



IRRIGATION NEW ZEALAND

WATER | FOOD | FIBRE | LIFE



Irrigation New Zealand Annual Report 2021/2022



IRRIGATION NEW ZEALAND

WATER | FOOD | FIBRE | LIFE

admin@irrigationnz.co.nz

Phone 04 595 6848

www.irrigationnz.co.nz



Contents



Chair Report	2
CEO Report	3
Strategy	5
Advocacy & Achievements	6
Memberships	8
Board Finance Committee Report	9
Financial Report	11
Compilation Report	12
Organisation Information	13
Statement of Financial Performance	14
Statement of Changes in Equity	16
Statement of Financial Position	18
Revenue Received in Advance	20
Notes to the Financial Statements	21

CHAIR REPORT

Keri Johnston



Ehara taku toa i te toa takitahi, he toa takitini.

My strength is not as an individual but as a collective

This whakatauki describes 2022 for IrrigationNZ. We have seen the food and fibre sector advocacy organisations come together with the government and iwi/Māori in a much more cohesive and unified way than ever before. He Waka Eke Noa is an example of what can be achieved when we recognise the strength in others and work together for outcomes that will outlive the political cycle, creating the certainty and resilience that our sectors are seeking.

Why are certainty and resilience so important? There will need to be a significant investment made in coming years both on farm, at catchment level as well as in national and regional infrastructure for us to meet our environmental commitments, changing consumer expectations, and ensure our own ability to meet the needs of our people long into the future.

What excited me most about He Waka Eke Noa was in no way related to greenhouse gas emissions, but rather that it could show what the sector and stakeholders were capable of achieving as a collective. And with water in all its shapes and forms on the agenda as the next big kaupapa for not just the food and fibre sector, but New Zealand as a whole, the success of the collective is critical. If we are going to create an enduring water policy in New Zealand, we need the support and buy-in from all of those who have an interest in it, and this is widely varied from irrigators, hydro generators, and industry to those in our communities.

The end of 2022 sees us as an organisation in a great place. We are financially stable, with an amazing team, and a strategic board and future-focused.

Words cannot describe the pride I feel as I look at the organisation before you now, and I cannot thank enough the people that have stood with me and led IrrigationNZ forward. Our membership is stable and steadily increasing as the value of what we do is being recognised.

The advocacy space especially will always be a slow burn, but Vanessa, Stephen, Julie, Ella, and Lynn do a great job of communicating what we are doing and more importantly, why we are doing it.

I would like to take this opportunity to recognise two board members who will not be returning for 2023. Randal Hanrahan has been a board member for the last three years, and his contribution to our board has been invaluable. He has a wealth of governance experience, and his connection to irrigation at a grassroots level has kept us grounded. Susan Goodfellow joined the board last year and has brought the diversity of thought to the board table, challenging the status quo. These qualities will see her be a great CEO for Central Plains Water Limited, and I wish her every success.

I was thrilled to see such high-calibre candidates nominated for the vacant board positions this year and I can't wait to welcome the successful nominees to our team.

It is important as a board that we continue to see diversity as important so that we are challenged in our thinking, and have an open, constructive mindset to the many issues and opportunities that are currently facing us.

Thank you all for your continued support. Here is to 2023.

Ngā mihi nui,

A handwritten signature in black ink, appearing to be 'KJ'.

Keri Johnston, Chair of IrrigationNZ

CEO REPORT

Vanessa Winning



This was my first full financial year as CEO of IrrigationNZ, having joined in October 2020. I am very proud of what the team has managed to achieve in the 2021/22 year. Not only have we continued to stabilise the organisation as you will see in the financial report with the second small surplus after three years of losses; we have continued to grow our networks and influence, and our capability building for the sector.

The 2021/2022 financial year was a year of significant development growth for the irrigation supply, design, and implementation sector. With the help of the Tertiary Education Commission, fees-free allocation won after being previously declined, we were able to provide, free to students, training in performance assessment, irrigation management, and irrigation design.

