		-	-	-	-
		8,094,410	9,066,443	438,310	1,442,397
MOVEMENT IN RESERVES		9,066,443	9,397,932	1,442,396	1,958,458
Movement in Branch Reserves		-	-	-	-
Ruapehu Replacement Reserve		-	-	-	-
Closing Balance		8,094,410	9,066,443	438,310	1,442,397



The attached notes form part of and are to be read in conjunction with this Statement of Financial Performance

Statement of Financial Position

FOR THE YEAR ENDED 29 FEBRUARY 2012

Note	Group		National Office	
	2012 \$	2011 \$	2012 \$	2011 \$
Members Funds				
Opening Balance	9,066,443	9,533,842	1,442,397	2,094,368
Surplus / (Deficit)	(972,033)	(467,399)	(1,004,087)	(651,971)
Closing Balance	8,094,410	9,066,443	438,310	1,442,397
Current Liabilities				
Bank Overdraft	97,846	-	97,846	-
Accounts Payable	6 936,575	583,376	884,991	519,177
Income Received in Advance	7 320,284	355,636	320,284	352,113
Rental Income Received in Advance	8 149,650	151,381	-	-
Deferred Income	9 734,529	626,166	507,282	453,500
	2,238,884	1,716,559	1,810,404	1,324,789
Other Liabilities				
Restricted Funds	12 829,825	711,457	1,051,923	1,092,072
TOTAL MEMBERS	11,163,118	11,494,459	3,300,637	3,859,258
FUNDS & LIABILITIES				
Current Assets				
Cash	533,653	815,260	12,786	392,036
Deposits (On Call)	316,032	333,630	57	1,768
Deposits (Fixed Term)	2,780,324	3,063,153	175,504	485,115
Accounts Receivable	10 414,406	283,507	386,896	254,937
Inventory	6,289	7,547	3,841	5,798
	4,050,704	4,503,096	579,083	1,139,654
Investments				
Shares and Other Securities	634,606	600,849	25,653	25,653
	2,631,806	2,711,104	-	-
	3,266,412	3,311,953	25,653	25,653
Fixed Assets	11 3,016,177	2,967,953	1,643,977	1,601,879
Other Assets				
Restricted Funds	12 829,825	711,457	1,051,923	1,092,072
TOTAL ASSETS	11,163,118	11,494,459	3,300,637	3,859,258



G Bellamy
Treasurer
For and on behalf of the Executive

The attached notes form part of and are to be read in conjunction with this Statement of Financial Position

Notes to the Accounts

FOR THE YEAR ENDED 29 FEBRUARY 2012

1 STATUTORY BASE

The financial statements relate to the activities of the National Office and Auckland, Mt Maunganui, Christchurch, Dunedin and Nelson Field Offices and Branches.

These financial statements have been prepared in accordance with the Incorporated Societies Act 1908, Charitable Trusts Act 2005 and the Financial Reporting Act 1993.

2 MEASUREMENT BASE

(i) The measurement base adopted is that of historical cost.

(ii) Revenue earned and the expenses incurred are matched using accrual accounting concepts.

(iii) Reliance is placed on the fact that the Society is a going concern.

3 STATEMENT OF ACCOUNTING POLICIES

The following accounting policies are recognised as appropriate and have been adopted in the preparation of the financial statements:

FIXED ASSETS

Fixed Assets are shown at cost less depreciation charged at the following rates over their estimated useful lives as stated:

Office Buildings	Straight Line	5 years	Motor Vehicles	Straight Line	5 years
Lodge Buildings	Straight Line	40 years	Office Equipment	Straight Line	5 years
Furniture and Fittings	Straight Line	5-10 years			

INVENTORY

Inventory has been valued at the lower of cost or estimated net realisable value.

ACCOUNTS RECEIVABLE

Accounts Receivable are recorded at estimated realisable value.

INVESTMENTS

Investments have been recorded at cost.

SHARES AND OTHER SECURITIES

Shares have been valued at cost or at market value on the date of receipt of bequest.

GIFTED LAND

Land which has been bequeathed to the Society for no cost has not been recorded in the financial statements, due to difficulties and costs related to valuation procedures.

GOVERNMENT GRANTS AND DEFERRED INCOME

Revenue from Government grants is taken up in the period that the qualifying expenditure is incurred. Other income is deferred if it can be matched to specific future expenditure with reasonable certainty.

TAXATION

As the Society has been granted charitable status by the Inland Revenue Department, no taxation has been provided for in the accounts other than amounts payable or receivable for Goods and Services Tax.

WEBSITE DEVELOPMENT

Website development expenditure is capitalised when incurred.

GOODS AND SERVICES TAX (GST)

The accounts are prepared on a GST exclusive basis, except for Accounts Receivable and Accounts Payable which are stated GST inclusive.

