

Performance Report

New Zealand Wind Energy Association Incorporated
For the year ended 30 June 2022

Prepared by Connected Accountants

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INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT

To Members of New Zealand Wind Energy Association Incorporated

We have reviewed the performance report of New Zealand Wind Energy Association Incorporated (NZWEA) on pages 5 to 21 which comprise the entity information, the statement of service performance, the statement of financial position as at 30 June 2022, the statement of financial performance, the statement of cash flows and the statement of changes in equity for the year then ended, statement of significant accounting policies and notes to the performance report.

Board members' Responsibility for the Financial Statements

The Board members are responsible for the preparation and fair presentation of this performance report in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) and for such internal control as the Board members determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

This report is made solely to NZWEA's members, as a body. Our review work has been undertaken so that we might state those matters which we are required to state to them in our report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than NZWEA and NZWEA's members, as a body, for our review work, for this report or for the conclusions we have formed.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying performance report. We conducted our review in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400, *Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity*. ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the performance report, taken as a whole, is not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements. We have conducted our review of the entity information and the statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*.

A review of the performance report in accordance with ISRE (NZ) 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on this performance report.

Other than in our capacity as assurance practitioner we have no relationship with, or interests in, NZWEA.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the performance report of NZWEA does not present fairly, in all material respects:

- the entity information,
- the reported outcomes and outputs and quantification of the outputs to the extent practicable in the statement of service performance,
- the financial position of NZWEA as at 30 June 2022,
- the financial performance and cash flows of NZWEA for the year then ended;

in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit).



Baker Tilly Staples Rodway Audit Limited
Wellington, New Zealand

19 October 2022

Entity Information

New Zealand Wind Energy Association Incorporated For the year ended 30 June 2022

'Who are we?', 'Why do we exist?'

Legal Name of Entity

New Zealand Wind Energy Association Incorporated

Entity Type and Legal Basis

Incorporated Society and Registered Charity

Registration Number

CC37683

Entity's Purpose or Mission

Enabling New Zealand's exceptional wind resource as a reliable, sustainable, clean and commercially viable energy source.

Entity Structure

The New Zealand Wind Energy Association (NZWEA) is a membership based organisation that is governed by a board comprised of members who have the authority to appoint an additional two members subject to restrictions which are detailed in the Organisation's Articles of Association.

The Board appoints a chief executive who is responsible to the board for developing the strategy and business plan for the Association and its implementation. The chief executive may employ additional staff as required to implement the strategy and business plan such as administrators, communications managers or other specialists as required when finances allow. Currently, NZWEA employs a part-time CEO and outsources some administration services.

Main Sources of Entity's Cash and Resources

Income is derived from membership fees, sponsorships, conference attendance fees, workshops and special projects. Resources of member companies are used where possible for specialist advice and activities.

Main Methods Used by Entity to Raise Funds

Promoting the benefits of NZWEA membership to organisations involved in the wind energy sector and encouraging them to join the association and attend the annual conference and other events.

Entity's Reliance on Volunteers and Donated Goods or Services

NZWEA does not rely on volunteers and donated goods and services.

Physical Address

Ground Floor

114 The Terrace

Wellington 6011

New Zealand

Postal Address

PO Box 553

Wellington 6140

New Zealand

Approval of Financial Report

New Zealand Wind Energy Association Incorporated For the year ended 30 June 2022

The Directors are pleased to present the approved financial report including the historical financial statements of NZ Wind Energy Incorporated for year ended 30 June 2022.

APPROVED



Name Blair Walter
Board Member

Date 17/10/2022



Name ROSE DIVJAK
Board Member

Date 17/10/2022

Statement of Service Performance

New Zealand Wind Energy Association Incorporated For the year ended 30 June 2022

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

The objectives of the Association are to achieve its mission by:

- Policy advocacy to raise awareness of, and develop the concept of wind energy in NZ.
- Organise seminars, conferences and other promotional and educational events and distribute information relating to wind energy.
- Providing a forum for external and internal networking and discussion and co-operation.
- Promote the economic, social and other benefits of wind energy.
- Promoting research and development of wind energy technology.
- The Association has a target of 20% of New Zealand's energy supplied by wind energy by 2035. It was 5.5% in 2021 and 6.4% in 2022.

