

Annual Report

Directors and Editors Guild of Aotearoa New Zealand Inc
For the year ended 31 March 2023

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Compilation Report

Directors and Editors Guild of Aotearoa New Zealand Inc For the year ended 31 March 2023

Compilation Report to the National Executive of Directors and Editors Guild of Aotearoa New Zealand Inc

Scope

On the basis of the information provided we have compiled, in accordance with Service Engagement Standard No. 2: Compilation of Financial Information, the financial statements of Directors and Editors Guild of Aotearoa New Zealand Inc for the year ended 31 March 2023.

These statements have been prepared in accordance with the accounting policies described in Note 1 to these financial statements.

Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the accounting policies used are 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 are not independent of Directors and Editors Guild of Aotearoa New Zealand Inc because Phillip Gore, who is an employee of VCFO Group Ltd, is also the treasurer and a board member of Directors and Editors Guild of Aotearoa New Zealand Inc.



VCFO Group Limited

Level 1, 96 St Georges Bay Road

Parnell

Auckland 1052

Dated: 27 September 2023

Directory

Directors and Editors Guild of Aotearoa New Zealand Inc For the year ended 31 March 2023

Registered Office

66 Surrey Crescent

Grey Lynn

Auckland

IRD Number

69-712-789

National Executive

Robyn Paterson (President)

Steven Chow (Vice-President)

Phillip Gore (Treasurer)

Caroline Bell-Booth

Annie Collins

Margot Francis

Rahera Herewini-Mulligan

Celia Jaspers

Sam Kelly

Te Rurehe Paki

Ben Powdrell

Gaysorn Thavat

Chartered Accountant

VCFO Group Limited

Level 1, 96 St Georges Bay Road

Parnell

Auckland 1052

Bankers

ANZ Bank

Statement of Financial Performance

Directors and Editors Guild of Aotearoa New Zealand Inc For the year ended 31 March 2023

	NOTES	2023	2022
Income			
Letters of Non-Objection		8,100	4,200
Memberships		56,480	58,287
NZ Film Commission - Core Support Funding		85,000	85,000
NZ Film Commission - Strategic Training Funding		93,930	72,208
Workshops and Events - Fees		1,759	1,531
Director Attachment - Funding		5,250	-
Emerging Women Filmmakers Incubator - Funding		44,548	26,465
Know Your Rights Workshops - Funding		-	44,141
Interest Income		3,416	241
Other Revenue		10,223	5,000
Total Income		308,706	297,073
Cost of Sales			
Director Attachment - Expenses		5,250	-
Emerging Women Filmmakers Incubator - Expenses		44,548	26,465
Know Your Rights Workshop - Expenses		-	44,141
Workshop Costs		95,689	73,739
Total Cost of Sales		145,487	144,346
Gross Surplus		163,219	152,728
Expenses			
Accountancy Fees		5,000	5,000
Advertising		726	800
Bank Fees		2,817	2,867
Computer Expenses		98	118
Conferences & Events Attended		1,723	472
Consulting Fees		1,000	600
Contractor Fees		137,119	104,685
Depreciation	6	332	542
Entertainment		3,140	1,400
Equipment & Venue Hire		202	149
Freight, Courier & Postage		160	855
General Expenses		141	258
Gratuities		961	200
Insurance		400	400
Interest Expense		51	25
Legal Fees		-	1,918
Light, Power, Heating		130	118
Office Expenses		131	2,522
Printing & Stationery		768	652
Rent		15,860	15,860

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	2023	2022
Sponsorship		1,200	2,000
Subscriptions		5,126	5,514
Telephone & Internet		1,757	1,670
Travel - Miscellaneous		435	501
Travel - National		6,266	2,112
Website Expenses		1,355	277
Total Expenses		186,900	151,517
Net Surplus/(Deficit) Before Taxation		(23,681)	1,211
Taxation and Adjustments			
Income Tax Expense	7	2,667	404
Total Taxation and Adjustments		2,667	404
Net Surplus/(Deficit) for the Year		(26,347)	807

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

Directors and Editors Guild of Aotearoa New Zealand Inc
For the year ended 31 March 2023

	2023	2022
Equity		
Opening Balance	80,581	79,773
Increases		
Net Surplus/(Deficit) after Tax	(26,347)	807
Total Increases	(26,347)	807
Total Equity	54,233	80,581

