



NZ YOUNG FARMERS



ANNUAL REPORT 2023

FINANCIAL YEAR 2021/2022



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HIGHLIGHTS

AT A GLANCE



TIM DANGEN WINS YFOTY

Nothern representative Tim Dangen took out the FMG Young Farmer of the Year title for Season 54 after three days of competition in Whangarei.



NZYF COMMUNITY PARTNERS

Following the launch of the NZYF Community in June 2022, we have been growing our community members with organisations who are committed to the future of the food & fibre sector.



INSPIRING THE NEXT GENERATION

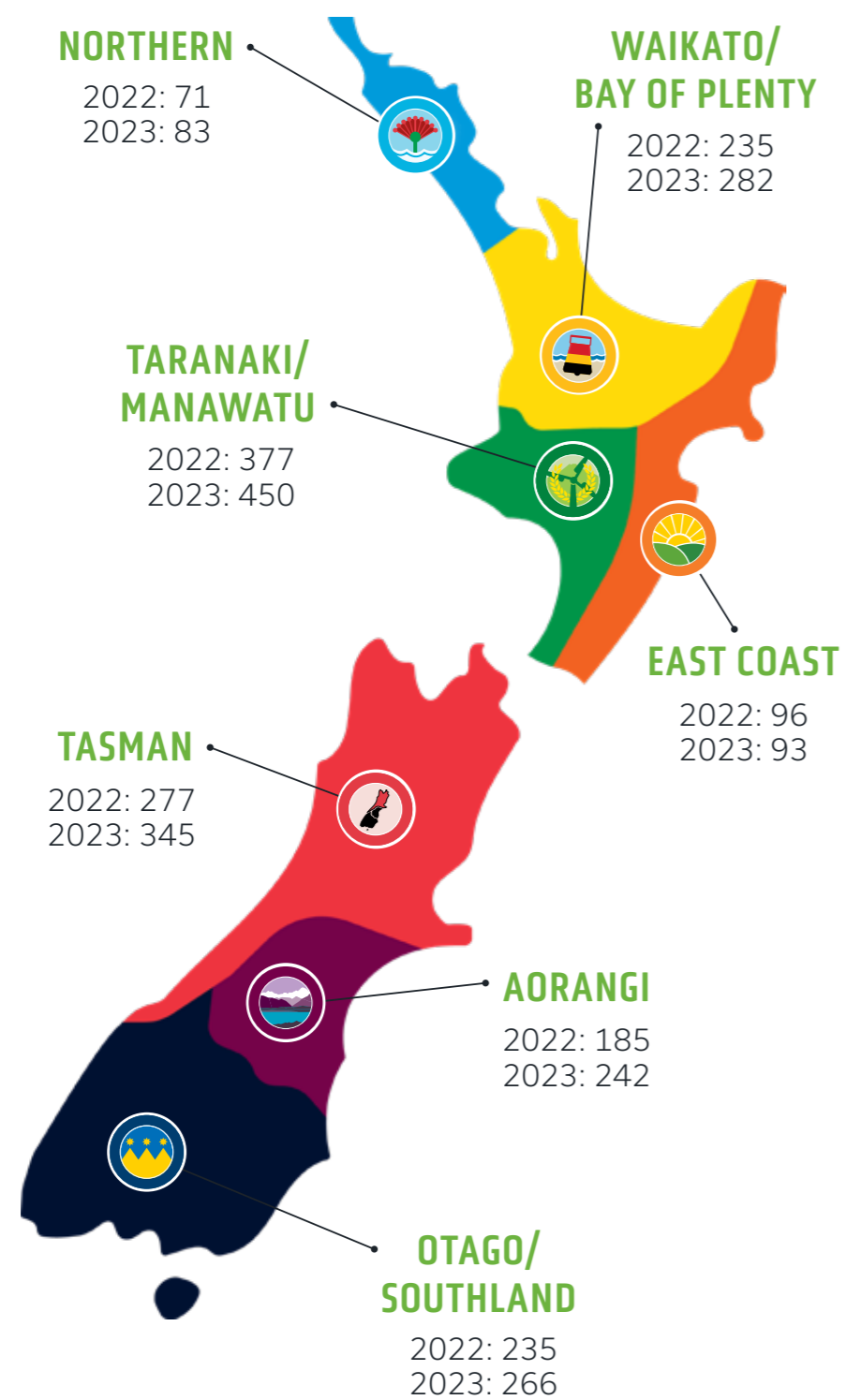
Donald's Farm has had a busy season showcasing the dairy industry to the next generation, with over 900 people visiting the farm over the 2022/2023 season.



CLUB & MEMBER NETWORK

Over the past 12 months we have seen our membership numbers grow, as well as four new clubs created in local communities.

NZYF MEMBERSHIP



TOTAL MEMBERS (as of 31 March 2023)

1,762

NZYF MEMBERS
2022 Total: 1,489

249

TEENAG
2022 Total: 134

CLUBS

64

NZYF CLUBS
2022: 63 Clubs

36

TEENAG CLUBS
2022: 45 Clubs



*As at 31 March 2023

OUR REACH



100+

NZYF and
TeenAg clubs



800+

Club meetings
each year



21,000

Following on
social media



150+

Events annually
across all networks





LYNDA COPPERSMITH NZYF CHIEF EXECUTIVE

Another year has gone by in a flash – I’m proud to now be in my fifth year as CEO of NZ Young Farmers. We have weathered some ups and downs over the last few years but this year, it feels like for the first time, things are getting somewhat back to normal.

Of course, the extreme weather events our farmers and growers are experiencing more often are cause for concern and our hearts go out to our members and their whanau and friends who have been impacted. It’s at times like these that the importance of strong rural communities is shown.

We’re proud that NZ Young Farmers is such a key community organisation and of how our members support each other and their communities during these difficult times.

FINANCIAL

Our consolidated result for 2021/2022 was pleasing with a surplus result exceeding our budgeted result for the year. We continue to be supported by MPI’s Sustainable Food and Fibre Futures (SFFF) fund towards our goal of a more sustainable business model and I’m pleased to say we are making good progress with our goals for this project. It has been heartening to see the support from our Community Partners who continue to grow in numbers.

MEMBERSHIP

We are continuing to focus on building a strong and sustainable club network via the SFFF project. The Alumni network has been formed and is available to provide mentoring and support to club executives. We piloted some mentor programmes and took away a lot of valuable learnings. The new website was launched in May 2022 and has been a big success. I’m sure everyone will agree that the membership portal, reporting capabilities and user friendliness of the website have improved immensely.

NZYF COMMUNITY PARTNERSHIP

In 2022 we launched our Community Partnership model. Our launch events were attended by organisations interested in supporting NZYF to achieve its vision of creating success for young people in the food and fibre sectors. It was fantastic to see the enthusiasm for the concept from our existing supporters and organisations wanting to do more to support young people. Our inaugural partners were Tavendale and Partners and Trev farm software. Primary ITO/Te Pukenga also came on board, and we continue to grow our partner family.

FMG YOUNG FARMER OF THE YEAR

Again, we were disrupted during Regional Finals in Season 54 with Covid restrictions ensuring that we had to find innovative ways to hold events. The NZYF Events team did a wonderful job of keeping everyone safe while making sure that we were able to have our seven grand finalists on the stage in July.

Grand Final in Whangarei was very successful, although a little bit damp! I think we can all agree that Practical Day was one of the wettest we’d seen.

What a great champion we got with Tim Dangen being crowned FMG Young Farmer of the Year. Since winning the title, Tim has gone on to enthusiastically represent Young Farmers and the Contest and is inspiring young people to join our sector through his Ambassador role with MPI. Also great to see the girls win FMG Junior Young Farmer of the Year – and a city club at that! Season 55 is back in the south with Grand Final being held in beautiful Timaru. Let’s hope this year is a dry Practical Day!

WELLBEING FUND

For the second year, MPI was able to provide us with funding from their Complementary Services programme to support the wellbeing of young people in rural communities. We took the learnings from the first year of funding and supported our clubs and members to hold more events at the club level, suggesting a range of guest speakers that could come along and talk about the importance of taking care of our mental and physical wellbeing. We recently signed a memorandum of understanding with the Rural Support Trust to guide how we will work together going forward to connect our clubs with their local Rural Support

Trust and provide support to our members for their individual wellbeing. In 2022 we launched the “Get Support” page on our website, providing pathways for getting support for health and wellbeing issues being faced by our members and non-members. I’d like to thank MPI and their Rural Communities team for their support for what is a critical part of delivering the NZ Young Farmers strategy – the health and wellbeing of young people in our sector.