We had a record 36 students attend the Irrigation Performance Assessment course, and 32 for the Certificate of Irrigation Design – these courses are ongoing with some students yet to complete them. That's 68 more people who are helping our irrigators be better irrigators, conserve water, improve the application, adhere to consents, and ensure the growth of our food, fibre, and recreation sectors. This is on top of bespoke training for HortNZ, Avocados NZ, and Zespri growers. We continue to work with three workforce development councils to bring together nationally recognised training programmes. We also strengthened our relationship with Irrigation Australia by reconfirming our MoU and having them bring their Certificate III in Irrigation Technology to New Zealand – an alternative to an apprenticeship that will be run in the coming years and will go hand in hand with other sharing we will develop. The importance of this cannot be underestimated as we move into a more regulated world, with irrigation further under the spotlight and as we ask for more water storage and capture to supplement ongoing improvements in irrigation efficiency. This ensures we remain credible and provide leadership to the sector to enhance our social licence to operate.

Being credible also leads to an ability to lead in the advocacy space; to work with central and local government in creating workable and practical policy advice, and solutions to problems we are all trying to solve. The team this year was included in the Water Security and Availability, Dam Safety, Rural, and Small Drinking Suppliers, and Farm Environment plan working groups, as well as the He Waka Eke Noa Steering group and the National Planning Framework Advisory group. This is punching well above our weight with a team of just five.

The team also completed numerous submissions on various policy settings; attended meetings and planning discussions across multiple central government agencies including MFE, MPI, MBIE, DIA, Infrastructure Commission, and Taumata Arowai; partnered with industry groups in the food and fibre leaders forums as both CE and Chair level, and lead a stream in Fit for a Better world on water. We continue to be invited into discussions and asked to support and guide discussions at a level and openness not often seen. A direct impact on the credibility and leadership the team, along with the board is now providing.

As the food and fibre sectors continue to be put under a microscope and are being asked to improve and change, our ability to provide practical solutions that support outcomes becomes more important. This level of engagement will continue for a number of years to come, with a large swath of policy and regulatory change continuing to come down the line, and as implementation starts to be enacted.

Now we have consolidated the finances, improved the credibility of the organisation, and started to meaningfully deliver value and outcomes to our members, we can focus on delivering more, being more responsive to new developments and customer needs and cementing ourselves as a member lead advocacy and training body that delivers true value. To do this we need stronger member engagement across the industry, and as the world opens back up, you will see an even more visible and engaged IrrigationNZ in the very near future. Our members are key to helping our influence and impact grow and we can not have succeeded over the past year and a half without them.

Thank you,



Vanessa Winning, Chief Executive, IrrigationNZ



2021/2022

Strategy



VISION
Water for
food, fibre and
community wellbeing;
for this generation
and the next.

PRIORITIES

Lead – set the standards for our sector, add value to our membership, encourage innovation and technology continually looking for ways to improve our performance.

Influence – advocate and build relationships with a united, solutions-focused voice, using robust information, and starting the right conversations.

Empower – working with and connecting people and organisations who can be part of making our communities resilient, thriving and prospering.

OUR VALUES

Credible – we own our actions and are committed to implementing the highest standards.

Problem Solving – be the go-to and can-do people, inspire and motivate, embrace and drive change.

Connected – build relationships, collaborate, share knowledge and ideas, seek to partner with others to get things done, building wide networks of influence.

Future-Focused – the ability of future generations of New Zealanders to meet their water needs, as well as ensuring our organisations long-term success.

OUTCOMES

Recognised as the experts in water management, use and application.

The importance of irrigation is understood by all New Zealanders.

Representing irrigation in Aotearoa New Zealand.
Members know what to do and how to do it.

Advocating to ensure practical regulations are achieved in the best interest of irrigators and New Zealand.

In trusted partnership with the community.