	2022	2021
Description and Quantification of the Entity's Outputs		
Organise and hold an annual conference	-	1
Provide regular newsletters to keep members informed on local events and international wind energy developments and events	6	7
Providing an information based wind energy internet site. (number of visits)	55,268	55,000
Press releases promoting wind energy	1	1
Global Wind Day celebration	-	1

Additional Output Measures

NZWEA undertakes a range of activities to promote the development of wind energy including:

- Overseeing an industry based health and safety programme for members to share best practice.
- Supporting members with resource consent applications.
- Providing submissions on proposed policy and legislative changes which relate to the development of wind energy. This includes, Ministry for the Environment submissions on the Resource Management System Reforms, Transitioning to a Low Emission and Climate Resilient Future (Emissions Reduction Plan ideas) and National Environmental Standard for Freshwater (Managing our Wetlands), Electricity Authority consultations on Hedge Market Enhancements and Price Discovery under 100% Renewable Electricity Supply, Transpower's Queue Management and Renewable Energy Zones consultations.
- Promoting the offshore wind energy opportunity and the importance of implementing a licensing / regulatory regime to support development.
- Maintaining a contact programme with key stakeholders.
- Presentations to educational and interest groups on wind energy including the benefits of wind power as a sustainable, renewable, and low cost source of electricity generation.
- Communicating the contribution wind energy can make in addressing climate change and reducing New Zealand's carbon emissions.



Statement of Financial Performance

New Zealand Wind Energy Association Incorporated For the year ended 30 June 2022

'How was it funded?' and 'What did it cost?'

	NOTES	2022	2021
Revenue			
Fees, subscriptions and other revenue from members	1	161,376	118,251
Revenue from providing goods or services	1	2,700	134,000
Interest, dividends and other investment revenue	1	83	50
Total Revenue		164,159	252,301
Expenses			
Employee related costs	2	182,039	125,552
Costs related to providing goods or service	2	31,358	55,841
Other expenses	2	8,426	3,746
Total Expenses		221,823	185,140
Surplus/(Deficit) for the Year		(57,664)	67,161



This above statement should be read in conjunction with the accompanying notes.

Statement of Financial Position

New Zealand Wind Energy Association Incorporated As at 30 June 2022

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

	NOTES	30 JUN 2022	30 JUN 2021
Assets			
Current Assets			
Bank accounts and cash	3	152,519	178,279
Debtors and prepayments	3	121,962	100,638
Total Current Assets		274,481	278,917
Non-Current Assets			
Property, Plant and Equipment	4	2,991	1,560
Intangibles	5	65	134
Total Non-Current Assets		3,057	1,694
Total Assets		277,538	280,610
Liabilities			
Current Liabilities			
Creditors and accrued expenses	6	33,810	36,970
Income received in advance	6	159,953	108,116
Employee costs payable	6	36,887	20,972
Funds held on behalf of others	6	-	10,000
Total Current Liabilities		230,650	176,058
Total Liabilities		230,650	176,058
Total Assets less Total Liabilities (Net Assets)		46,888	104,552
Accumulated Funds			
Association Funds	7	46,888	104,552
Total Accumulated Funds		46,888	104,552



This above statement should be read in conjunction with the accompanying notes.

Statement of Cash Flows

New Zealand Wind Energy Association Incorporated For the year ended 30 June 2022

'How the entity has received and used cash'

	2022	2021
Cash Flows from Operating Activities		
Fees, subscriptions and other receipts from members	154,392	87,479
Receipts from providing goods or services	54,537	117,000
Funds held on behalf of others	-	10,000
Interest, dividends and other investment receipts	83	50
GST	(7,592)	12,205
Payments to suppliers and employees	(223,953)	(178,074)
Total Cash Flows from Operating Activities	(22,534)	48,660
Cash Flows from Investing and Financing Activities		
Payments to acquire property, plant and equipment	(3,225)	(1,629)
Total Cash Flows from Investing and Financing Activities	(3,225)	(1,629)
Net Increase/ (Decrease) in Cash	(25,760)	47,031
Cash Balances		
Cash and cash equivalents at beginning of period	178,279	131,248
Cash and cash equivalents at end of period	152,519	178,279
Net change in cash for period	(25,760)	47,031



This above statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

New Zealand Wind Energy Association Incorporated For the year ended 30 June 2022

	2022	2021
Equity		
Opening Balance	104,552	37,391
Increases		
Profit for the Period	(57,664)	67,161
Total Increases	(57,664)	67,161
Total Equity	46,888	104,552



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

Statement of Accounting Policies

New Zealand Wind Energy Association Incorporated For the year ended 30 June 2022

'How did we do our accounting?'