LOOKING AHEAD

Earlier in the year the Board and I spent time deciding on what we would like NZYF to look like in five years and beyond. Critical to this picture is the ongoing strength of our club network and the confidence and resilience of our members. We believe that NZYF has a unique role in our sector – supporting, encouraging, empowering and connecting our young people to what they need to be successful, whatever that looks like for them as individuals. We are continually looking at opportunities to collaborate and work with partners that are aligned with our goals so that we can deliver for our young people. I want to say particular thanks to MPI and the SFFF fund for their support in helping us to achieve those goals, as well as our other partners who believe in what NZYF is all about.



JESSIE WAITE NZYF CHAIR

Kia ora koutou,

We say this every year, but I think the last few months have gone exceptionally fast, especially in respect to the New Zealand Young Farmers (NZYF) calendar. To think we were in Whangārei nearly 12 months ago and now we're celebrating the Season 55 Grand Final FMG Young Farmer of the Year in Timaru.

The number of events throughout the country that have been held on a multitude of levels, whether that be club, regional or nationally has been great to see and has not gone unnoticed.

I am immensely proud of our membership for the work that goes into delivering events that support the work that our National Office team does.

The 2022 Annual General Meeting saw Nicola Blowey and Chloe Belfield elected to the Board. They replaced Kent Weir and Jimmy Robertson (who took on a work opportunity overseas).

With the Sustainable Food and Fibre Futures (SFFF) fund project now well underway, the key focus for the Board in the last 12 months has been to focus to the long-term goals and direction of the organisation, further clarifying what a successful NZYF looks like in 5-, 10- and 20-years' time.

We continue to work closely with National Office to ensure the financial sustainability of the organisation. The development of a business model and funding partnerships will allow NZYF to continue doing what it does best in our rural communities – all whilst being fresh and relevant for the future of the primary industries.

MEMBERS

As I have already mentioned, our members put in a significant amount of time and mahi to organise events and run clubs throughout the country. This work saw four new clubs established in 2022. I do not think I can emphasise enough that this passion and motivation are huge contributors to the continued success of NZYF.

It's also important to celebrate the great success of our members annually. In 2022, we congratulated Otago/Southland as our Best Region, Fitzherbert Young Farmers winning the Health and Safety award, Ngarua/Morrinsville taking out best club and the Pendarves After Harvest Party winning Best Event.



THANK YOU TO OUR PARTNERS

NZYF could not be what it is without our family of partners and stakeholders. They continue to invest in the people and initiatives within our organisation, enabling NZYF to deliver on our goals. You are an integral part of our community, and I cannot thank you enough for believing in NZYF, our people, our purpose and our strategy.

DONALD'S FARM

In 2018, NZYF was gifted a farm by Donald Pearson, creating a focus to educate local school students on where food comes from and to learn practical skills.

Donald's Farm is continuing to showcase the sector to both the local schools through regular farm visits where students are learning practical skills and the opportunities that the primary sector provides.

This season, we have seen approximately 900 people visit the farm. School visits and other initiatives like Open Farms and Inspiring the Future have allowed the Donald's Farm team to showcase to the next generation where their milk comes from, and how they can get involved in the dairy industry.

Calf Club has also allowed local children to take care of calves on farm and train them ahead of local ag days, with the students receiving the reserve champion award for overall calf.

I would like to give thanks to Sam Waugh (Farm Manager), Julie Pirie (Donald's Farm Board Chair) and the farm board for their hard work and passion for the farm and the vision for the future.

ACKNOWLEDGEMENTS

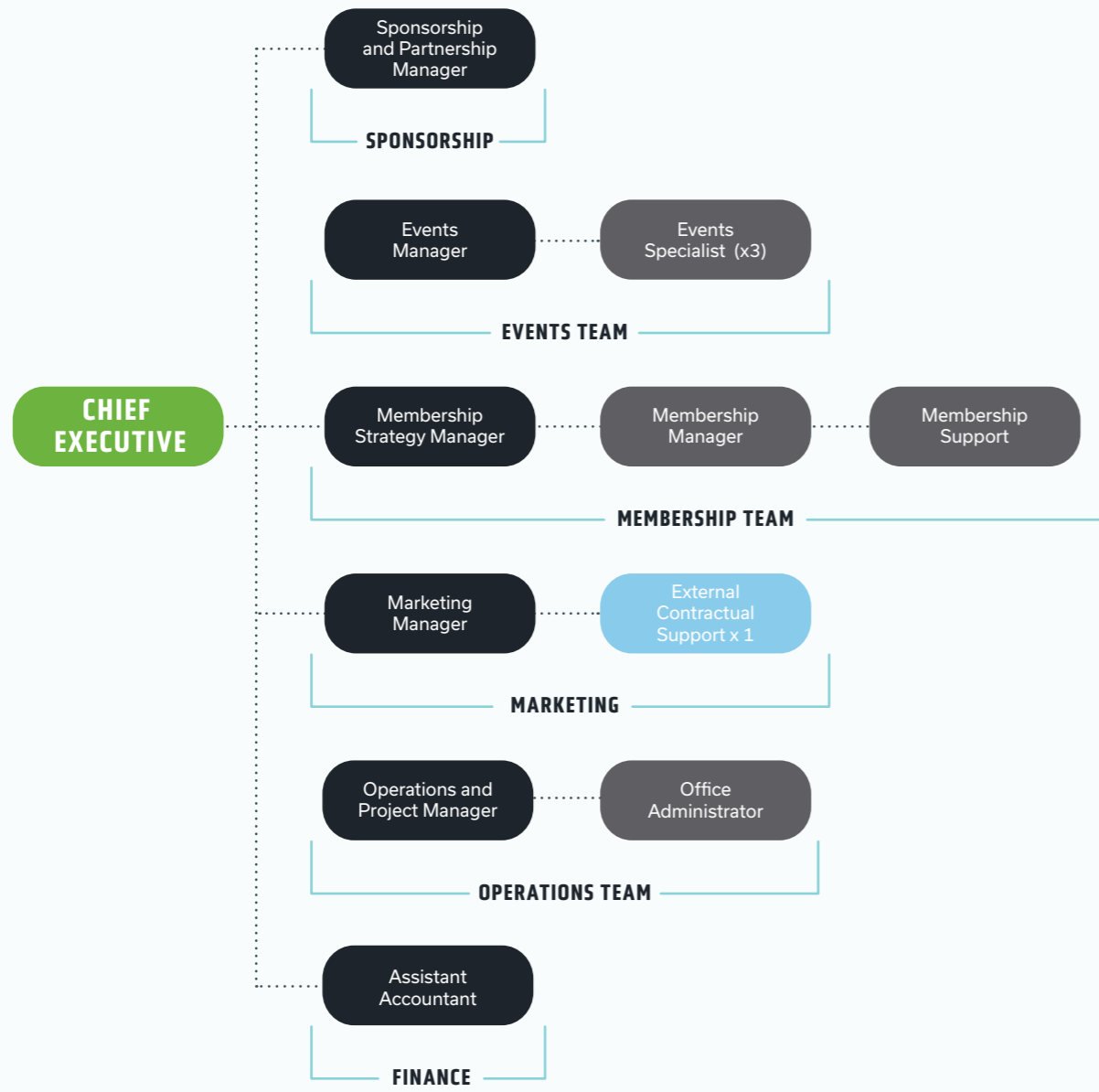
To Lynda and all our wonderful NZYF staff. Thank you for your dedication to your roles, your infectious enthusiasm and your passion for our members. It has been an absolute pleasure to work alongside you over the last three years whilst being on the board, but also for many years prior as a member.

Lastly to my fellow Board members, thank you for your effort and contributions over the last 12 months. I appreciate the knowledge and support you all bring to the table. A special thanks to our independent directors Catherine McMillan and Malcolm Nitschke for offering your services and immense skillsets to our organisation - we would be lost without you!