2021/2022

Advocacy and Achievements

IrrigationNZ has continued to track, analyse and advise on many aspects of water resources legislation across several government departments, with a particular focus on how the direction of travel in water policy affects the adoption of irrigation best management practices. Many of the policy programs that emerged in 2020/21 continue to be progressed in 2021/22 with some reaching implementation stages.

We are really pleased with how well our contributions and collaboration is valued and our ability to help shape some pragmatic improvements in policies for the benefit of our members. Our relationships are strong with policy and implementation teams across many areas, including the Ministry for Primary Industries (Sustainable Food and Fibre Futures, Water Availability and Security), the Ministry for the Environment (Freshwater Farm Plans), the Ministry of Business, Innovation and Employment (Dam Safety), Te Waihanga (climate adaptation), and Taumata Arowai (water services).



ACHIEVEMENTS

*Calendar year July 2021 – June 2022.

300+

IN TRAINING

Over 300 people undertook training



68

NZQA QUALIFICATION TRAINING

36 people attended training for the NZ Certificate in Irrigation System Performance Assessment, and 32 people attended training for the NZ Certificate in Irrigation System Design.

Through the government's Target Training and Apprenticeship Fund, these students were able to attend 'fees-free'...

... that's over **\$330K** worth of 'fees-free' training to our industry.



E-LEARNING

80

80 people completed online e-learning

OTHER TRAINING

Workbook training:
37 WORKBOOKS COMPLETED

FMG Irrigator Risk workshops:
**60 ATTENDEES
NATIONWIDE**

IrrigationNZ training with Zespri:
45 ATTENDEES



WEBSITE

22,000

Over 22,000 visitors to our website

MEDIA & PUBLISHING

30+ Columns contributed

10+ Radio interviews

4 MAGAZINES WITH DISTRIBUTION 3000+ PER ISSUE



2021/2022

IrrigationNZ Membership

MEMBERSHIP BY CATEGORY

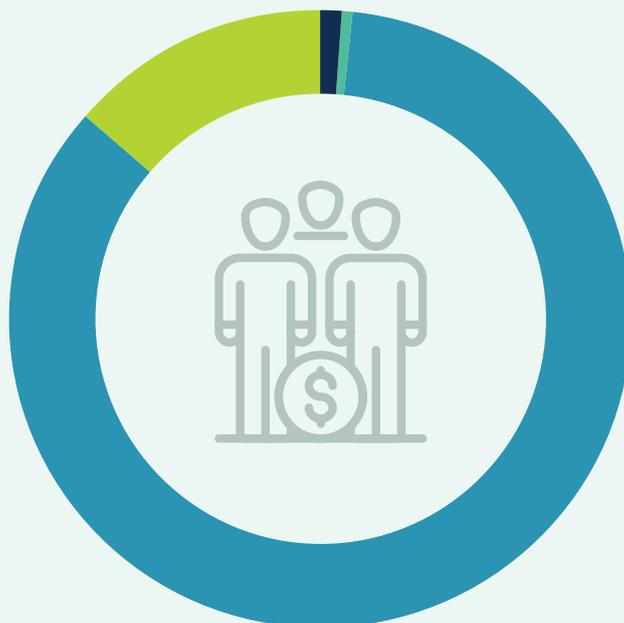
- Government
- Research Institution
- Retirees
- Irrigators and Schemes*
- Service Industry



*Schemes counted as being a single member therefore this number does not represent the total number of irrigators represented by IrrigationNZ.

FEES PAID BY MEMBERSHIP CATEGORY

- Government
- Research Institution
- Retirees
- Irrigators and Schemes
- Service Industry



TOTAL FEES PAID

\$727,709.44

BOARD FINANCE COMMITTEE REPORT



Andrew Rodwell

Two years ago, IrrigationNZ was in a precarious state financially. Confirmation of solvency was sought at every Board meeting until the Board was confident that the measures being taken were effective and solvency was assured. Today, IrrigationNZ has an appropriate level of cash reserves that provide a buffer from unexpected events and overall resilience for the organisation. Importantly, these reserves are derived from revenues that no longer use intermittent project revenues to support operational overheads.

