

# Annual Report

Directors and Editors Guild of New Zealand Inc  
For the year ended 31 March 2021

Prepared by VCFO Group Limited

# Contents

3	Compilation Report
4	Directory
5	Statement of Profit or Loss
7	Statement of Changes in Equity
8	Balance Sheet
9	Depreciation Schedule
11	Notes to the Financial Statements

# Compilation Report

## Directors and Editors Guild of New Zealand Inc For the year ended 31 March 2021

Compilation Report to the National Executive of Directors and Editors Guild of 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 New Zealand Inc for the year ended 31 March 2021.

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 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 New Zealand Inc.



---

VCFO Group Limited

Level 1, 96 St Georges Bay Road

Parnell

Auckland 1052

Dated: 31 August 2021

# Directory

## Directors and Editors Guild of New Zealand Inc For the year ended 31 March 2021

### Registered Office

66 Surrey Crescent

Grey Lynn

Auckland

### IRD Number

69-712-789

### National Executive

Howard Taylor (President)

Dr Gabriel Reid (Vice-President)

Phillip Gore (Treasurer)

Robyn Paterson

Annie Collins

Margot Francis

Francis Glenday

Stallone Vaiaoga-loasa

Steven Chow

Josh Frizzell

Rena Maihi

### Chartered Accountant

VCFO Group Limited

Level 1, 96 St Georges Bay Road

Parnell

Auckland 1052

### Bankers

ANZ Bank

# Statement of Profit or Loss

## Directors and Editors Guild of New Zealand Inc For the year ended 31 March 2021

	NOTES	2021	2020
<b>Income</b>			
Letters of Non-Objection		6,300	9,000
Memberships		49,267	39,126
NZFC - Infrastructure Funding		85,000	85,000
NZFC - Strategic Training Funding		69,038	105,074
Workshops and Events - Fees		2,816	5,135
Emerging Women Filmmakers Incubator - Funding		24,885	30,691
Know Your Rights Workshops - Funding		3,161	-
Interest Income		128	189
Other Revenue		5,000	17,820
<b>Total Income</b>		<b>245,594</b>	<b>292,035</b>
<b>Cost of Sales</b>			
Emerging Women Filmmakers Incubator - Expenses		24,885	30,691
Know Your Rights Workshop Expenses		3,161	-
Workshop Costs		71,853	110,209
<b>Total Cost of Sales</b>		<b>99,899</b>	<b>140,900</b>
<b>Gross Profit</b>		<b>145,695</b>	<b>151,134</b>
<b>Expenses</b>			
Accountancy Fees		5,000	5,000
Advertising		-	3,706
Bank Fees		2,518	2,291
Computer Expenses		2,567	-
Conferences & Events Attended		139	1,072
Consulting Fees		1,450	15,275
Contractor Fees		99,322	80,872
Depreciation	6	928	1,198
Entertainment		2,055	6,787
Equipment & Venue Hire		376	617
Freight, Courier & Postage		12	1,149
General Expenses		71	570
Insurance		350	471
Interest Expense		9	62
Legal Fees		940	-
Light, Power, Heating		82	136
Office Expenses		223	602
Printing & Stationery		1,940	1,189
Rent		14,274	15,860
Repairs and Maintenance		-	450
Sponsorship		1,131	1,000
Subscriptions		5,616	3,776

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	2021	2020
Telephone & Internet		1,759	1,845
Travel - International		-	5,721
Travel - Miscellaneous		500	376
Travel - National		2,586	3,078
Website Expenses		698	285
<b>Total Expenses</b>		<b>144,547</b>	<b>153,385</b>
<b>Net Profit (Loss) Before Taxation</b>		<b>1,148</b>	<b>(2,251)</b>
<b>Taxation and Adjustments</b>			
Income Tax Expense	7	1,563	4,986
<b>Total Taxation and Adjustments</b>		<b>1,563</b>	<b>4,986</b>
<b>Net Profit (Loss) for the Year</b>		<b>(415)</b>	<b>(7,237)</b>

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 New Zealand Inc For the year ended 31 March 2021

	2021	2020
<b>Equity</b>		
Opening Balance	80,188	87,426
<b>Increases</b>		
Net Surplus/(Deficit) after Tax	(415)	(7,237)
<b>Total Increases</b>	<b>(415)</b>	<b>(7,237)</b>
<b>Total Equity</b>	<b>79,773</b>	<b>80,188</b>

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

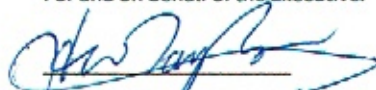
# Balance Sheet

## Directors and Editors Guild of New Zealand Inc As at 31 March 2021

	NOTES	31 MAR 2021	31 MAR 2020
<b>Assets</b>			
<b>Current Assets</b>			
<b>Cash and Bank</b>			
Petty Cash		5	5
Business Call Account		311,955	266,865
Business Current Account		78,495	2,880
DEGNZ Visa - Tui Ruwhiu		-	1,173
<b>Total Cash and Bank</b>		<b>390,455</b>	<b>270,924</b>
Trade and Other Receivables		6,275	515
<b>Total Current Assets</b>		<b>396,730</b>	<b>271,439</b>
<b>Non-Current Assets</b>			
Fixed Assets	6	2,006	2,934
<b>Total Non-Current Assets</b>		<b>2,006</b>	<b>2,934</b>
<b>Total Assets</b>		<b>398,736</b>	<b>274,372</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables		18,685	11,237
DEGNZ Mastercard - Tui Ruwhiu		1,274	-
DEGNZ Visa - Tema Pua		966	687
GST Payable		17,928	15,863
Income Tax Payable	7	2,359	2,883
Deferred Income	8	277,750	163,513
<b>Total Current Liabilities</b>		<b>318,963</b>	<b>194,184</b>
<b>Total Liabilities</b>		<b>318,963</b>	<b>194,184</b>
<b>Net Assets</b>		<b>79,773</b>	<b>80,188</b>
<b>Equity</b>			
Retained Earnings		79,773	80,188
<b>Total Equity</b>		<b>79,773</b>	<b>80,188</b>