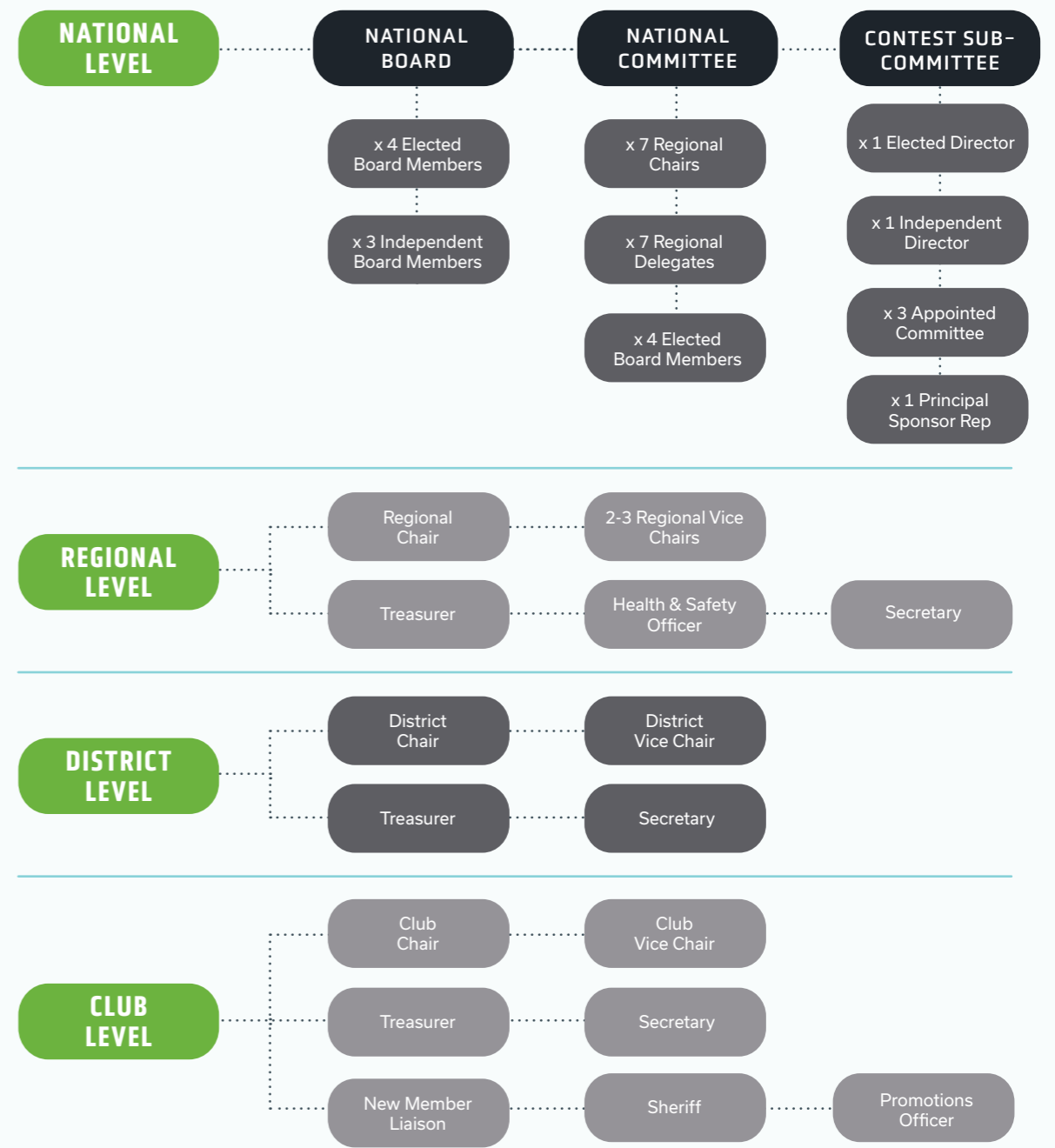
The organisation is in good hands also having Sammy, Chloe and Nicola around the table with their passion and fresh perspectives. As my term on the Board comes to an end and the NZYF chapter of my life draws to a close, I reflect on not only the last three years on the board, but the last 10 years as a member of NZYF. I am thankful for the friendships I have made and leave with a great sense of pride and satisfaction at my time involved with the organisation.



ORGANISATION STRUCTURE



MEMBERSHIP & EXTERNAL ROLES



BOARD OF DIRECTORS



JESSIE WAITE
CHAIR



SAMANTHA BILLS
ELECTED BOARD MEMBER



CHLOE BELFIELD
ELECTED BOARD MEMBER



NICOLA BLOWEY
ELECTED BOARD MEMBER



MALCOLM NITSCHKE
BOARD MEMBER



CATHERINE MCMILLAN
BOARD MEMBER

YEAR IN REVIEW



DONALD'S FARM

SEASON REPORT 2022/2023



74 ha
DAIRY FARM



130
DAIRY COWS



91%
OF MILK AT
EXCELLENCE LEVEL

Wet is the one word I would use to describe the 2022/2023 season at Donald's Farm. The 2022 winter lingered into spring with temperatures remaining lower than average and the wet weather keeping grass growth below average.

However, once the grass got growing it did not stop. We have had one of, if not the wettest summers on record, with rainfall from January-May almost equaling our annual average rainfall.

Fortunately, we were not adversely affected by the flooding in the area, however, grew a lot of grass through the summer months. With this, we were able to produce well beyond the farm's best production, hitting 41,711 kgMS, (up by 4,796 kgMS or 11.4% from the previous best production season of 2021/2022) with next to no supplements bought in to achieve this.

Maintaining high milk quality has remained a focus, with the farm in line to achieve the Te Tihi level of Fonterra's Co-operative Difference programme, with SCC averaging 83,000 and 91% of our milk supplied at an excellence level.

We have made huge progress with our waterway restoration project. After harvesting our old exotic trees in the summer of 2022, we have now fenced off all the waterways on the farm and have started planting natives into these areas, with 16,000 natives to be planted over the 2023 winter.



There has been a lot of interest and progress within our educational programmes throughout the season. Over calving, we ran a small calf club programme with four students from Brookby and Clevedon Primary Schools. Each student was able to look after and train a calf to show at their respective ag days.

In November, we hosted an Inspiring the Futures event on the farm which saw approximately 450 year nine students from Manurewa and Papakura High School visit the farm. This event was a chance for students to learn the grass-to-glass story showcasing what it takes to produce milk.

They undertook practical activities run by Horticulture NZ, NZ Arborist Association and a farm machinery activity, and they finished their day learning first-hand from people working in a range of different careers in the primary industries.

It was great to be able to host another Open Farm event over the summer, hosting approximately 180 members of the public to learn about dairy farming. We continue to work with Nature's Den which brings two groups of primary students on-farm weekly to run outdoor, child-led programmes and integrate their learning with on-farm activities.

We have also started working with Primary ITO/Te Pukenga who are running a practical training programme for senior high school students from James Cook High School. These students are

completing a combination of theoretical and practical-based unit standards on-farm.

To see out the season, we hosted 160 junior primary students from Mellon's Bay School to experience what a dairy farm is all about. Across the season, we will have hosted approximately 900 people on-farm which is an exciting step forward for Donald's Farm.

Finally, support from the industry has been amazing to see. We would like to say thank you for the great support we have received from the following companies; FIL, Trev, FarmSource, Allflex, Gallagher, Cyclone Wire, Riordan Contracting, Brookby Quarry, MiniShifts, NZAgBiz, SealesWinslow, AgriVantage, Honda, Skellerup, Barenbrug, Tokoroa Engineering, Goldpine and Conservation Volunteers NZ.

Sam Waugh
Manager, Donald's Farm



THE FOOD AND FIBRE YOUTH NETWORK



CHEYENNE WILSON CHAIR, FOOD & FIBRE YOUTH COUNCIL

In 2022, notable engagements took place in the primary industries sector, bringing together industry leaders and advocates to discuss important issues, share insights, and shape the sector's future. These engagements, which included youth panel discussions, network meetings, and participation in consultations, played a role in safeguarding the future of primary industries and promoting positive change. The addition of new council members Jesse Brennan, Ben Pierce, William Robertson, Ben Purua, and Ella Zwagerman brought fresh perspectives and enthusiasm to the team, ensuring a promising future ahead.

EXPANDING THE NETWORK

We are thrilled to see our network has grown to include 263 young professionals, marking a 36% increase from 2022. This significant surge in membership showcases the growing interest and commitment of individuals from a diverse range of industries to collaborate and contribute to the primary industries sector.

NETWORK MEETINGS

Throughout the year, three network meetings were hosted, providing a platform for meaningful interactions and discussions among members. The meeting held in Nelson focused on dispelling industry myths and misconceptions, fostering valuable conversations that shaped collective understanding. The November 2022 Fieldays meeting centered around collaboration examples between industry organisations and urban and rural organisations, generating valuable insights and building excitement among participants.

AWDT GENERATION CHANGE

Selected council members actively engaged with the AWDT Generation Change programme, speaking to participants and becoming mentors. This initiative aimed to foster leadership skills and empower aspiring individuals within the primary industries. By sharing their knowledge and experiences, these industry leaders played a pivotal role in shaping the next generation of professionals.

MAY MEETING: MPI INSIGHTS

In May 2023 the most recent network meeting was held at the Ministry for Primary Industries (MPI) in Wellington. The meeting featured the presence of Minister O'Connor, Under-Secretary Jo Luxton, Director General for Ministry for Primary Industries Ray Smith, and other industry leaders who shared invaluable insights into New Zealand's International Trade. This meeting offered a unique opportunity to hear firsthand about ongoing initiatives and developments, engage in meaningful dialogue, and raise important questions related to international trade. The network extends heartfelt appreciation to MPI for their support and for providing a platform for the voice of future generations.