DIFFERENTIAL REPORTING

The Society is a qualifying entity for differential reporting. Accordingly no statement of cash flows is required to be prepared. The Society has taken full advantage of all available exemptions apart from GST, the statements are presented exclusive of GST.

4 CHANGES IN ACCOUNTING POLICIES

All policies have been applied on bases consistent with those used in previous year.

5 BEQUESTS

Bequests received during 2011/2012 for National Office were as follows: Frederick Adams \$1,033; Gretha Appleby \$90,982; Colin Armishaw \$15,000; Josephine Bassett \$300; Judith Bird \$100,851; Gary Broker \$33,379; Ian Brown \$1,229; Margaret Clarke \$500; Lillian Dyett \$259,055; Estate Leslie Charles Doubleday \$320; Veronica Friedlander \$10,000; Alyse Holloway \$125,000; Theresa Kemp \$160,567; B Marchant \$5,000; Margaret Hayes \$29,923; Joyce Megget \$18,931; Florence Phibbs \$48,006; Christopher Pryor \$5,000; Public Trust Nelson \$900; Margaret Rea \$4,000; Raymond Rolfe \$6,534; Joseph Routledge \$5,000; Mildred Simpson \$99,460; Gabrielle Smith \$2,000; Pauline Stafford \$5,000; Katherine Struthers \$6,750; Sybil Mary Gaudin Charitable Trust \$4,383; Karen Telford \$5,000; The Betty Stoker Charitable Trust \$2,902; Logan Bell \$1,500; The Frederick & Audrey Adams Trust \$2,200; The Hazel Traynor Charitable Trust \$6,841; The Ivan & Nancye Davis Charitable Trust \$1,035; Evelyn Tonks \$1,000; Daphne Watts \$87,550; Margaret West \$5,888; Morva Williams \$21,200.

Bequests received during 2011/2012 for Branches totalled \$146,629.

6 ACCOUNTS PAYABLE

All accounts are paid as they fall due, and all known liabilities for events occurring before balance date have been accrued.

7 INCOME RECEIVED IN ADVANCE

Income received from members' subscriptions to Forest & Bird and Kiwi Conservation Club is matched using accrual accounting concepts. Membership fees are paid on an annual basis for a 12 month period and spans balance date for some members. In order to calculate income received in advance, it is assumed that the 12 month renewal period starts from the month the payment is received.

Life Membership subscriptions are shown in deferred income and released to subscriptions income over fifteen for life members to 28 February 2010 and over twenty-six years for life members from 1 March 2010.

8 RENTAL INCOME RECEIVED IN ADVANCE

Rental income received in advance relates to property purchased by the Society on Waiheke Island. This purchase included a lease back to the vendor for a period of 34 years. Rental is to be allocated over this term at \$4,731 per annum.

9 DEFERRED INCOME

DEFERRED INCOME - NATIONAL OFFICE

This comprises Unspent Grants of \$456,002 (\$404,853); Life Membership Provision \$51,042 (\$48,408); Other Income In Advance \$238 (\$238).

DEFERRED INCOME - BRANCHES

This comprises Unspent Grants of \$227,247 (\$172,666).

10 ACCOUNTS RECEIVABLE

National Office comprised Trade Receivables \$134,951 (\$98,153); Other Receivables \$251,944 (\$156,785). Branch receivables totalled \$27,511 (\$28,568).

11 FIXED ASSETS

All land is stated at cost. No revaluations have been made.

	Cost or Valuation \$	Dep'n to date \$	Dep'n 2012 \$	Book Value 2012 \$	Book Value 2011 \$
Land	159,415	-	-	159,415	159,415
Buildings	1,339,120	113,712	38,985	1,225,408	1,142,079
Furniture and Fittings	81,899	40,808	12,266	41,092	46,681
Office Equipment	539,382	330,564	79,900	208,818	242,148
Motor Vehicles	41,777	32,532	2,311	9,245	11,556
Total National Office Fixed Assets	2,161,593	517,616	133,462	1,643,977	1,601,879
Branch Fixed Assets	1,424,356	52,156	6,043	1,372,200	1,366,075
Total Fixed Assets	3,585,949	569,772	139,505	3,016,177	2,967,953

Due to the inherent difficulties with the valuation of reserve land, valuations have not been sought, or included in these financial statements.

12 RESTRICTED FUNDS

The National Office have deposited funds at The National Bank of New Zealand, on behalf of branches and other entities. These funds are administered by National Office. They are not available for use by the National Office for its general purposes. Total funds invested as at 29 February 2012 were \$1,051,923 (\$1,092,072) Irwin Legacy \$68,726 (\$66,705); Rotorua Branch \$135,000 (\$135,000); Stewart Island Section \$61,623 (\$63,318); Sutherland Trust \$32,243 (\$37,503); Tautuku Lodge \$163,593 (\$161,039); Environmental Defence Fund \$199,583 (\$191,502); J Barrington Bequest \$26,900 (\$26,102); Horner Fund \$192,266 (\$192,319); Fensham Reserve \$45,576 (\$39,115); Manawatu Branch \$0 (\$25,295); Other Funds Totalled \$126,413 (\$154,173).