APPROVED

For and on behalf of the Executive:



Chair of the Executive

Date 1/09/2021

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 New Zealand Inc For the year ended 31 March 2021

NAME	COST	OPENING ACCUM DEP	OPENING VALUE	PURCHASES	DISPOSALS	RATE	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
<b>Office Equipment</b>									
21.5" iMac 2.5HHz i5, 8gb ram, 500gb hard drive	970	905	66	-	-	50.00%	33	938	33
3D Hessian Board	185	182	3	-	-	18.00%	1	182	3
ADSL Modem	596	596	-	-	-	48.00%	-	596	-
Apple iMac 20" computer	800	799	1	-	-	50.00%	-	800	-
Apple iMac Aluminium 20" computer	1,067	1,066	1	-	-	50.00%	1	1,066	1
Banners	1,820	696	1,124	-	-	10.00%	112	808	1,012
Beech Mobile	199	196	3	-	-	18.00%	1	196	3
Brother Printer	200	200	-	-	-	48.00%	-	200	-
Chair	185	182	3	-	-	18.00%	1	182	3
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	54	753	-	-	40.00%	301	355	452
Panasonic TH-42A400Z LED TV	737	700	36	-	-	40.00%	15	715	22
Storage Cupboard	200	197	3	-	-	18.00%	1	197	3
UP Table	218	206	12	-	-	18.00%	2	208	10
Workstation	289	284	5	-	-	18.00%	1	285	4
<b>Total Office Equipment</b>	<b>16,113</b>	<b>14,100</b>	<b>2,013</b>	<b>-</b>	<b>-</b>		<b>468</b>	<b>14,568</b>	<b>1,545</b>

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
<b>Website</b>									
DEGNZ website	1,870	1,836	34	-	-	50.00%	17	1,853	17
DEGNZ Website Customisation, inline html, plugin integration & logos	980	735	245	-	-	50.00%	123	858	123
Oversight of website development and launch	1,000	980	20	-	-	50.00%	10	990	10
Website	6,800	6,797	3	-	-	40.00%	1	6,798	2
Website build, structure, customisation & content import	2,400	1,850	550	-	-	50.00%	275	2,125	275
Website development costs	4,415	4,346	69	-	-	50.00%	34	4,381	34
<b>Total Website</b>	<b>17,465</b>	<b>16,545</b>	<b>921</b>	<b>-</b>	<b>-</b>		<b>460</b>	<b>17,005</b>	<b>461</b>
<b>Total</b>	<b>33,578</b>	<b>30,644</b>	<b>2,934</b>	<b>-</b>	<b>-</b>		<b>928</b>	<b>31,572</b>	<b>2,006</b>

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 New Zealand Inc For the year ended 31 March 2021

### 1. Reporting Entity

These are the financial statements of Directors and Editors Guild of 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 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.

	2021	2020
<b>6. Fixed Assets</b>		
<b>Furniture and Fittings</b>		
Office Equipment	16,113	16,113
Less Accumulated Depreciation on Office Equipment	(14,568)	(14,100)
<b>Total Furniture and Fittings</b>	<b>1,545</b>	<b>2,013</b>

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

	2021	2020
<b>Other Fixed Assets</b>		
Website	17,465	17,465
Less Accumulated Depreciation on Website	(17,005)	(16,545)
<b>Total Other Fixed Assets</b>	<b>461</b>	<b>921</b>
<b>Total Fixed Assets</b>	<b>2,006</b>	<b>2,934</b>
	2021	2020

## 7. Income Tax Expense

<b>Net Profit (Loss) per Financial Statements</b>		
Current year earnings (loss)	1,148	(2,251)
<b>Total Net Profit (Loss) per Financial Statements</b>	<b>1,148</b>	<b>(2,251)</b>
<b>Additions to Taxable Profit</b>		
Non-deductible expenditure regarding NZFC grant	85,000	85,000
Non-deductible expenditure regarding membership income	52,440	55,915
Non-deductible entertainment expenditure	2,260	4,271
<b>Total Additions to Taxable Profit</b>	<b>139,700</b>	<b>145,186</b>
<b>Deductions to Taxable Profit</b>		
Excluded NZFC grant	85,000	85,000
Non-taxable membership income	49,267	39,126
Non-profit organisation income exemption	1,000	1,000
<b>Total Deductions to Taxable Profit</b>	<b>135,267</b>	<b>125,126</b>
Taxable Profit (Loss)	5,581	17,809
Tax Payable at 28%	1,563	4,986
<b>Deductions from Tax Payable</b>		
Dividend Imputation Credits	-	-
Resident Withholding Tax Paid	38	57
Provisional Tax Paid	-	4,095
<b>Total Deductions from Tax Payable</b>	<b>38</b>	<b>4,152</b>
Income Tax Payable (Refund Due)	1,524	835

## 8. Deferred Income

At balance date, the Guild held funding of \$277,750 (2020: \$163,513) 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 (2020:-\$0). Directors and Editors Guild of New Zealand Inc has not granted any securities in respect of liabilities payable by any other party whatsoever.