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

Directors and Editors Guild of Aotearoa New Zealand Inc As at 31 March 2023

	NOTES	31 MAR 2023	31 MAR 2022
Assets			
Current Assets			
Cash and Bank			
Business Call Account		359,515	402,123
Business Current Account		18,395	11,347
Total Cash and Bank		377,910	413,470
Trade and Other Receivables		472	1,362
DEGANZ Visa - Maddy Payne		1,935	105
Total Current Assets		380,317	414,937
Non-Current Assets			
Fixed Assets	6	1,131	1,463
Total Non-Current Assets		1,131	1,463
Total Assets		381,448	416,400
Liabilities			
Current Liabilities			
Trade and Other Payables		16,007	11,773
DEGANZ Mastercard - Tui Ruwhiu		3,382	1,356
GST Payable		16,712	22,763
Income Tax Payable	7	1,974	1,856
Deferred Income	8	289,142	298,070
Total Current Liabilities		327,215	335,819
Total Liabilities		327,215	335,819
Net Assets		54,233	80,581
Equity			
Retained Earnings		54,233	80,581
Total Equity		54,233	80,581

APPROVED

For and on behalf of the Executive:



Chair of the Executive

Date **5 Oct 2023**

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

Depreciation Schedule

Directors and Editors Guild of Aotearoa New Zealand Inc For the year ended 31 March 2023

NAME	COST	OPENING ACCUM DEP	OPENING VALUE	PURCHASES	DISPOSALS	RATE	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
Office Equipment									
21.5" iMac 2.5HHz i5, 8gb ram, 500gb hard drive	970	954	16	-	-	50.00%	8	962	8
3D Hessian Board	185	183	2	-	-	18.00%	-	183	2
ADSL Modem	596	596	-	-	-	48.00%	-	596	-
Apple iMac 20" computer	800	800	-	-	-	50.00%	-	800	-
Apple iMac Aluminium 20" computer	1,067	1,067	-	-	-	50.00%	-	1,067	-
Banners	1,820	909	911	-	-	10.00%	91	1,000	820
Beech Mobile	199	197	2	-	-	18.00%	-	197	2
Brother Printer	200	200	-	-	-	48.00%	-	200	-
Chair	185	183	2	-	-	18.00%	-	183	2
Computer	2,055	2,055	-	-	-	48.00%	-	2,055	-
Fax Machine	621	621	-	-	-	33.00%	-	621	-
IASEDO instal extra staff	348	348	-	-	-	40.00%	-	348	-
Laserjet Printer	899	899	-	-	-	48.00%	-	899	-
MYOB - Auckland	338	338	-	-	-	48.00%	-	338	-
MYOB - Wellington	338	338	-	-	-	48.00%	-	338	-
New Computer	2,561	2,561	-	-	-	48.00%	-	2,561	-
Office 2000 Professional	680	680	-	-	-	48.00%	-	680	-
Panasonic 40" Smart TV	807	536	271	-	-	40.00%	108	644	163
Panasonic TH-42A400Z LED TV	737	723	13	-	-	40.00%	5	729	8
Storage Cupboard	200	198	2	-	-	18.00%	-	198	2
UP Table	218	210	8	-	-	18.00%	1	211	7
Workstation	289	286	3	-	-	18.00%	1	286	3
Total Office Equipment	16,113	14,880	1,233	-	-		217	15,097	1,016

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

Depreciation Schedule

NAME	COST	OPENING ACCUM DEP	OPENING VALUE	PURCHASES	DISPOSALS	RATE	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
Website									
DEGNZ website	1,870	1,861	9	-	-	50.00%	4	1,866	4
DEGNZ Website Customisation, inline html, plugin integration & logos	980	919	61	-	-	50.00%	31	949	31
Oversight of website development and launch	1,000	995	5	-	-	50.00%	2	998	2
Website	6,800	6,799	1	-	-	40.00%	-	6,799	1
Website build, structure, customisation & content import	2,400	2,263	138	-	-	50.00%	69	2,331	69
Website development costs	4,415	4,398	17	-	-	50.00%	9	4,407	9
Total Website	17,465	17,235	231	-	-		115	17,350	115
Total	33,578	32,115	1,463	-	-		332	32,447	1,131

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

Directors and Editors Guild of Aotearoa New Zealand Inc For the year ended 31 March 2023

1. Reporting Entity

These are the financial statements of Directors and Editors Guild of Aotearoa New Zealand Inc ("the Guild"). The Guild is an incorporated society registered under the Incorporated Societies Act 1908. The objects of the Guild are to be the national and international voice of all New Zealand directors and editors engaged in directing and editing for public screen broadcast in television and/or film. As a common interest industry group that is not carried on for the profit of its members, the Guild is recognised as a not-for profit organisation.

2. Statement of Accounting Policies

Basis of Preparation

These financial statements are a special purpose report and have been prepared for taxation and/or management purposes.

Historical Cost

The financial statements of Directors and Editors Guild of Aotearoa New Zealand Inc have been prepared on a historical cost basis, except as noted otherwise below.

The information is presented in New Zealand dollars.

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.