In the consolidated figures, funds held on behalf of Branches has been eliminated to leave the other funds held of \$829,825 (\$711,457).

13 GENERAL DONATIONS

Donations from Branches received during 2011/2012 for National Office were as follows: Dunedin \$20,500; Hastings-Havelock North \$1,600; Hauraki Islands \$3,000; Kapiti-Mana \$3,800; Mercury Bay \$302; Napier \$1,000; Nelson-Tasman \$11,535; North Taranaki \$272; Rotorua \$2,000; South Auckland \$600; South Otago \$530; Tauranga \$11,000; Thames-Hauraki \$1,000; Waikato \$22,810; Wairarapa \$1,000.

General donations include donations to the Kiwi Conservation Club of \$2,878 (\$4,457).

Donations received during 2011/2012 by Branches totalled \$84,614 (\$82,221).

14 APPEALS

Appeal donations from Branches received during 2011/2012 for National Office were as follows:

Dunedin \$1,050; Eastern Bay of Plenty \$1,000; Golden Bay \$1,150; Hastings-Havelock North \$255; Horowhenua \$700; Lower Hutt \$2,000; Mercury Bay \$750; Mid North \$600; Napier \$2,000; North Taranaki \$2,000; Rotorua \$2,000; South Auckland \$100; Southland \$250; Tauranga \$1,000; Thames-Hauraki \$100; Waikato \$1,117.

15 GRANTS

Grants received during 2011/2012 for National Office were as follows: Biofunds (DOC) \$11,776; Pew Environment Group \$40,323; Lion Foundation \$1,337; Guardian Trust \$15,511; Southern Trust \$25,000; First Sovereign \$4,000; Sutherland Trust \$4,313; T Gear Trust \$1,508; Stout Trust \$8,367; Guardian Trust \$5,000; BirdLife International \$9,591; Rodmor No.2 Trust \$17,344; Biofunds (DOC) \$27,826; BirdLife International \$45,779; T Gear Trust \$149,924; Bay of Plenty Community Trust \$10,000; Trust Waikato \$2,000; Winston Churchill Trust \$220; Wellington City Council \$3,000; Infinity Foundation \$1,374; BirdLife International \$5,451; BirdLife International \$3,852; BirdLife Community Conservation \$28,000; Lion Foundation \$5,000; Graham Hirst Charitable Trust \$7,000; Antarctic Oceans Alliance \$2,000; Pelorus Trust \$2,000; NZ Lotteries \$5,069.

Grants were received from the following branches for the New Zealand Storm Petrels Project: Central Auckland \$2,000; Hauraki Islands \$1,000. Grants received during 2011/2012 for Branches totalled \$251,456 (\$578,873).

16 SPONSORSHIP

Trade Me \$1,974; Flooring Xtra \$25,409; Vero Insurance \$1,802; Lush \$3,002; The National Bank of New Zealand \$10,000; Huia Candles \$25; BNZ Save the Kiwi Trust \$25,000; Brita Water Filter Systems \$2,500; Winstone Aggregates \$2,000.

17 ADMINISTERED FUNDS

National Office also administers the funds of the Threatened Species Trust Programme and the JS Watson Conservation Trust. These funds are not included in the financial statements as the Society is effectively acting as a Trustee.

18. OPERATING LEASE COMMITMENTS

National Office commitments under a non-cancellable operating lease:

	National Office	
	2012 \$	2011 \$
Less than one year	74,760	144,062
One year to two years	43,564	33,839
Two years to five years	49,515	41,127
	167,839	219,028

Branches – no commitments existed under non-cancellable operating leases as at 29 February 2012.

19 EXECUTIVE HONORARIUM

Honorarium paid to Executive Committee members during the year:

A Cutler \$8,000 (\$4,000); B Wards \$0 (\$8,000)

20 OPERATING SURPLUS / (DEFICIT) FOR THE YEAR

	Group		National Office	
	2012 \$	2011 \$	2012 \$	2011 \$
Operating Surplus / (Deficit) for the year after deducting:	(1,132,040)	(759,597)	(1,019,152)	(696,926)
Audit Fees - National Office	14,211	32,630	14,211	32,630
Audit Fees - Other Firms	10,069	9,673	-	-
Honoraria	14,985	16,114	8,000	12,000
Rent	170,454	168,342	168,584	166,300

21 CHANGE IN OUTPUT DEFINITION

Output headings were changed for the year ended 29 February 2012 to align with the strategic plan.

