

**NEW ZEALAND GEOGRAPHICAL SOCIETY
(INCORPORATED)**

Fifty-Fourth Annual Report

Report for the period
January 1 to December 31 1997

I have pleasure in presenting the 54th Annual Report of the New Zealand Geographical Society (Inc.)

The 54th Annual Report of the New Zealand Geographical Society is the first to report on the activities of a Head Office based at the University of Waikato in Hamilton. As was reported in the 52nd Annual Report, a decision was taken in June 1996 to relocate the Head Office in Hamilton. This decision has had a number of significant consequential implications for the Society's office holders. A completely new Executive team is now managing the Society's affairs. The 54th Annual Report contains details on the transfer and the establishment of the Hamilton Head Office. This report also details activities for the year ended 31 December 1997.

Editorial Board

The Editorial Board met once during the year before the Council meeting in July. Michael Roche continued as Chairperson of the Board and Professor Richard Bedford, Dr Robyn Longhurst, and Ms Robin Peace began their roles as Editors of the *New Zealand Geographer*. The Board reappointed Suzanne Smith as Editor of the *Journal of Geography* from 1998-2000. Dr Scott Nichol was co-opted onto the Board to represent physical geography. Karen Nairn's position on the board was extended to 1998 and Dr Robin Kearns was appointed for another term from 1998-2000. An Editorial Advisory Board has been established for the *New Zealand Geographer* drawing on an international pool of academics with a variety of skills and research backgrounds. It was formally established in time for inclusion in the April 1998 issue of the *New Zealand Geographer*.

The production of the journals has been centralised at the University of Waikato and they have been produced in a timely manner. *The Proceedings of the 50th Anniversary Geography Conference*, held at the University of Canterbury in August 1995 and the *Proceedings of the Second Joint Conference, Institute of Australian Geographers and New Zealand Geographical Society*, held at the University of Tasmania in January 1997 should be published by August of 1998. In future, Head Office will publish all of the Society's Proceedings.

New Zealand Board of Geography Teachers

The Board now sees workloads as a critical issue with staff facing considerable difficulty in fulfilling requirements as a proactive body. All members of the NZBoGT are now keeping logs of time spent on NZBoGT work so as to assist in prioritising time to be spent on NZBoGT matters and to enable newcomers to see what is required in terms of time spent on NZBoGT affairs. To assist in the management and transition of officers the NZBoGT has devised a new structure. A new fee structure is also being considered, as is the percentage of support received from Head Office. Better links between Head Office and the NZBoGT are required especially in terms of dates of meetings and initiatives coming from Head Office. With the workload

pressures being placed on teachers the Board is looking for some professional support in the form of a salaried executive officer to be funded through NZBoGT and NZGS levies. Options for updating and shifting the production of the NZBoGT's newsletter are also being considered. In terms of personnel John Allpress from Auckland stood down and Kirsti Hooker replaced him. Roger Baldwin replaced John Gill of the Canterbury region. Graeme Aitken will continue to work on behalf of teacher education through 1998 but will be replaced by Murray Fastier from Christchurch Teachers College in 1999. Andrea Mark continues as the President of the NZBoGT.

Geography Resource Centre

John Macauley and his dedicated team continue to offer a wide variety of new publications. The decline in map sales over the last few years has reversed with sales in 1997 improving slightly over 1996 levels. Supplies of maps have continued to be problematical. Considerable changes in the policy and organisation of map production and sales in New Zealand have occurred. This has meant the end of the publication of wall and street maps of New Zealand. The NZGS cannot ignore the threats this poses to geographic education in the country. Videos have been added to the range of services offered by the GRC. Initial coverage and stocks are modest and proposals for additional topics are being sought. Four teacher trainees under Murray Fastier's guidance compiled L2 Unit Standards. No new teacher contributions were made during the year and staff of the GRC continued to carry out revisions of material.

Branch Activities

Auckland, Waikato, Manawatu and Canterbury continue to function effectively. Otago continued to show excellent signs of rehabilitation under the guidance of Dr Peter Holland. The AGM will be held at Hamilton in September of 1998 to coincide with the Waikato Branch meeting. The Wellington Branch continues to languish with support largely lacking from the newly restructured Department of Geography. The Wellington Branch's accounts were returned to the Head Office in Hamilton in 1997, as stipulated in the Annual Report of 1996. Active Branches have supported the Society in its membership drive. Importantly, billing of all members is now centrally administered thus relieving Branches of this time consuming activity. All Branch financial years now end on December 31 and are in line with the Head Office's financial year and accounting procedures. Head Office appreciates that this shift in financial reporting caused some upheaval but it is hoped that the longer-term gains will more than compensate. It is believed that Branch activities will be intensified in 1998 and beyond as the Society strives to strengthen its financial position.