Reporting Entity

The reporting entity is NZ Wind Energy Association (the "Society"). NZ Wind Energy Association is domiciled in New Zealand and is a charitable organisation registered under the Incorporated Societies Act 1908 and the Charities Act 2005. The financial statements comprising of NZ Wind Energy Association are presented for the year ended 30 June 2022. These financial statements and the accompanying notes summarise the financial results of activities carried out by NZ Wind Energy Association.

Basis of Preparation

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

Going Concern

NZ Wind Energy Association continues to adopt the going concern basis in preparing its Financial Statements.

The uncertainty as to the future impact on NZ Wind Energy Association of the ongoing COVID-19 outbreak has been considered as part of the Association's adoption of the going concern basis. The assumption has been made on the following basis:

- A loss was incurred for the 2022 financial year due to the current years' conference being delayed to August 2022 when it is usually held in May 2022. This is due to COVID concerns and the restrictions that were in place at the time for in-person conferences.
- The conference was held in August 2022 over 1.5 days and was a success with over 190 physical attendees which was up 25 from the previous year. This generated \$139K of registrations and \$57K of sponsorships. This contributed significantly to the financial position of the Association during the 2023 financial year.
- The Association sits on a cash balance of \$215K after the running of the conference and cash reserves are not forecasted to drop below the signed-off cash reserve of \$50K. It is understood that the 2023 conference will take place as expected and planned.

As New Zealand, and the World moves towards understanding how to live with COVID-19. The immediate impact and risk that it has on the Association's ability to host a conference reduce over time.

The challenge next is understanding the long-term economic impacts of COVID-19 and how this might affect Corporate Membership and attendance at the annual conference. However, because there is political pressure for Corporations and Political Organisations to address climate change and reduce/eliminate New Zealand's carbon emissions, the Association is in a position to take advantage of positive market outlooks.

Goods and Services Tax (GST)

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

Income Tax

NZ Wind Energy Association is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.



Debtors and Prepayments

Debtors are carried at estimated realisable value after providing against debts where collection is doubtful.

Prepayments represent goods and services that have been paid for but the benefit of that good and service will be used in the following period.

Changes in Accounting Policies

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

Functional and presentation currency

These financial statements are presented in New Zealand Dollars (NZD), which is the entities functional currency.

Revenue

Donations, fundraising and other similar revenue

The recognition of revenue from Donations, Sponsorship and Fundraising depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue.

Revenue is recognised at the point at which cash is received.

Membership fees and subscriptions

Revenue is recognised over the period of the membership or subscription (usually 12 months). Amounts received in advance for memberships or subscriptions relating to future periods are recognised as a liability until such time that period covering the membership or subscription occurs.

Lease Income

Lease income arising from leasing of office space is accounted for on a straight-line basis over the lease term.

Interest Income

Interest revenue is recognised as it accrues using the effective interest method.



Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances available on call.

The NZ Wind Energy Association has a Business Visa Credit Card with BNZ Bank with a limit of \$15,000.

Property, Plant and Equipment Depreciation Rates

Depreciation is charged at the same rate as is allowed by the Income Tax Act 2007 except for buildings. The following rates have been used:

Equipment 14.40% - 60.0% diminishing value

Furniture & Fittings 14.40% diminishing value

Intangibles and Amortisation Rates

Amortisation is charged at the same rate as is allowed by the Income Tax Act 2007. The following rates have been used:

Web Design 48.00% diminishing value



Notes to the Performance Report

New Zealand Wind Energy Association Incorporated For the year ended 30 June 2022

	2022	2021
1. Analysis of Revenue		
Fees, subscriptions and other revenue from members		
Associate Membership	63,904	42,436
Corporate Membership	96,400	74,188
Individual Membership	1,073	1,628
Total Fees, subscriptions and other revenue from members	161,376	118,251
Revenue from providing goods or services		
Conference	-	88,000
Conference Sponsorship	-	44,500
Misc Income	2,700	1,500
Total Revenue from providing goods or services	2,700	134,000
Interest, dividends and other investment revenue		
Interest Income	83	50
Total Interest, dividends and other investment revenue	83	50
	2022	2021