CONSULTATION AND SUBMISSIONS

Council members actively engaged in consultations that had a direct impact on the primary industries. They encouraged members to participate in a rangatahi-specific consultation hui on the Food and Beverage Industry Transformation Plan, ensuring the voices and perspectives of young individuals were heard. The council also worked to collect the views of youth in the sector, making a submission on the Government consultation document for the Pricing Agricultural Emission.

PANEL DISCUSSIONS

To empower the next generation, Council Members participated in a youth panel discussion titled "Safeguarding the Future of the Primary Industries" during the Primary Industries Summit. This discussion shed light on the challenges and opportunities faced by young professionals entering the sector, emphasising the importance of nurturing talent and ensuring a sustainable future for the primary industries.

Cheyenne and Amy also took the stage at the Seafood NZ Conference to speak about "He Tātai Rangahua," sharing the perspective of young people in the food and fibre sector and raising awareness of the network among other industries. Moreover, we participated in a Wāhine Toa panel discussion held in the Opportunities Grows Here Careers Hub, providing an empowering space for women to discuss their experiences, challenges, and achievements in the primary industries, inspiring future generations of leaders.

LOOKING AHEAD

Over the next 12 months we will be focusing on key themes concerning the sector, widening our networks to ensure the next generation's voice is represented.

If you'd like to join the Network and stay up to date with what we're up to, please visit www.youngfarmers.co.nz/ffyn or scan the QR code below.

Membership of the network is open to any young people working in the Food and Fibre sector. Visit www.youngfarmers.co.nz/ffyn for more information and to join.





TIM DANGEN

FMG YOUNG FARMER OF THE YEAR SEASON 54

Auckland Young Farmer Tim Dangen took out the FMG Young Farmer of the Year title at the 2022 Grand Final in Whangarei.

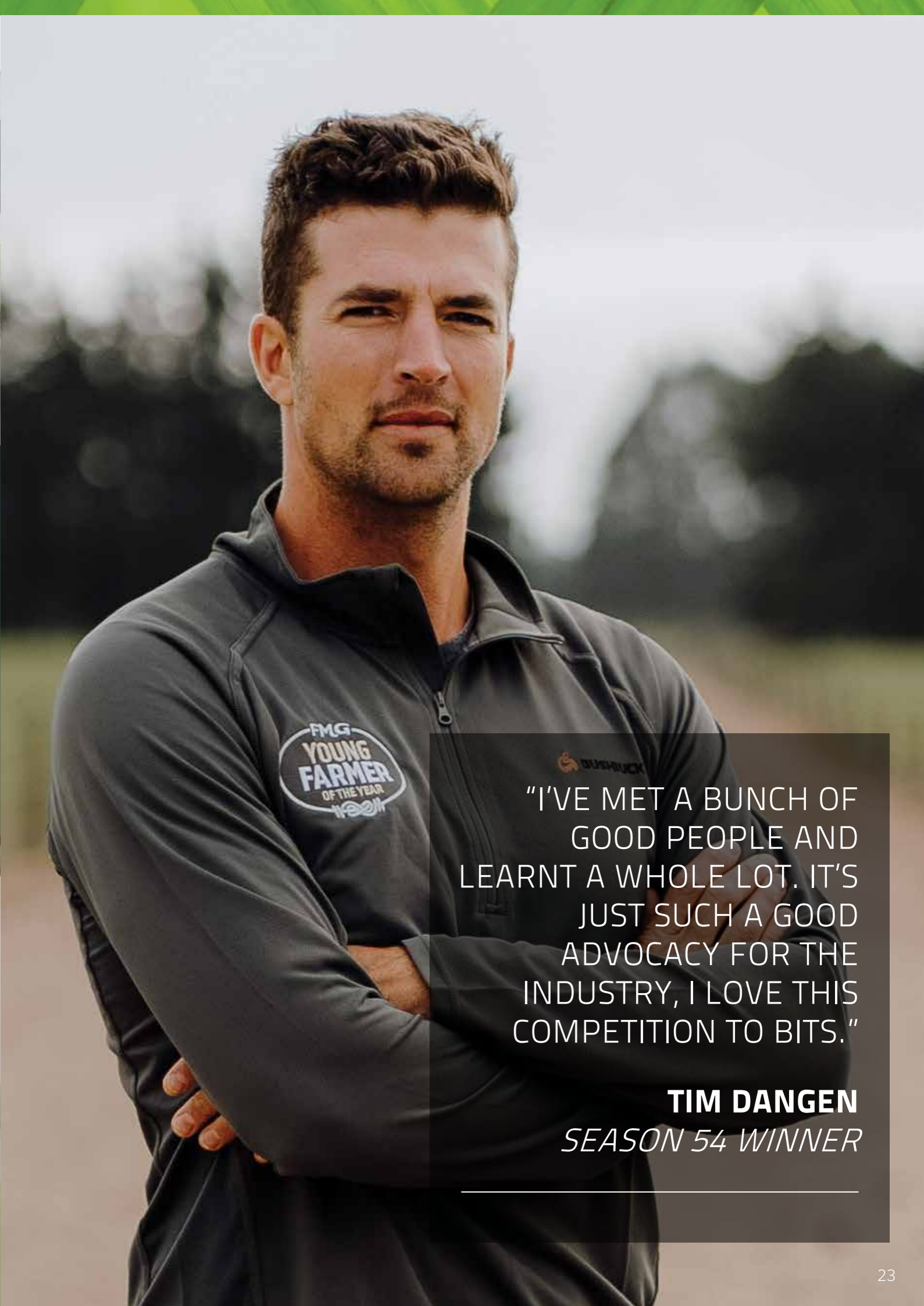
The Northern representative brought the trophy home to his region which hosted the Grand Final in Whangārei, after three days of grueling challenges in July 2022.

It was Dangen's first Grand Final after competing in four Regional Finals.

"I've met a bunch of good people, learnt a whole lot, got a lot of growth out of it. It's just such a good advocacy for the industry, I love this competition to bits," he said.

Dangen also claimed the FMG People's Choice Award and three out of five of the challenges - Agri-Business, Agri-Sports and Agri-Knowledge.

Since his win, Tim has been advocating for the food and fibre sector, taking up multiple engagements to encourage the next generation to get involved in the primary industries.



"I'VE MET A BUNCH OF GOOD PEOPLE AND LEARNT A WHOLE LOT. IT'S JUST SUCH A GOOD ADVOCACY FOR THE INDUSTRY, I LOVE THIS COMPETITION TO BITS."

TIM DANGEN
SEASON 54 WINNER

THE YEAR AT A GLANCE

1 JULY 2022 -
30 JUNE 2023



WORLD CONGRESS CHARITABLE TRUST SCHOLARSHIPS

Lincoln University post graduate student Archie Woodhouse and aspiring Massey University Animal Science student Kate Bennett were awarded the NZYF World Congress Charitable Trust Scholarships



NZYF FUTURE ME SCHOLARSHIP

Whangarei Young Farmer Katrina Stead was awarded the NZYF Future Me Scholarship, receiving \$1,500 for planned professional development.



TIM DANGEN WINS FMG YFOTY

Northern representative Tim Dangen is the 54th FMG Young Farmer of the Year. He was crowned the winner after three days of competition in Whangarei at July's Grand Final.



NZYF TOURNAMENT

260 NZYF members competed in the 2023 NZYF Tournament regional competitions (fencing, stock judging, debating and clay target).



NZYF COMMUNITY PARTNERS

A number of new partners have joined the NZYF Community to support the future sustainability of NZYF.



BANKS PENINSULA YOUNG FARMERS

Te Waihora Banks Peninsula Young Farmers is the newest club in the NZYF network, launched April 2023.



FOOTHILLS RAISES \$15,000

Foothills Young Farmers raised \$15,000 for Movember and local charities.



\$30,000 RAISED FOR RURAL SUPPORT TRUST

Club of the year Morrinsville-Ngarua Young Farmers raised \$30,000 for the Rural Support Trust at their Quiz and Auction Evening.



PLEASANT POINT YOUNG FARMERS

Pleasant Point Young Farmers was launched in December 2022 to connect young people in the area.

NZ YOUNG FARMERS ALUMNI

NZYF ALUMNI NETWORK LAUNCHED

An Alumni network has been launched with the aim to connect ex-NZYF members after they have aged out.



PENDARVES CELEBRATES 75 YEARS

Pendarves Young Farmers celebrated their 75th Jubilee in October 2022.