Transfer of Head Office

1997 was the inaugural year for both the new Executive of the Society and for the new Head Office facilities in Hamilton. An inadequate storage and office space situation faced the Office upon its arrival in Hamilton. This has since been partially remedied

with the day to day operations being conducted in adequate space and with adequate computer facilities. Storage continues to be a problem and will be so for the foreseeable future.

The transfer of Head Office can be summarised in three categories: financial, administrative and cost. From 1 January 1997 all correspondence was handled from Hamilton. New systems for recording and reporting financial transactions were established in conjunction with the University of Waikato's Internal Auditor. By March 1 all of the Society's day to day financial transactions were being carried out in Hamilton (less the payments for Anne Murray). On April 18th the Office in Canterbury was officially closed and all activities were undertaken from Hamilton.

The main administrative issue was sorting and prioritising the 50 years of accumulated records held by the Canterbury Office. In the process of transferring the records, including back numbers of the Society's journals, the stacking and filing systems were discarded as the Society's records were chaotic. A part-time tutor in the Canterbury Department of Geography was hired on a part-time basis to sort out the archives and exchange journals. By the end of the year a respectable archive had been created and unopened exchange journals had been processed. The archive will remain at Canterbury until adequate storage facilities are arranged in Hamilton.

In June of 1996 the Society set aside \$15,000 to cover the cost of shifting the Head Office to Hamilton. This was to include the upgrading of computer systems. Much of the cost for the transfer went to the purchase of a high power computer system for use by the Society's Production Manager. Costs for managing the records from Canterbury were unforeseen but were met from the \$15,000 set aside.

The Society acknowledges the commitment of Richard Bedford, Professor of Geography and Co-ordinator of the Transition Committee to manage the movement of the Society from Canterbury to Hamilton. The Society also wishes to thank Professor Bob Kirk, Head of Department at Canterbury and Associate Professor Lex Chalmers, Chairperson of Department at Waikato for their support.

Financial Report

The audited accounts for the New Zealand Geographical Society's financial year ended 31 December 1997 indicate that the Society had another substantial loss (\$12,760). All of this is attributable to the transfer of the Society's Head Office to Hamilton. These costs included an unusually expensive audit fee (\$3565), 1996 creditors not accounted for in the 1996 financial statements (\$2752), gratuity (\$5000) and wages for creating an archive of the Society's records. The Society managed to stabilise its membership in 1997, however, it will take another two years of careful management before the Society's finances stabilise. During that time, the Society needs to continue to upgrade its office equipment (e.g. a new printer), to publish all outstanding proceedings, and to woo back previous members.

NEW ZEALAND GEOGRAPHICAL SOCIETY INC.

MEMBERSHIP

The total membership of the Society at 31 December 1997 as indicated below.

Branches	1997	1996	1995	1994
Auckland	49	51	50	40
Canterbury	44	33	45	50
Manawatu	30	30	25	38
Otago	19	19	28	19
Waikato	62	51	53	65
Wellington	26	16	28	29
NZ Members	230	200	229	241
NZ Institutions	52	48	51	55
NZ Schools	226	219	279	275
Total for NZ	508	467	559	571
Overseas Institutions	215	223	230	260
Overseas Members	21	20	30	35
Overseas Schools	0	0	1	1
Total	744	710	820	867
Free Copies	14	14	14	14
Exchange Copies	45	64	64	64
Honorary Life Members	9	8	7	6
Grand Total	812	796	905	951

Notwithstanding this second year of loss, the financial situation of the Society remains reasonably healthy, largely because of the substantial accumulated reserves.

However, it is clear that the 1995 and 1997 Proceedings need to be published and a serious effort has to be made to significantly increase membership again. The Society also needs to ensure that the subscription levels set for each category cover the costs of that category.

The subscription rates for the Society's different categories of membership for 1998 are outlined in the table below. These remain amongst the most competitive anywhere in the world for the packages of publications provided.