2. Analysis of Expenses

Employee related costs		
Salaries	180,994	124,421
ACC Levy	374	349
Staff Recruitment	225	-
Travel	446	783
Total Employee related costs	182,039	125,552
Costs related to providing goods or services		
Accounting Fees	2,750	2,750
Admin Support	6,680	-
Amortisation	60	124
Bad Debts	330	-
Bank Fees	85	110
Board Costs	40	430
Computer Expenses	1,756	1,680
Conference Expenses	96	32,544
Entertainment	99	561
Event Costs	-	543
General Expenses	114	210
Insurance	1,110	850
Interest	(1)	3
Media and PR - Campaign Monitor	194	151
Office Expenses	91	374
Penalty	-	28



	2022	2021
Printing & Stationery	221	216
Project Costs	3,495	-
Rent	9,717	9,717
Subscriptions	1,263	2,209
Telephone	2,189	2,175
Website costs	1,070	1,167
Total Costs related to providing goods or services	31,358	55,841
Other expenses		
Audit and Review Fees	3,100	3,100
Depreciation	1,696	624
Loss on Disposal of Assets	105	22
Provision for Doubtful Debts	3,525	-
Total Other expenses	8,426	3,746
	2022	2021

3. Analysis of Assets

Bank accounts and cash

Call	70,786	147,466
Cheque	81,807	24,748
Conference	-	6,095
Credit Card	(75)	(30)
Total Bank accounts and cash	152,519	178,279

Debtors and prepayments

Accounts Receivable	108,027	100,638
Accrued Income	1,380	-
Prepayments	16,609	-
Provision for Doubtful Debts	(4,054)	-
Total Debtors and prepayments	121,962	100,638



4. Property, Plant and Equipment

As at 30 June 2022						
Asset	Cost Value	Opening accumulated Depreciation	Additions	Disposals	Total Depreciation	Closing Book Value
Furniture & Fittings	2,115	1,806	-	-	44	265
Office Equipment	18,425	13,949	3,225	97	1,652	2,727
Total Property, Plant & Equipment	20,540	15,755	3,225	97	1,696	2,992

As at 30 June 2021						
Asset	Cost Value	Opening accumulated Depreciation	Additions	Disposals	Total Depreciation	Closing Book Value
Furniture & Fittings	2,115	1,754	-	-	52	309
Office Equipment	20,516	18,671	1,629	22	572	1,251
Total Property, Plant & Equipment	22,631	20,425	1,629	22	624	1,560

5. Intangibles

As at 30 June 2022						
Intangible Asset	Cost Value	Opening Accumulated Amortisation	Additions	Disposals	Total Amortisation	Closing Book Value
NZWEA website	55,528	55,394	-	8	60	65
Total Intangible Asset	55,528	55,394	-	8	60	65

As at 30 June 2021						
Intangible Asset	Cost Value	Opening Accumulated Amortisation	Additions	Disposals	Total Amortisation	Closing Book Value
NZWEA website	55,528	55,271	-	-	124	134



Total Intangible Asset	55,528	55,271	-	-	124	134
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	2022	2021
6. Analysis of Liabilities		
Creditors and accrued expenses		
GST	19,211	29,392
Sundry Creditors	14,599	7,578
Total Creditors and accrued expenses	33,810	36,970
Income received in advance		
Income Received in Advance	159,953	108,116
Total Income received in advance	159,953	108,116
Employee costs payable		
PAYE Payable	7,838	2,841
Wages Payable	29,049	18,131
Total Employee costs payable	36,887	20,972
Funds held on behalf of others		
Funds held on behalf of others	-	10,000
Total Funds held on behalf of others	-	10,000
	2022	2021

7. Accumulated Funds

Accumulated Funds		
Opening Balance	104,552	37,391
Accumulated surpluses or (deficits)	(57,664)	67,161
Total Accumulated Funds	46,888	104,552
Total Accumulated Funds	46,888	104,552
	2022	2021

8. Commitments

Rental Lease Agreement - there were none at Year End.

9. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2022 (2021 -).



10. Related Parties

Description of related party relationship	Description of the transaction	Value of transactions (\$)		Value of amount outstanding (\$)	
		2022	2021	30/06/2022	30/06/2021
Companies in which Board members hold shares and/or are employed	Sponsorship of the NZWEA conference	12,000	19,500	-	-
Companies in which Board members hold shares and/or are employed	NZWEA Membership	53,100	59,600	-	-
Companies in which Board members hold shares and/or are employed	NZWEA Conference Revenue	1,045	20,700	-	-

Note that the conference sponsorship and revenue are in advance at year-end due to the conference being held after the balance date.

11. Events After the Balance Date

The lease for the premises at 114 The Terrace was renewed after the balance date and was signed on 7 September 2022.