SCOTTISH NZYF EXCHANGE BACK

With Covid restrictions eased, Upper Waitaki member Tom Adkins will be heading to Edinburgh for the NZYF/Scottish Young Farmers exchange.



YOUNG FARMER YARNS

NZYF launched a six-series podcast at the start of 2023. Young Farmer Yarns featured stories of members and is available on all major streaming services.

NZYF NATIONAL AWARDS 2022



BEST DISTRICT CONTEST AWARD

Aorangi North District Contest, Pendarves Young Farmers



BEST REGIONAL FINAL AWARD

Taranaki Manawatu Regional Final



HEALTH AND SAFETY AWARD

Fitzherbert Young Farmers, Taranaki Manawatu region



BEST NZ YOUNG FARMERS CLUB

Morrinsville-Ngarua Young Farmers, Waikato Bay of Plenty Region



CLUB MEMBERSHIP AWARD

Inglewood Young Farmers, Taranaki Manawatu region



BEST NZ YOUNG FARMERS EVENT

Pendarves After Harvest Party, Aorangi region



BEST NZ YOUNG FARMERS REGION

Otago Southland

SERVICE TO NZ YOUNG FARMERS

Roshean Woods, Christchurch City Young Farmers, Tasman region

LEADERSHIP AWARD

James Hurst, Upper Waitaki Young Farmers, Aorangi Regional Chair (2019-2021)



NZ YOUNG FARMERS

SPONSORS AND SUPPORTERS

NZ Young Farmers wouldn't exist without the support of our family of sponsors and supporters.

NZYF COMMUNITY

SUPPORTERS



FRIENDS



FMG YOUNG FARMER OF THE YEAR

PRINCIPAL SPONSOR



FAMILY OF SPONSORS



NZYF TOURNAMENT



CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022



The New Zealand Federation of Young Farmers Clubs (Inc.)

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The New Zealand Federation of Young Farmers Clubs (Inc.)

Statutory information

As at 30 September 2022

Date of establishment	20 March 1934
Nature of the Incorporated Society	Meeting the needs of rural youth
Address of the Incorporated Society	Innovation Park, 185 Kirk Road, Sycamore Street, Templeton 7678
Registered Office	Innovation Park, 185 Kirk Road, Sycamore Street, Templeton 7678
Board chairman	Kent Weir (until 28/07/2022) Jessie Waite (from 28/07/2022)
Board members	Sammy Bills James Robertson (until 30/04/2022) Chloe Belfield (from 09/07/2022) Nicola Blowey (from 09/07/2022) Catherine McMillan Malcolm Nitschke Sharon Angus (until 28/07/2022)
Chief Executive Officer	Lynda Coppersmith
Banker	ANZ Bank Limited
Auditor	PKF Goldsmith Fox Audit Limited

The New Zealand Federation of Young Farmers Clubs (Inc.) Statement of Compliance and Responsibility

The Board accepts responsibility for the preparation of The New Zealand Federation of Young Farmers Clubs (Inc.) annual consolidated financial statements and judgements used in them, and hereby adopt the financial statements as presented.

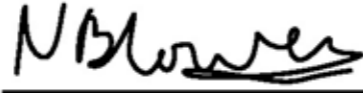
They also accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Board, the Group financial statements presented for the year ended 30 September 2022 fairly reflect the financial position and performance of The New Zealand Federation of Young Farmers Clubs (Inc.).

Signed on behalf of the Board:



Jessie Waite
Chair
24 January 2023



Nicola Blowey
Chair of Audit and Risk Committee
24 January 2023



NZ YOUNG FARMERS

STATEMENT OF SERVICE PERFORMANCE

2022

OUR PURPOSE

WE EXCITE, CONNECT AND NURTURE
YOUNG PEOPLE IN THE PRIMARY SECTOR

OUR VISION

CREATING SUCCESS FOR OUR YOUNG
PEOPLE IN THE PRIMARY SECTOR

RESPECTFUL

ONE TEAM

PROUD

PASSIONATE

ALL LEADERS

OUR STRATEGIES FOR SUCCESS

**SUPPORT
OUR PEOPLE TO
BE MENTALLY AND
PHYSICALLY WELL**

Helping to improve our young people's resilience and confidence while they are making lifelong friends at NZ Young Farmers.

**CONNECT PEOPLE
TO THRIVING RURAL
COMMUNITIES**

Provide resources and support to enable clubs to grow their community connections and their membership. NZYF clubs are inclusive and welcoming to everyone from across their community.

**DEVELOP AND
NURTURE OUR
PEOPLE**

Provide opportunities for our people to connect, learn and grow. Support them to effectively participate in their communities and workplaces.

**INSPIRE AND
EMPOWER OUR
PEOPLE TO ACHIEVE
THEIR GOALS AND
AMBITIONS**

Connect our people to a network of employers, educators and experiences that will help them to make decisions about their future in the food and fibre workforce. Provide pathways and opportunities to excel.

OUR REACH



100+

NZYF and
TeenAg clubs




800+

Club meetings
each year



19,000

Following on
social media



150+

Events annually
across all networks

Page 5



The Food and Fibre Youth Network (FFYN) enables young people in the primary sector to add their voice to shaping the future of our food and fibre sector.

The Food and Fibre Youth Network, officially launched in May 2021, had a successful year getting established and appointed its first leaders - Cheyenne Wilson as Chair and Lincoln Roper as Vice Chair.



THE FOOD AND FIBRE YOUTH NETWORK

The late Donald Pearson donated his 74 ha farm to NZ Young Farmers for the purpose of encouraging young people into the agricultural sector.

Under NZYF ownership, this farm operates as a commercial dairy farm, with the future aim to utilise the farm, and the way in which it is operated, as an outdoor classroom or learning centre for NZYF members and the wider community.

DONALD'S FARM

NZYF MEMBERSHIP

TOTAL MEMBERS

1,489

NZYF MEMBERS (2022)
2021 Total: 1,560

134

TEENAG MEMBERS (2022)
2021 Total: 2,881*

CLUBS

63

NZYF CLUBS (2022)
2021: 75 Clubs

45

TEENAG CLUBS (2022)
2021: 68 Clubs



*Note: Historically, Teardrop has been a five-year membership. This has consequently meant that we do not have a transparent view of how many Teardrop members in our database are currently qualifying Teardrop members. Going forward the membership will be a one-year membership, so we can ensure we have up-to-date data and visibility of our members.

20% Red Meat & Wool

24% Dairy



20%

Agribusiness

2%

Arable

Members are also involved in environmental management, animal health, rural supplies, food processing and more.

29% AGE 17-21

31% AGE 22-26

21% AGE 27-31



VOLUNTEERS			
Approx. Volunteers for Districts (2022) 400	FMG Young Farmer of the Year Contestants (2022) (89 females, 148 males) 237	FMG Junior Young Farmer of the Year Contestants (2022) 320	AgriKids NZ Contestants (2022) 567
Approx. Volunteers for Regionals (2022) 500	The flagship event for NZ Young Farmers, Showcasing the level of skill and knowledge of young people in our industry.	High School students aged 13-18	Primary School students aged 8-12
Approx. Volunteers for Grand Final (2022) 175	16 District Contests, seven Regional Finals, one Grand Final.	Students compete in teams of two and complete a range of modules, based on the primary industry.	Children compete in teams of three to battle it out for the title of AgriKidsNZ Champion.
			

THE CONTEST

The New Zealand Federation of Young Farmers Clubs (Inc.) Consolidated Statement of Comprehensive Revenue and Expense For the year ended 30 September 2022

	Note	2022 \$	2021 \$
Revenue			
<i>Revenue from exchange transactions</i>			
Industry funding	2	916,449	590,988
Sponsorship	2	1,096,079	1,077,595
Ticket sales		66,603	74,141
Membership subscriptions		78,297	75,941
Farming revenue		393,146	297,209
Other revenue		174,896	175,840
<i>Revenue from non-exchange transactions</i>			
Grants received		-	25,000
Total revenue		2,725,470	2,316,714
Expenditure			
Personnel costs	3	1,136,200	1,046,178
Vehicle operating costs	4	95,929	93,375
Contest and other events		499,948	437,888
Members benefits		36,720	30,377
Office and administration expenditure		59,334	67,048
Other operating expenditure	5	482,135	394,388
Farming expenses		204,317	121,399
Depreciation and amortisation expense		80,825	89,096
Total expenditure		2,595,408	2,279,749
Surplus before net financing costs		130,062	36,965
Bad Debt Expense		-	(401)
Finance income		11,348	4,823
Finance costs		-	-
Net finance income/(costs)		11,348	4,422
Surplus/(deficit) for the year from continuing operations		141,410	41,387
Other comprehensive revenue and expense			
Gain/(Loss) on revaluation of shares		(22,424)	(15,214)
Total other comprehensive revenue and expense		(22,424)	(15,214)
Total comprehensive revenue and expense		118,986	26,172

The above Statement should be read in conjunction with the accompanying notes on pages 13 to 32 and the Independent Auditor's Report.