SUBSCRIPTION RATES FOR 1998

(a) New Zealand

		\$
Individual	(Both journals)	60.00
	(NZG only)	45.00
	(NZJG only)	40.00
Associate	(Both journals)	38.00
	(NZG only)	28.50
	(NZJG only)	25.00
School	(includes Board of Geography Teachers Fee)	
	(Both journals and BoGT Newsletter)	75.50
	(NZG and BoGT Newsletter)	60.50
	(NZJG and BoGT Newsletter)	55.00
Institution	(Both journals and proceedings)	110.00
Corresponding	(Membership Fee for BoGT.)	10.00

(b) Overseas

Individual/Schools	Australia/Pacific	70.00
	Rest of World	80.00
Institutions	Australia/Pacific	145.00
	Rest of World	180.00

Council Meeting 1998

The second Council Meeting in the new Head Office location in Hamilton was held on Saturday the 6th of June. Councilors reviewed progress with the establishment of the new financial recording and reporting systems and the Branches commented on the problems experienced in moving their financial year to correspond with Head Office. The new journal production scheduled was lauded as journals are now being mailed on the dates on the cover, and with consistency. Considerable debate centred on the delays in producing the Canterbury Proceedings (being edited by Pip Forer).

Special action will be taken in the second half of 1998 to see that these Proceedings are produced in 1998. The production schedules for the joint meeting in Tasmania in 1997 and the GeoEd Conference in 1997 are proceeding as planned and are co-ordinated by the Society's Production Manager. The comprehensive re-assessment of the structures of the Society continues with major reports received from the Board of

Geography Teachers and the Geography Resource Centre. Subscription levels continue to decline in the area of overseas institutions. A small trading loss is predicted for 1998 owing to a significant write-off of old stock, and wages for completion of the the Society's archives in Canterbury.

Acknowledgements

1997 was a year of considerable change for the Society. The move from Canterbury to Hamilton was completed, not without it moments of despair, especially when attempting to rectify the condition of the archives and records in Canterbury. That task is now virtually complete and new, more efficient, transparent and hopefully more readily transportable office structures have been established in Hamilton.

The new Head Office team is working diligently to re-establish the past vigour of the Society. The initiative faces some rather formidable constraints such as rising production costs and demands for higher and more diversified levels of service. It must be remembered that volunteers staff the Society virtually entirely. It is the paid position of the Administrative Assistant that keeps the Society's book-keeping and membership lists in order. I wish not to understate the importance of having the day to day activities of the Society managed in an efficient and timely manner. But it is also important for the elected staff of the Society to work for the betterment of Geography in New Zealand. All the elected staff are in fulltime employment and along with the staff of the NZBoGT face huge constraints on the time and energy they can devote to Society matters.

It is to a large degree the goodwill of members of the Geography community in New Zealand—people like Professors Richard Bedford and Richard Le Heron and Associate Professor Michael Roche—that the future of the Society rests. There are also the teachers, editors and production managers that give of their time and effort so that a high quality product can continue to be produced.

As we move closer to the 21st century the Society will have to look at adopting new technologies to streamline production and provide services to its diverse membership. This perhaps is where the younger geographers of New Zealand will come to the fore.

Dr Graeme Campbell
President

NEW ZEALAND GEOGRAPHICAL SOCIETY INC.

Head Office Income & Expenditure Account For The Year Ended 31 December 1997

1996			1997	
\$	INCOME	\$	\$	
43,023	Subscription	47,888.64		(Note 1)