As a result of the change in output definition, the financial statements for the year ended 28 February 2011 have been restated as follows:

	Group			National Office		
	Original 2010/2011 \$	Restated 2010/2011 \$	Change \$	Original 2010/2011 \$	Restated 2010/2011 \$	Change \$
Expenses						
Terrestrial Biodiversity	1,851,806	-	1,851,806	1,186,066	-	1,186,066
Freshwater	196,230	-	196,230	194,641	-	194,641
Marine	426,504	-	426,504	417,175	-	417,175
Nature Conservation Beyond Public Protected Areas	-	1,428,334	(1,428,334)	-	762,594	(762,594)
Defending & Expanding Protected Area Networks	-	1,040,729	(1,040,729)	-	1,039,141	(1,039,141)
An Ecologically Sustainable Economy	-	12,064	(12,064)	-	2,734	(2,734)
International	156,178	156,504	(326)	156,178	156,504	(326)
Communications & Promotions	672,550	-	672,550	621,905	-	621,905
Communications	-	558,754	(558,754)	-	508,109	(508,109)
KCC	369,295	368,187	1,108	355,241	354,132	1,109
Marketing & Promotion	-	118,351	(118,351)	-	118,351	(118,351)
Membership & Fundraising	1,521,817	1,511,334	10,483	1,475,844	1,465,360	10,484
Branch Support	139,828	140,262	(434)	173,150	173,585	(435)
Governance	175,507	175,323	184	140,861	140,677	184
Planning and Reporting	152,441	152,315	126	142,767	142,641	126
Donations	40,074	40,074	-	-	-	-
Other Branch Operation Expenditure	83,199	83,199	-	-	-	-
	5,785,429	5,785,429	0	4,863,828	4,863,828	0

22 IMPACT OF NEW ZEALAND EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

In November 2004 the Accounting Standards Review Board (ASRB) approved the adoption of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS). At that time, the ASRB announced the adoption of NZ IFRS would be mandatory for reporting entities with accounting periods beginning on or after 1 January 2007.

In September 2007 the ASRB announced that for certain small to medium size entities the mandatory adoption of NZ IFRS had been delayed. These entities can continue to apply New Zealand Generally Accepted Accounting Principles (NZ GAAP) as prescribed by New Zealand Financial Reporting Standards and Statements of Standard Accounting Practice.

Royal Forest & Bird Protection Society meets the criteria for deferral of NZ IFRS due to not being publicly accountable and its size. The accounts have been prepared on a NZ GAAP basis, consistent with previous periods.

The Ministry of Economic Development (MED) is considering the financial reporting regime for not for profit entities. It is not yet known what the outcome of this work will be, nor if there will be any change in NZ IFRS adoption requirements.

23 CONTINGENT LIABILITY

As at 29 February 2012 there were no contingent liabilities known to the National Executive.

24 CONSOLIDATION OF BRANCHES

The financial statements of the branches of the Royal Forest & Bird Protection Society for the year ended 29 February 2012 have been included in the consolidated financial statements using the purchase method. All significant inter entity transactions have been eliminated on consolidation.

Branches included in the consolidation: Ashburton, Central Auckland, Central Hawkes Bay, Dunedin, Dunedin - LENZ, Eastern Bay of Plenty, Far North, Franklin, Gisborne Golden Bay, Hastings/Havelock North, Hauraki Islands, Hibiscus Coast, Horowhenua, Kaipara, Kapiti, Lower Hutt, Manawatu, Marlborough, Mercury Bay, Mid North, Napier, Nelson/Tasman, North Canterbury, North Shore, North Taranaki, Northern Rangitikei, Rotorua, South Canterbury, South Otago, South Taranaki, Southland, Taupo, Tauranga, Te Puke, Thames/Hauraki, Central Otago Lakes, Upper Coromandel, Upper Hutt, Waihi, Waikato, Wairarapa, Wanganui, Wellington, West Coast.

25 FOREST & BIRD ENDOWMENT FUND

The Forest & Bird Endowment Fund was set up by Michael Lookman & Marilyn Somerville who are trustees of the T-Gear Charitable Trust. The purpose of the trust is to "preserve and protect the indigenous flora and fauna, and natural features of New Zealand for the benefit of the public including future generations."

The Endowment Fund has now been consolidated into the Group Accounts using financial statements as at 31 December.

The Endowment Fund distributed \$75,000 (\$0) to the national office.



ASB Community Trust
BirdLife International
Brita Water Filter Systems
BNZ Save the Kiwi Trust
Dept of Conservation
DLA Phillips Fox
Flooring xtra
Guardian Trust
Honda
NZ Lottery Grants Board
Lush
Macpac
National Bank
Ogilvy
Trademe
Vero Insurance
Wellington City Council
Winstone Aggregates