The New Zealand Federation of Young Farmers Clubs (Inc.)
Consolidated Statement of Changes in Equity
For the year ended 30 September 2022

		2022	2021
	Note	\$	\$
Balance at 1 October		5,756,060	5,729,144
Surplus/(Deficit) for the year		141,410	41,387
Other comprehensive revenue and expense		(22,424)	(15,214)
Total comprehensive revenue and expense for the year		118,986	26,172
Less transfers to reserves	14	-	-
Accumulated surpluses		5,875,046	5,755,316
Reserves			
Transfer to Reserve - Livestock Revaluation Reserve		23,435	744
Transfer to Reserve - Legacy - D F Pearson		-	-
Total Reserves		23,435	744
Balance at 30 September	14	5,898,481	5,756,060

The above Statement should be read in conjunction with the accompanying notes on pages 13 to 32 and the Independent Auditor's Report.



The New Zealand Federation of Young Farmers Clubs (Inc.)
Consolidated Statement of Financial Position
As at 30 September 2022

		2022	2021
	Note	\$	\$
Assets			
Current assets			
Cash and cash equivalents	6	588,458	566,770
Receivables	7	144,093	92,627
Prepayments		31,225	18,787
Feedstock on Hand		2,397	2,918
Biological assets	10	260,905	212,954
Other current assets		20,572	-
Total current assets		1,047,650	894,056
Non-current assets			
Property, plant and equipment	8	5,084,875	5,040,728
Investments	9	93,181	114,934
Intangible assets	11	75,466	21,308
Other non-current assets		11,844	-
Total non-current assets		5,265,366	5,176,970
Total assets		6,313,016	6,071,026
Liabilities			
Current liabilities			
Payables	12	116,506	108,844
Revenue received in advance		170,250	82,000
Employee entitlements	13	125,058	120,242
Other current liabilities		2,721	3,882
Total current liabilities		414,535	314,968
Total liabilities		414,535	314,968
Net assets		5,898,481	5,756,060
Equity			
Accumulated surplus/(deficit)		(31,397)	(150,383)
Reserves		5,929,878	5,906,443
Total equity	14	5,898,481	5,756,060

The above Statement should be read in conjunction with the accompanying notes on pages 13 to 32 and the Independent Auditor's Report.



The New Zealand Federation of Young Farmers Clubs (Inc.)

Consolidated Statement of Cash Flows

For the year ended 30 September 2022

	2022	2021
Note	\$	\$
Cash flows from operating activities		
Receipts from customers	2,741,013	2,355,801
Payments to suppliers	(1,488,714)	(1,194,706)
Payments to employees	(1,131,384)	(1,025,065)
Movement of Livestock	-	(20,482)
Interest received	3,295	405
Interest paid	-	-
Net cash flow from operating activities	124,210	115,953
Cash flows from investing activities		
Purchase of property, plant and equipment	(176,447)	(3,173)
Sale of property, plant and equipment	65,872	180
Net cash flow from investing activities	(110,575)	(2,993)
Cash flows from financing activities		
Receipts from investments	8,054	4,418
Net cash flow from financing activities	8,054	4,418
Net increase/(decrease) in cash and cash equivalents	21,688	117,378
Cash and cash equivalents at the beginning of the year	566,770	449,392
Cash and cash equivalents at the end of the year	588,458	566,770

The above Statement should be read in conjunction with the accompanying notes on pages 13 to 32 and the Independent Auditor's Report.



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

1. Statement of accounting policies

Reporting entity

The New Zealand Federation of Young Farmers Clubs (Inc.) ("the Society") is an incorporated society under the Incorporated Societies Act 1908, incorporated in New Zealand on 20 March 1934.

The Society is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013.

The Group financial statements for the year ended 30 September 2022 incorporate the activities of the following subsidiary (hereafter referred to as "the Group"):

- Donald Pearson Farm Limited - Subsidiary

The Society is primarily involved in meeting the needs of rural youth.

These financial statements were authorised for issue by the Board on the 24th of January 2023.

Basis of preparation

Statement of compliance

The consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted.

The Group qualifies as a Tier 2 reporting entity as it is not publicly accountable, and for the two most recent reporting periods it has had between \$2m and \$30m operating expenditure.

Measurement basis

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position, which are measured at fair value:

- Available for sale financial instruments
- Biological assets classified as inventory
- Certain financial assets & liabilities are detailed in the accounting policy

Functional and presentation currency

The financial statements are presented in New Zealand dollars (\$) which is the controlling entity's functional and Group's presentation currency, rounded to the nearest dollar.



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

Critical accounting estimates and assumptions

In preparing these consolidated financial statements the Group has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual events. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

Critical judgements in applying accounting policies

Grants received

The Group must exercise judgement when recognising grants received to determine if conditions of the grant contract have been satisfied. This judgement will be based on the facts and circumstances that are evidence for each grant contract.

Estimated useful life of assets

Biological assets - fair value	refer to policy (f)
Property, plant and equipment	refer to policy (g)
Intangible assets - useful life	refer to policy (i)

Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group.

a) Basis of consolidation

i. Controlled entities

Controlled entities are those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from that entity's activities. The financial statements of the Group's controlled entities are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Subsequent changes in a controlled entity that do not result in a loss of control are accounted for as transactions with owners of the controlling entity in their capacity as owners, within net assets/equity.

The financial statements of the controlled entity have been prepared for the same reporting period as the controlling entity, using consistent accounting policies.

ii. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

b) Revenue

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the Group, and measured at the fair value of consideration received or receivable.

The following specific recognition criteria in relation to the Group's revenue streams must also be met before revenue is recognised.

i. Revenue from exchange transactions

Revenue received from exchange transactions for services rendered is recognised in the period it relates to. Amounts received in advance for services to be provided in future periods are recognised as a liability until such time as the service is provided. Revenue received from exchange transactions include:

- Industry funding
- Sponsorship
- Membership fees and subscriptions
- Ticket sales
- Farm revenue
- Other revenue

ii. Revenue from non-exchange transactions

Non-exchange transactions are those where the Group receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

The following specific recognition criteria in relation to the Group's non-exchange transaction revenue streams must also be met before revenue is recognised.

Grants and Bequests

The recognition of non-exchange revenue from Grants and Bequests 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.

Stipulations that are 'conditions' specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the 'conditions' are satisfied.

Stipulations that are 'restrictions' do not specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, and therefore there is no recognition of a non-exchange liability. As a result, this type of non-exchange revenue is recognised immediately.

c) Finance income

Finance income comprises interest income on cash and cash equivalents and dividend income on share investments. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method. Income from dividends is recognised when the Group's right to receive payment is established and the amount can be reliably measured.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

d) Financial instruments

The Group initially recognises financial instruments when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The Group also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The classifications of the financial assets are determined at initial recognition. The categorisation determines the subsequent measurement.

The financial liabilities are classified as amortised cost. Financial liabilities are initially measured at fair value net of directly attributable transaction costs and subsequently measured at amortised cost.

The financial instruments comprise:

i. Trade and other receivables

Trade and other receivables are initially recognised at fair value plus directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

ii. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

iii. Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives, principally equity securities, that are either designated in this category or not classified in any other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of reporting date.

The Group's available-for-sale financial assets comprise investments in shares (classified as investments in the statement of financial position).

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

iii. Available-for-sale financial assets (continued)

Purchases and sales of investments are recognised on trade date - the date at which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus directly attributable transaction costs. Investments in equity instruments that do not have a quoted market price in an active market and whose fair values cannot be reliably measured are recognised and subsequently carried at cost.

Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognised in other comprehensive revenue and expense. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in surplus or deficit as gains and losses from investments.

The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of investments classified as available-for-sale, a significant or prolonged decline in the fair value of the investment below its cost is considered in determining whether the investments are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in surplus or deficit - is removed from other comprehensive revenue and expenses and recognised in surplus or deficit.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improvements in the debtor's credit rating), the previously recognised impairment loss is reversed in other comprehensive revenue and expenses.

iv. Employee Benefits

Short-term employee benefits

Short-term employee benefit liabilities are recognised when the Group has a legal or constructive obligation to remunerate employees for services provided within 12 months of the reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided.

v. Trade and other Payables

These amounts represent unsecured liabilities for goods and services provided to the Group prior to the end of the financial year, which are unpaid. Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method. As trade and other payables are usually paid within 30 days, they are not discounted.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

e) Income tax

The Society is exempt from income tax as it has obtained charitable status and is a registered charity with the Charities Services.

f) Biological assets

Biological assets comprise of dairy cattle and are initially measured at fair value less costs to sell, which equates to cost.