53	Miscellaneous Sales	414.04	
	LESS cost of Sales	(200.00)	(Note 2)
3745	Interest on Deposits	7,523.42	(Note 3)
21	Interest on Commercial Deposit	11.21	(Note 4)
284	Interest from Westpac Corp.	229.33	(Note 5)
407	Dividends	236.64	(Note 6)
-	Overheads Recovered	773.66	(Note 7)
-	Royalties	2,063.10	(Note 8)
-	Profit on Share Revaluations	84.06	(Note 9)
<u>55,174</u>	TOTAL INCOME	<u>59,024.10</u>	
	LESS EXPENDITURE		
20,281	Cost of Journals	20,332.26	(Note 10)
2,085	Accountancy and Audit Fee	3,565.32	
-	Bank & Credit Card Facility Fee	205.64	
4,187	Council & Ed Brd Mtg Expenses	2,953.66	
617	Editors' Expenses	-	
492	Depreciation	2,383.79	(Note 11)
813	16 th Proceedings – C of S Sold	53.00	
271	17 th Proceedings – C of S Sold	40.00	
1,696	Head Office Transfer Costs	2,332.51	
-	Geography Olympiad Grant	1,000.00	
1,408	Grants to Branches	2,432.50	(Note 12)
-	Gratuity to Anne Murray	5,000.00	(Note 13)
2,000	GRC Editors' Expenses	2,000.00	
335	Insurance and ACC	429.49	(Note 14)
163	Losses on Share Revaluations	-	
-	Membership fees – Royal Society	1,000.00	(Note 10)
549	Miscellaneous Expenses	225.78	(Note 15)
790	Postage	184.03	
5,983	Bulk Postage	7,086.12	
18	Stationery	442.47	
610	Sundry Printing	301.78	
231	Telephone	-	
1,560	Wages Head Office Restructuring	4,443.02	(Note 16)
1,000	Wage Subsidy to GRC	1,000.00	
15,428	Wages	14,354.20	
-	Write off of Old Assets	19.00	(Note 11)
<u>60,517</u>	TOTAL EXPENDITURE	<u>71,784.57</u>	

(12,984) **EXCESS INCOME OVER EXPENDITURE** (12,760.47)
 (These accounts are to be read with the notes that are attached to these accounts)

NEW ZEALAND GEOGRAPHICAL SOCIETY INC.

Special Publication Fund (Note 23) Income and Expenditure Account For The Year Ended 31 December 1997

1996		1997	
\$	INCOME	\$	\$
314	Interest Current Account	-	

1,349	Royalties	-	
1,160	Interest on Deposits	-	
<u>2,823</u>	Total Income		-
LESS EXPENDITURE			
302	Accountancy and Audit Fee	-	
955	Write off Jubilee Volumes	-	
<u>1,257</u>	Total Expenses		-
1,566	EXCESS OF INCOME OVER EXPENDITURE		-

**Board of Geography Teachers
Income and Expenditure Account
For The Year Ended 31 December 1997**

1996		1997	
\$	INCOME	\$	\$
347	Interest Received	420.46	(Note 17)
176	Membership Fees	280.00	(Note 18)
5,570	Rebate from School Subs.	6,210.00	(Note 18)
-	Sponsorship Grants	<u>2,631.12</u>	(Note 19)
<u>6,093</u>	TOTAL INCOME	9,541.58	
LESS EXPENDITURE			
302	Accountancy and Audit Fee	-	
502	Photocopying and Typing	-	(Note 20)
744	Postage	-	
93	Stationery and Printing	-	
99	Telephone Tolls and Faxes	-	
1,000	Travel Grant IGU	-	
3,032	Travel, AGM and Hall Hire	2,968.04	
500	Honorarium GRC	500.00	
-	Bank Fees	3.00	
-	Chairperson	80.00	(Note 21)
-	Secretary	168.31	
-	Newsletter	924.54	
-	Competition Sponsorship	<u>2,400.10</u>	(Note 22)
<u>6,272</u>	TOTAL EXPENSES	<u>7,043.99</u>	
(179)	EXCESS OF INCOME OVER EXPENDITURE		2,479.59

(These accounts are to be read with the notes that are attached to these accounts)

NEW ZEALAND GEOGRAPHICAL SOCIETY INC.