The instatement of a Board Finance Committee, tasked with working with the CEO, has enabled management to build a robust set of financial systems and direct its spending on work that is of direct benefit to members. The organisation exercises prudence around expenditure, financial management, and the production of a realistic annual budget. While, as an incorporated society, IrrigationNZ is not obligated to have its financial statements audited but has resolved to have them periodically reviewed as part of the end-of-year compilation, commencing in 2023. The purpose of this review is to identify any gaps in its financial management systems and give the membership confidence in overall stewardship of reporting and funds management. The production of a Finance, and now a Treasury Policy are examples of how your organisation is seeking to professionalise its approach to this part of its business.

The financial year to June 30, 2022, produced a very good result with an income of \$50k ahead of budget. Part of this was to do with better-than-expected demand for training (paid for by the Tertiary Education Commission) and costs that, while higher to deliver this training, ensured a better-than-planned surplus. This surplus is part of a deliberate plan to build cash reserves, as noted above – a task that we believe we are 12–18 months from achieving.

The past two years have seen a dramatic reduction in debtor days, a testament to the team (and Lynn in particular) for making sure cash is collected when due. This is also a testament to the work of Vanessa and the team who now consistently demonstrate value to the members, who are no longer reticent to renew their membership.

The budget for 2023 mirrors 2022, with income of around \$1.2M, a focus on cost management, and a small surplus anticipated to bring cash reserves closer to the level, targeted by the Board, as being appropriate for IrrigationNZ.

Andrew Rodwell
Convener, Board Finance Committee





IRRIGATION
NEW ZEALAND
WATER | FOOD | FIBRE | LIFE

IRRIGATION NEW ZEALAND INC.

Annual Report – Finance Report

As at 30 June 2022

Prepared by MTM Accounting Limited.

Compilation Report

Irrigation New Zealand Inc. For the year ended 30 June 2022

Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Irrigation New Zealand Inc. for the year ended 30 June 2021.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the Special Purpose Reporting Framework used is appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

Independence

We have no involvement with Irrigation New Zealand Inc. other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on these financial statements.

MTM Accounting Ltd

Chartered Accountants

Floor 3, 191 Thorndon Quay

Wellington

Dated: 12 September 2022

Organisation Information

Irrigation New Zealand Inc. For the year ended 30 June 2022

Nature of Business

To provide leadership and support to the stakeholders of the irrigation industry that will promote and facilitate best practice to ensure the sustainability and reliability of water resources in New Zealand.

IRD Number

043 219 707

Chief Executive

Vanessa Winning

Board Members

Keri Johnston (Chair)

Susan Goodfellow

Jared Ross

Randal Hanrahan

Andrew Rodwell

Andrew Barton

Address

PO Box 8014

Wellington 6140

Chartered Accountants

MTM Accounting Limited

PO Box 24-442

Wellington 6142

Bankers

ANZ Bank NZ Limited

Solicitors

Anderson Lloyd

Christchurch

Statement of Financial Performance

Irrigation New Zealand Inc. For the year ended 30 June 2022

	2022	2021
Income		
Advertising	68,655	106,466
Course / Workshop Fees	299,935	56,185
Government	33,600	9,600
Grant Brought Forward	-	11,874
Grants	35,000	314,899
INZ Project Contributions	2,221	-
INZ Project Management	38,687	7,953
INZ Project Management(Taxable)	-	17,391
Irrigator	91,862	94,017
Other	75	60,253
Other INZ	7,117	8,345
Reimbursements	2,534	-
Research & Industry	15,400	16,600
Retiree	320	320
Schemes & User Groups (Optg)	522,728	436,821
Schemes Developing <2000 ha	1,600	800
Schemes Developing >2000 ha	-	9,890
Service Industries <5 Staff	28,000	20,800
Service Industries >5 Staff	64,400	72,750
Service Industry - Individual	6,400	3,635
Sponsorship	39,130	27,256
Total Income	1,257,663	1,275,855
Cost of Sales		
Advocacy - Expenses	657	41
Furniture, plant, and equipment	-	15,047
Grant to Carry Forward	-	434
Relocation Costs	1,440	5,006
Total Cost of Sales	2,097	20,527
Gross Surplus	1,255,566	1,255,328
Other Income		
Interest Current Savings	537	44
Total Other Income	537	44
Expenses		
Interest Expense	5	1,025
Loss on Disposal of Assets	5,769	286
Rental and Lease Payments	-	380
Repairs and Maintenance	8,679	992
Directors Fees	23,160	12,000