The dairy cattle are subsequently measured at fair value using the national average market values of specified livestock provided by Inland Revenue, apart from bull and heifer calves which are measured at observable prices in active markets and recent market transactions on an arm's length basis. Any change is recognised in surplus or deficit.

g) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

ii. Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefit or service potential associated with the item will flow to the Group and the cost of the item can be measured reliably.

iii. Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the Statement of Comprehensive Revenue and Expense.

iv. Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefit or service potential associated with the item will flow to the Group and the cost of the item can be measured reliably.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

h) Property, plant and equipment (continued)

v. Depreciation

Depreciation is provided on property, plant and equipment at rates that will write off the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Land	nil
Buildings	0.00% - 8.50% diminishing value
Motor vehicles	13.00% - 30.00% diminishing value
Plant and equipment	8.00% - 67.00% diminishing value
Plant and equipment - Farm	10.00% - 67.00% diminishing value
Office equipment	8.00% - 67.00% diminishing value
Furnishings	12.00% - 16.00% diminishing value
Furnishings - Farm	13.00% - 25.00% diminishing value
Contest assets	8.0% - 50.00% diminishing value
Property Improvements	0.00% - 13% diminishing value

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

i) Intangible assets

i. Recognition and measurement

Items of intangible assets are measured at cost, less accumulated amortisation and impairment losses.

ii. Software

Costs that are directly associated with the development and acquisition of software for internal use are recognised as an intangible asset. Staff training costs and costs associated with the maintenance of computer software and website are recognised as an expense in surplus and deficit when occurred.

iii. Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Software	2 years	50.0%
Website	7 Years	14.3%

j) Impairment of property, plant and equipment and intangible assets

Assets with a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount of which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

k) Impairment of property, plant and equipment and intangible assets (continued)

Value in use is determined using the depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Group would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment is recognised in the Statement of Comprehensive Revenue and Expense.

l) Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as expenses on a straight line basis in surplus or deficit.

m) Goods and services tax (GST)

All items in the financial statements are stated exclusive of GST, except for Receivables and Payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position.

Commitments and contingencies are disclosed exclusive of GST.

n) Changes in accounting policy

The accounting policies adopted by the Group in these financial statements are consistent with those adopted by the Group in the previous financial year.



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

2. Revenue

	2022	2021
	\$	\$
Industry Funding		
SFFF Funding	837,579	548,987
Other	78,870	42,000
Total Industry Funding	916,449	590,987
Sponsorship Revenue		
Events and Contest	1,046,035	1,023,395
Other	50,044	54,200
Total Sponsorship revenue	1,096,079	1,077,595

3. Personnel costs

	2022	2021
	\$	\$
Salaries and wages	1,131,383	1,025,065
Increase/(decrease) in employee entitlements liability	4,816	21,114
Personnel costs	1,136,200	1,046,178

4. Vehicle operating costs

	2022	2021
	\$	\$
Operating lease expense - vehicle	45,522	59,803
Other vehicle operating expenditure	50,407	33,572
Vehicle operating costs	95,929	93,375

5. Other operating expenditure

	2022	2021
	\$	\$
Fees to auditor		
- For audit of financial statements	12,500	12,500
Operating lease expense - office	39,966	40,797
Communication expenses	15,222	16,621
IT maintenance/development	50,793	54,999
Non salary staff related expenses	26,680	51,398
Other expenses	336,975	218,073
Other operating expenditure	482,135	394,388



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

6. Cash and cash equivalents

	2022	2021
	\$	\$
Bank account balances		
ANZ - Current account	253,793	184,318
ANZ - Serious saver account 1	879	632
ANZ - Serious saver account 2	735	489
ANZ - Serious saver account 3	174,852	172,950
ANZ - Call Account	30,346	60,038
ANZ - Donald Pearson Farm Ltd	47,853	148,344
ANZ - Term Deposit	80,000	-
Cash and cash equivalents	588,458	566,770

The carrying value of the Bank account balances represents their fair value.

Interest is earned on the ANZ - Serious saver accounts (1, 2 & 3) at a rate of 0.30%.

Interest is earned on the ANZ - Call account at a standard rate of 1.00%.

Interest is earned on the ANZ - Current account at a rate of 1.00%

Interest is earned on the ANZ - Term deposit at a rate of 2.35%

ANZ Bank has a registered security over all present and after acquired personal property of the Society.



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

7. Receivables

	2022	2021
	\$	\$
Trade receivables from exchange transactions	144,093	92,627
Receivables	144,093	92,627

Fair value

Receivables are non-interest bearing and receipt is normally on 30 day terms. Therefore the carrying value of receivables approximates their fair value.

Impairment

The carrying amount of receivable that would otherwise be past due or impaired whose terms have been renegotiated is \$0 (PY:\$0).

The status of receivables as at 30 September 2022 and 2021 is as follows:

	2022	2021
	\$	\$
Not past due		
Gross	143,043	90,847
Impairment	-	-
Net	143,043	90,847
Past due 1 - 30 days		
Gross	50	-
Impairment	-	-
Net	50	-
Past due 31 + days		
Gross	1,000	2,181
Impairment	-	(400)
Net	1,000	1,781
Total	144,093	92,627



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

8. Property, plant and equipment (continued)

Additions through non-exchange transactions

No items were received through non-exchange transactions in the year under review (2021:\$0).

Impairment

There is no impairment provision for property, plant and equipment (2021:\$0).

9. Investments

	2022 Number of Shares	2022 \$	2021 Number of Shares	2021 \$
Farmlands shares	200	200	200	200
Shares - Livestock Investment Corporation	5,924	7,997	5,924	7,227
Shares - Fonterra Co-Op Group Limited	30,925	81,952	30,925	105,145
Shares - Ravensdown	3,032	3,032	2,362	2,362
Investments	40,081	93,181	39,411	114,934

There is no impairment provision for investments (2021: \$0).

Equity investments are measured at fair value with fair value determined by reference to published market price quotations in an active market. Where no published market price quotations exist, historical cost is used as the fair value.

Please note: Correction to above name under Investments.

'Shares - Livestock Investment Corporation' should read 'Shares - Livestock Improvement Corporation'

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

8. Property, plant and equipment

	Freehold Land	Buildings	Plant and equipment	Motor Vehicles	Office equipment	Furnishings	Agrikids signage and trailer	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost or valuation								
Balance as at 1 October 2020	3,973,000	907,439	302,765	80,000	118,719	19,020	29,385	5,430,328
Additions	-	-	-	-	9,950	-	-	9,950
Disposals	-	-	-	-	(3,475)	(210)	-	(3,685)
Transfers	-	-	(6,071)	-	6,071	-	-	-
Balance as at 30 September 2021	3,973,000	907,439	296,694	80,000	131,265	18,810	29,385	5,436,593
Balance as at 1 October 2021	3,973,000	907,439	296,694	80,000	131,265	18,810	29,385	5,436,593
Additions	-	-	2,035	31,243	35,949	173	41,727	111,127
Revaluation gain/(loss)	-	-	-	-	-	-	-	-
Disposals	-	-	(4,626)	-	(44,279)	(6,213)	(10,360)	(65,478)
Transfers	-	-	-	-	-	-	-	-
Balance as at 30 September 2022	3,973,000	907,439	294,103	111,243	122,935	12,770	60,752	5,482,242
Accumulated depreciation and impairment								
Balance as at 1 October 2020	-	28,604	140,201	32,603	105,494	12,183	21,423	340,508
Depreciation	-	12,105	24,912	7,348	11,802	1,159	1,538	58,864
Disposals	-	-	-	-	(3,360)	(147)	-	(3,507)
Balance as at 30 September 2021	-	40,709	165,113	39,951	113,936	13,195	22,961	395,865
Balance as at 1 October 2021	-	40,709	165,113	39,951	113,936	13,195	22,961	395,865
Depreciation	-	10,850	17,993	12,372	15,012	791	3,895	60,913
Disposals	-	-	(4,300)	-	(40,779)	(4,219)	(10,113)	(59,411)
Balance as at 30 September 2022	-	51,559	178,806	52,323	88,169	9,766	16,744	397,367
Net book value								
As at 1 October 2020	3,973,000	878,835	162,564	47,397	13,225	6,837	7,962	5,089,820
As at 30 September 2021	3,973,000	866,730	131,581	40,049	17,329	5,615	6,424	5,040,728
As at 30 September 2022	3,973,000	855,880	115,297	58,920	34,766	3,004	44,008	5,084,875

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

10. Biological assets

Livestock (Cattle)

Livestock is held by the Group for the purpose of milk production for on sale to Fonterra.