3. Specific Accounting Policies

In the preparation of these financial statements, the following specific accounting policies have been adopted:

Accrual Accounting

Accrual accounting has been used to record the effects of transactions and events when they occur.

Property, Plant & Equipment

The entity has the following classes of property, plant & equipment;

Office Equipment	18-50%	DV
Website Development	50%	DV

All property, plant & equipment is stated at cost less depreciation.

Depreciation has been calculated in accordance with rates permitted under the Income Tax Act 2007.

Goods & Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are shown inclusive of GST.

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

Taxation

As a mutual association, income and expenses attributable to member-only transactions are not subject to taxation and are, therefore, excluded from the tax calculation.

Taxation expense charged against the operating surplus for the year is the total tax for the year, in accordance with the taxation return to the Inland Revenue Department. The Incorporated Society is taxed as a mutual association.

Mutual associations are taxed on certain types of transactions pursuant to a special basis of taxation provided for in sub part HE of the Income Tax Act 2007 ("the Act"). Section YA 1 of the Act defines an "association" for the purposes of sub part HE to mean "a body or association of persons, whether incorporated or not". The definition is sufficiently wide to include incorporated societies. Although all incorporated societies potentially fall within this definition, the rules in sub part HE are intended to apply to an association that has a common or mutual purpose and which is not formed to make profits but to further the interest of its owners or members.

Mutual associations are subject to the common law principle of mutuality under which the court consider that a person cannot derive taxable income from mutual transactions, as a mutual transaction is of a similar nature to trading with oneself. Under this principle, a mutual association will have assessable income only to the extent to which it deals outside its "circle of membership" or engages in "member transactions" as defined in s HE 2 of the Act.

Applying the mutuality principle, the entity will not be taxable on any income derived from membership subscriptions, grants and donations, given that these are paid in return for general services for the mutual benefit of all members. Any expenditure incurred in deriving income from these services will not be deductible.

All other income derived from letters of non-objection, sponsorship and interest is assessable income. Expenditure incurred in deriving this income will be an allowable deduction.

Revenue

Revenue shown in the Statement of Financial Performance comprises the amounts received and receivable by the Guild for goods and services supplied to its members and customers in the ordinary course of business. Subscriptions are reported on a matching basis with respect to the periods to which the subscriptions relate. Interest income is recognised using the accrual accounting method.

Deferred Income

Funds received in advance of the agreed services being provided by the Guild are recognised as deferred income (within current liabilities) in the Statement of Financial Position.

Receivables

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

4. Securities & Guarantees

There was no overdraft as at balance date nor was any facility arranged.

5. Audit

These financial statements have not been audited.

2023 2022

6. Fixed Assets

Furniture and Fittings

Office Equipment	16,113	16,113
Less Accumulated Depreciation on Office Equipment	(15,097)	(14,880)
Total Furniture and Fittings	1,016	1,233

Other Fixed Assets

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

Website	17,465	17,465
Less Accumulated Depreciation on Website	(17,350)	(17,235)
Total Other Fixed Assets	115	231
Total Fixed Assets	1,131	1,463
	2023	2022

7. Income Tax Expense

Net Surplus/(Deficit) per Financial Statements	(23,681)	1,211
Additions to Taxable Surplus/(Deficit)		
Non-deductible expenditure regarding NZ Film Commission grant	85,000	85,000
Non-deductible expenditure regarding membership activities	89,166	58,287
Non-deductible IRD penalties	77	-
Non-deductible entertainment expenditure	1,441	1,232
Total Additions to Taxable Surplus/(Deficit)	175,684	144,519
Deductions to Taxable Surplus/(Deficit)		
Excluded NZ Film Commission grant	85,000	85,000
Non-taxable membership income	56,480	58,287
Non-profit organisation income exemption	1,000	1,000
Total Deductions to Taxable Surplus/(Deficit)	142,480	144,287
Taxable Surplus/(Deficit)	9,523	1,443
Tax Payable at 28%	2,666	404
Deductions from Tax Payable		
Resident Withholding Tax Paid	1,025	72
Provisional Tax Paid	-	-
Total Deductions from Tax Payable	1,025	72
Income Tax Payable	1,642	332

8. Deferred Income

At balance date, the Guild held funding of \$289,142 (2022: \$298,070) from the New Zealand Film Commission, NZ On Air, The Vista Foundation, Ministry of Business, Innovation and Employment (MBIE) and The Australian Screen Directors Authorship Collecting Society (ASDACS) to fund future expenses. This income has been recognised as deferred income (current liability) in the Statement of Financial Position as the agreed services are yet to be provided.

9. Contingent Liabilities

At balance date there are no known contingent liabilities (2022: \$0). Directors and Editors Guild of Aotearoa New Zealand Inc has not granted any securities in respect of liabilities payable by any other party whatsoever.

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