Head Office, Special Publication Fund & BoGT

Balance Sheet

For The Year Ended 31 December 1997

1996		1997	
\$	LIABILITIES	\$	\$
	Current Liabilities		
	<i>Head Office</i>		
23,678	Subscriptions in Advance	21,858.01	
	Allocation form Subscriptions:		
18,355	<i>Eighteenth Proceedings</i>	18,355.00	
9,040	<i>Nineteenth Proceedings</i>	17,615.00	(Note 24)
-	<i>Funds held for Conf. Organisers</i>	12,857.13	(Note 25)
27,395	Total Allocation	48,827.13	
3,739	Unpresented Cheques	18,034.34	(Note 26)
12,513	Creditors	414.46	(Note 10)
67,325	Total Head Office		89,133.94
	<i>Board of Geography Teachers</i>		
-	Unpresented Cheques	478.28	
-	Total BoGT		478.28
67,325	Total Current Liabilities		89,612.22
	Accumulated Funds from Undistributed Surpluses		
	<i>Head Office</i>		
55,924	Opening Credit Balance at Begin.	98,555.00	(Note 28)
(12,984)	Excess of Income over Expend.	(12,760.47)	(Note 29)
42,940	Total Head Office		85,794.53
	<i>Special Publications Fund</i>		
54,050	Opening Credit Balance at Begin.	-	
1,567	Excess of Income over Expend.	-	
55,617	Total Special Publ. Fund		-
	<i>Board of Geography Teachers</i>		
14,084	Opening Credit Balance at Begin.	14,227.00	
(179)	Excess of Income over Expend.	2,497.59	
323	Return from Equiticorp Invest.	-	
14,228	Total BoGT		16,724.59
14,228	Total Accumulated Funds		102,519.12
180,110	TOTAL LIABILITES		192,131.34

(These accounts are to be read with the notes that are attached to these accounts)

NEW ZEALAND GEOGRAPHICAL SOCIETY INC.

Head Office, Special Publication Fund & BoGT

Balance Sheet

For The Year Ended 31 December 1997

1996		1997	
\$	CURRENT ASSETS	\$	\$
	<i>Head Office</i>		(Note 30)
31,030	Westpac Current Account	-	
944	Westpac Commercial Deposit	-	
32,249	AGC 4.75% on Demand	-	
22,629	AGC 4.75% on Demand	-	
11,160	AGC 4.75% on Demand	-	
-	Trustbank Current Account	27,803.07	
-	Trustbank Serious Saver	22,207.94	
-	Trustbank Term Investment	97,986.13	(Note 31)
-	Trustbank Term Investment	16,465.68	
98,012	Total Head Office		164,462.82
	<i>Special Publications Fund</i>		(Note 30)
22,205	Westpac Current Account	-	
14,583	UDC 3.5% on Demand	-	
15,705	UDC 3.5% on Demand	-	
52,493	Total Special Publ. Fund		-
	<i>Board of Geography Teachers</i>		
3,768	Westpac Current Account	-	
6,050	UDC 3.5% on Demand	-	
-	Trustbank Current Account	5,568.34	
-	Trustbank Term Deposit	6,448.14	(Note 31)
9,818	Total BoGT		12,016.48
160,323	Total Bank Accounts		174,479.30
24	Petty Cash	-	(Note 32)
	Debtors		
	<i>Head Office</i>		
4,000	Loan to Waikato Branch	-	(Note 33)
2,589	Subscriptions Unpaid	-	
-	Inland Revenue (Interest Paid)	814.76	
202	Goods and Services Tax	1,895.52	(Note 19)
6,791	Total Head Office		2,710.28
	Total Debtors		2,710.28

(These accounts are to be read with the notes that are attached to these accounts)

NEW ZEALAND GEOGRAPHICAL SOCIETY INC.

**Head Office, Special Publication Fund & BoGT
Balance Sheet
For The Year Ended 31 December 1997**

1996			1997	
\$	CURRENT ASSETS	\$	\$	\$
	Stocks			
	<i>Head Office</i>			
500	New Zealand Geographer	500.00		
813	Sixteenth Proceedings	750.00		
840	Seventeenth Proceedings	800.00		
-	Restructuring Volumes	840.00		
2,153	Total Head Office		2,890.00	
	<i>Special Publications Fund</i>			
1,040	Restructuring Volumes	-		
1,040	Total Special Publ. Fund		-	
3,193	Total Stocks		2,890.00	
170,331	Total Current Assets		182,079.58	
	INVESTMENTS			
	<i>Head Office</i>			
3,218	2475 Brierley Shares	-		(Note 34)
1,218	300 Shares Fletcher Energy	1,815.00		
1,299	300 Shares Fletcher Building	1,053.00		
658	470 Fletcher Forest Shares	-		
-	518 Fletcher Forest Shares	735.56		(Note 35)
1,692	600 Fletcher Paper Shares	1,302.00		
8,085	Total Head Office		4,905.56	
8,085	Total Investments		4,905.56	
	FIXED ASSETS			
	<i>Head Office</i>			
1,694	Book Value of Fixed Assets		5,146.20	(Note 11)
1,694	Total Fixed Assets		5,146.20	
180,110	TOTAL ASSETS		192,131.34	

(These accounts are to be read with the notes that are attached to these accounts)

NEW ZEALAND GEOGRAPHICAL SOCIETY INC.