The dairy cattle was measured at fair value using the national average market value of specified livestock provided by Inland Revenue, apart from Bull Calves and Heifer Calves which were measured at observable prices in active markets and recent market transactions on an arms length basis.

At reporting date, Livestock consisted approximately of:

	2022	2022	2021	2021
	#	\$	#	\$
R1 Heifers	32	25,888	26	18,382
MA Cows	120	203,640	121	184,888
Breeding Bulls	3	5,277	2	3,184
Bull Calves	21	9,450	20	2,500
Heifer Calves	37	16,650	32	4,000
	213	260,905	201	212,954

Reconciliation of Carrying Amounts of Dairy Livestock

	2022	2021
	\$	\$
Carrying amount at 1 October	212,954	177,658
Purchases		
Livestock - non exchange transaction	15,550	34,400
Sales		
Livestock Sold	(36,680)	(13,918)
Gain arising from changes in fair value less costs to sell		
Attributable to natural increase	2,708	3,818
Attributable to price changes	66,374	10,996
Balance as at 30 September	260,905	212,954

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

11. Intangible assets

	Software	Total
	\$	\$
Cost		
Balance as at 1 October 2020	386,386	386,386
Additions	-	-
Disposals	-	-
Balance as at 30 September 2021	386,386	386,386
Balance as at 1 October 2021	386,386	386,386
Additions	74,071	74,071
Disposals	-	-
Balance at 30 September 2022	460,457	460,457
Accumulated amortisation and impairment losses		
Balance as at 1 October 2020	334,846	334,846
Amortisation expense	30,232	30,232
Disposals	-	-
Impairment losses	-	-
Balance as at 30 September 2021	365,078	365,078
Balance as at 1 October 2021	365,078	365,078
Amortisation expense	19,913	19,913
Disposals	-	-
Impairment losses	-	-
Balance at 30 September 2022	384,991	384,991
Net book value		
At 1 October 2020	51,542	51,542
At 30 September 2021	21,308	21,308
At 30 September 2022	75,466	75,466

Impairment

There is no impairment provision for intangible assets (PY:\$0).

Work in Progress

In addition to the amounts listed above, there is further work in progress for the amount of \$11,332 recorded on the balance sheet as other current assets at 30 September 2022.

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

12. Payables

	2022	2021
	\$	\$
Payables		
Trade payables	45,144	48,030
Accrued expenditure	27,402	13,400
GST payable	43,960	47,414
Total Payables	116,506	108,844

Payables are non-interest bearing and are normally settled in 30 day terms, therefore the carrying value approximates their fair value.

13. Employee entitlements

	2022	2021
	\$	\$
Current		
Accrued salaries and wages	59,892	52,223
Annual leave	65,166	68,019
Current employee entitlements	125,058	120,242
Non-current		
Non-current portion of long term employee benefits	-	-
Non-current portion of long term employee benefits	-	-

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

14. Equity

	2022	2021
	\$	\$
Accumulated surplus/(deficit)		
Balance at 1 October 2021	(150,383)	(176,555)
Surplus/(deficit) for the year	118,986	26,172
Less: transfers to reserves	-	-
Total accumulated surplus/(deficit)	(31,397)	(150,383)
Reserves		
Legacy - D F Pearson		
Opening balance	5,905,699	5,905,699
Transfer to reserve	-	-
Closing balance	5,905,699	5,905,699
Livestock Revaluation Reserve		
Opening balance	744	-
Movements for the period	23,435	744
Closing balance	24,179	744
Total Reserves	5,929,878	5,906,443
Total equity	5,898,481	5,756,060

The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

15. Operating leases

Operating leases as lessee

The future non-cancellable minimum lease payments of operating leases as lessee at reporting date are detailed in the table below:

	2022	2021
	\$	\$
Less than one year	75,669	63,889
Between one and five years	84,426	67,542
Greater than five years	-	-
Total non-cancellable operating lease payments	160,095	131,431

The New Zealand Federation of Young Farmers Clubs (Inc.) has entered into a number of material operating leases for vehicles, photocopiers and buildings.

The lease of the buildings expires on 1 January 2025.

The lease of the photocopiers expires on 20 January 2025.

The leases of the vehicles expires as follows:

3 expire March 2024

1 expires May 2024

1 expires March 2025

The building lease was renegotiated during the year. Upon expiry of the current agreement there are three subsequent right of renewals, each for 36 month periods.

These have not been included in the future payments listed above.



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

16. Related party transactions

Membership disbursement scheme

The New Zealand Federation of Young Farmers Clubs (Inc.) has made payments during the year to a number of its affiliated Young Farmer clubs under the membership disbursement scheme.

The amount paid from The New Zealand Federation of Young Farmers Clubs (Inc.) to affiliated Young Farmer clubs during the year is \$29,460 (PY: \$25,810).

Compensation of key management personnel

Key management personnel of The New Zealand Federation of Young Farmers Clubs (Inc.) include the Board, Senior Leadership Team staff members and Contest Board.

Key management personnel of Donald Pearson Farm Limited includes the Board of Directors.

The total remuneration of key management personnel and number of individuals, on a full time equivalent basis, receiving remuneration from The New Zealand Federation of Young Farmers Clubs (Inc.) are:

	2022	2021
	\$	\$
Executive leadership team (6 FTE: Last Year 6 FTE)	605,000	466,778
Elected board members and Contest Board	26,500	26,500
Total remuneration	631,500	493,278

Key management personnel did not receive any remuneration or compensation other than in their capacity as key management personnel (PY: nil).

The New Zealand Federation of Young Farmers Clubs (Inc.) did not provide any compensation to close family members of key management personnel during the year (PY: nil).

The New Zealand Federation of Young Farmers Clubs (Inc.) did not provide any loans to key management personnel or their close family members during the year (PY: \$0).



The New Zealand Federation of Young Farmers Clubs (Inc.)

Notes to the consolidated financial statements

For the year ended 30 September 2022

17. Commitments and contingencies

Capital commitments

The New Zealand Federation of Young Farmers Clubs (Inc.) does not have any capital commitments at 30 September 2022 (PY: nil).

Contingent assets

The New Zealand Federation of Young Farmers Clubs (Inc.) does not have any contingent assets at 30 September 2022 (PY: \$nil).

Contingent liabilities

The New Zealand Federation of Young Farmers Clubs (Inc.) does not have any contingent liabilities at 30 September 2022 (PY: nil).

18. Events after reporting date

There are no material non-adjusting events after the reporting date.

19. Going Concern

The Group's current assets exceed its current liabilities at 30 September by \$633,115 (PY: \$579,088). The Group recorded a profit for the year ended 30 September 2022 of \$118,986. The Group has adopted the going concern assumption.

20. Group Entities

A list of the Society's significant controlled entities is presented below:

Name of controlled entity	Country of incorporation	Ownership interest	
		2022	2021
		%	%
Donald Pearson Farm Limited	New Zealand	100	100

The controlled entity has the same reporting date as the controlling entity.

There are no significant restrictions on the ability of the controlled entity to transfer funds to the Society in the form of cash distributions or to repay loans or advances.

Donald Pearson Farm

The society has 100% equity interest in Donald Pearson Farm Limited, which is involved in Dairy Cattle Farming. It was incorporated on 28 April 2017 with the farm and assets being transferred 21 December 2018.

INDEPENDENT AUDITOR'S REPORT

To the members of The New Zealand Federation of Young Farmers Clubs (Inc.)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements The New Zealand Federation of Young Farmers Clubs (Inc.) and its subsidiary (the 'Group'), which comprise the consolidated statement of financial position as at 30 September 2022, the consolidated statement of comprehensive revenue and expense, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 September 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime Standards (PBE IPSAS RDR).

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

Board's Responsibilities for the Consolidated Financial Statements

The Board is responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime Standards (PBE IPSAS RDR), and for such internal control as the Board determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board is responsible, on behalf of the Group, for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

The Board is responsible for overseeing the Group's financial reporting process.

Other information

The Board is responsible for the other information. The other information comprises the statement of service performance, but does not include the consolidated statement of comprehensive revenue and expense, consolidated statement of changes in equity, consolidated statement of financial position, consolidated statement of cash flows, notes to the consolidated financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The auditor is responsible for the direction, supervision and performance of the group audit. The auditor remains solely responsible for the audit opinion.

We communicate to the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Dawn Alexander.

PKF Goldsmith Fox Audit

PKF Goldsmith Fox Audit Limited
Christchurch, New Zealand

24 January 2023



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