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

	2022	2021
Travel and Accommodation	4,560	3,625
ACC	1,399	1,569
Accountancy	16,800	14,300
Accountancy - Special	-	1,750
Advertising - Training	43	-
Advertising and Sponsorship	176	-
Bad Debt	-	5,700
Bank Fees	1,828	2,465
Catering	2,291	827
Catering - Training	16,634	649
Computer Expenses	833	3,350
Consultants	116,183	263,534
Consultants - Training	84,959	6,975
Depreciation	5,289	16,104
Eftpos Fees	186	186
Entertainment	-	211
Entertainment - Training	-	283
Equipment - Training	1,717	-
Equipment Hire	1,104	2,211
Event Management	-	514
Fringe Benefit Tax	-	2,169
Fuel	-	3,655
General - Training	21,964	713
General Expenses	187	1,542
Health & Safety	1,076	-
Insurance	2,556	6,158
INZ Project Management	14,490	-
Legal	8,023	17,774
License Fees	32,170	48,224
Marketing	382	-
Media	10,426	10,550
Non-deductible expenses	238	-
Postage, Courier	20,856	17,102
Printing & Graphics - Training	-	269
Printing and Graphics	52,787	35,893
Professional Development	1,894	500
Project Contributions	2,200	1,180
Recruitment	470	6,277
Rent	15,750	13,406
Salaries	620,538	524,242
Sponsorship	-	1,395
Staff Expenses	2,505	962
Stationery	226	598
Subscriptions	6,945	2,933
Systems Support	7,560	16,759

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

	2022	2021
Telephone & Internet	5,210	5,357
Travel & Accom - Training	11,144	675
Travel & Accommodation	13,650	23,244
Uniform	-	1,714
Vehicle Lease	8,178	16,772
Venue Hire	1,708	3,302
Venue Hire - Training	3,150	-
Total Expenses	1,157,897	1,102,301
Net Surplus (Loss) Before Taxation	98,205	153,071
Taxation and Adjustments		
Non Deductible Expenses		
Penalties	-	119
Total Non Deductible Expenses	-	119
Total Taxation and Adjustments	-	119
Net Surplus (Loss) for the Year	98,205	152,952

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 Changes in Equity

Irrigation New Zealand Inc. For the year ended 30 June 2022

	2022	2021
Equity		
Opening Balance	190,383	37,431
Increases		
Surplus for the Period	98,205	152,952
Retained Earnings	22,871	-
Other Increases	(28,621)	-
Total Increases	92,455	152,952
Total Equity	282,839	190,383

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 Financial Position

Irrigation New Zealand Inc.

As at 30 June 2022

30 JUN 2022 30 JUN 2021

Assets

Current Assets

Cash and Bank

ANZ - Beck & Call	26	26
ANZ - Wage Subsidy Account	1	-
ANZ Call Account	415,371	208,657
ANZ Conference Account	15,714	19,900
Total Cash and Bank	431,112	228,583

Accounts Receivable	66,855	48,055
Expenses Paid in Advance	7,416	1,913
Total Current Assets	505,383	278,550

Non-Current Assets

Fixed Assets as per Schedule	8,938	13,976
Total Non-Current Assets	8,938	13,976

Total Assets	514,321	292,526
---------------------	----------------	----------------

Liabilities

Current Liabilities

Bank

ANZ Visa - E Stokes	173	34
ANZ Visa - J Wallace	255	358
ANZ Visa - Keri Johnston	21	513
ANZ Visa - Lynn Lawrence	1,819	1,299
ANZ Visa - Vanessa Winning	3,285	1,669
ANZ Visa Stephen	395	226
Total Bank	5,948	4,100

Accounts Payable	61,783	26,091
GST Payable	24,511	19,468
Income Tax Payable	(181)	(14)
Revenue Received in Advance	119,900	30,950
PAYE Tax Payable	17,627	14,441
Rounding	-	2
Total Current Liabilities	229,588	95,038

Non-Current Liabilities

Advance - INZ Accreditation (21650)	(116)	(116)
Financial Synergy - Insurance premium funding	-	7,221
Wages (Payable)	2,010	-
Total Non-Current Liabilities	1,894	7,105

Total Liabilities	231,482	102,143
--------------------------	----------------	----------------

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

	30 JUN 2022	30 JUN 2021
Net Assets	282,839	190,383
Equity		
Retained Earnings	282,839	190,383
Total Equity	282,839	190,383



Keri Johnston
Chair - IrrigationNZ
Date: 7 October 2022

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

Revenue Received in Advance

Irrigation New Zealand Inc. For the year ended 30 June 2022

	2022	2021
Revenue received in advance		
Income in Advance	105,500	16,550
Grants received in advance		
Fertigation	4,548	4,548
NIWA	-	-
Ruataniwha User Group	8,640	8,640
Fish Screens	1,211	1,211
Total Grants received in advance	14,400	14,400
Total Revenue received in advance	119,900	30,950

Notes to the Financial Statements

Irrigation New Zealand Inc. For the year ended 30 June 2022

1. Reporting Entity

Irrigation New Zealand Inc. is an Incorporated Society registered under the Incorporated Societies Act 2022.

2. Statement of Accounting Policies

Basis of Preparation

These Financial Statements are special purpose financial statements and have been prepared for income tax purposes in accordance with the Tax Administration (Financial Statements) Order 2014.

Historical Cost

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

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.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent it is probable that the economic benefits will flow to the organisation and revenue can be reliably measured.

Fixed Assets and Depreciation

All fixed assets are recorded at cost less accumulated depreciation.

Depreciation of the assets has been calculated at the maximum rates permitted by the Income Tax Act 2007.

Goods and Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable.

Income Tax

Income Tax expense charged to the Statement of Financial Performance recognises the current obligations and all amounts arising from differences between the accounting results and assessable income for the period, calculated using the liability method.

Investments

Investments are carried at the lower of cost and net realisable value. Where in the Executive Committees opinion there has been a permanent reduction in the value of the investments this has been brought to account in the current period.

Accounts Receivable

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

3. Audit

These financial statements have not been audited.

4. Contingent Liabilities

At balance date there are no known contingent liabilities (2020:\$0). Irrigation New Zealand Inc. has not granted any securities in respect of liabilities payable by any other party.

5. Associated Parties

There were no associated party transactions during the year under review.

	2022	2021
6. Taxation		
Net Surplus (Loss) Before Tax	95,146	152,952
Additions to Taxable Surplus		
Non-deductible expenses as calculated	-	296,859
Penalties	-	119
Total Additions to Taxable Surplus	-	296,978
Deductions from Taxable Surplus		
INZ Project Management	38,687	7,953
Subscriptions	-	665,232
Losses Brought Forward	969,349	760,494
Total Deductions from Taxable Surplus	1,008,036	1,433,679
Taxable Surplus (Loss)	(912,890)	(983,749)
Tax Payable at 33%	-	-
Deductions from Tax Payable		
Dividend Imputation Credits	-	-
Resident Withholding Tax Paid	181	11
Provisional Tax Paid	-	-
Total Deductions from Tax Payable	181	11
Income Tax Payable (Refund Due)	(181)	(11)





WATER | FOOD



| FIBRE | LIFE