Notes on Accounts as at 31 December 1997

Statement of Accounting Policies

A. Reporting Entity

New Zealand Geographical Society is an Incorporated Society registered under the Incorporated Societies Act 1908

B. Measurement Base

The accounting principles recognised as appropriate for measurement and reporting of earnings and financial position on a historical cost basis are followed by the entity.

Specific Accounting Policies

The following specific accounting policies which materially affected the financial performance and financial position have been applied.

Debtors

Debtors have been valued at the amounts expected to be realised in the normal course of operations of the Society. No provision has been made for doubtful debts, bad debts being written off in the year which they are proved uncollectable.

Stocks

Stocks of periodicals and other publications that are available for resale have been valued at the lower cost or net realisable value, otherwise printing and stationery are written off at date of purchase.

Failed Investments:

Investments have been valued at market value. The investments that were held with the Prudential Building Society and Equiticorp Holdings Ltd have been fully written off in the Accumulated Funds of Head Office and the Board of Geography Teachers in the 1988 financial year. To date \$2,550 has been recovered from Equiticorp, and \$7,108 from Prudential. (See Events Subsequent to Balance Date)

Goods and Services Tax

This tax has been excluded from all purchases or sales of goods and services. Balance Sheet items, where applicable are GST exclusive.

Income Tax:

The Society has tax-exempt status.

Fixed Assets and Depreciation

Fixed Assets have been valued at cost less depreciation to date. Depreciation has been charged using the diminishing value method and at rates approved by the Inland Revenue Department. The rate of depreciation on the MacIntosh computer has been decreased from 22.5% Diminishing Value to 20% to bring it into line with Inland Revenue's 1994 Depreciation Guide.

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used for previous years.

Provisions for Costs of Publishing Proceedings

There is \$35,970 retained income of the Society's and \$12857.13 held on behalf of Conference organisers towards the expenses of the Eighteenth and Nineteenth Proceedings, this being allocated from the 1994, 1995, 1996, and 1997 Institutional Subscriptions.

Accounting and Audit Fee

No provision this year has been made for an audit and accountancy fee. This will be accounted for when paid. The Society no longer employs H P Hanna & Co to prepare its annual accounts and to audit them. Audit services are to be obtained in Hamilton.

Investments

As at the beginning of the financial year, the AGC and UDC investments were on demand and available for withdraw. Since the office transferred to Hamilton, all investments have been placed in term investments with Trustbank.

Change of Head Office Location

In the period January to April, the functions of the Head Office were transferred from Christchurch to Hamilton. The Christchurch Office closed on 18 April.

Events Subsequent to Balance Date

Equiticorp Statutory Managers have reached an out of court settlement of legal action against the New Zealand Government. This has resulted in a settlement of \$286 million in February 1998, and the Geographical Society expects to receive an additional payout.

The Prudential Building Society's Statutory Managers have notified the New Zealand Geographical Society that they will have soon resolved all outstanding issues and will distribute the final funds. The Society will receive approximately \$400 to \$600 (2-3cents in the dollar).

Head Office Notes

- 1 The Subscription is composed of subscriptions received in advance during the 1996 financial year (but for 1997) and the subscriptions received during the year for 1997. This amount is net of the portions of subscriptions that are received for GST, the Proceedings, and the Board of Geography Teachers.

- 2 The \$200 is to cover the costs of the Restructuring volumes sold. Other sales include sales of back copies of the Journals which, because of excessive stocks found, have no additional value of production attributed to them in the Balance Sheet, and the Proceedings the cost of which is deducted in the Expenses section below.

- 3 The Interest on Deposits consists of:

Interest Earned whilst Funds Held in Christchurch:	
Head Office:	
AGC 4.75% on Demand (\$32249):	\$ 261.20
AGC 4.75% on Demand (\$22629):	\$ 182.94
AGC 4.75% on Demand (\$11160):	\$ 176.96
Special Publications Fund:	
UDC 3.5% on Demand (\$14583):	\$ 283.12
UDC 3.5% on Demand (\$15705):	<u>\$ 122.05</u>
	\$1,026.27
Interest Earned whilst Funds Held in Hamilton:	
Head Office:	
Trust Bank (\$108,896.63):	\$6,369.94
Serious Saver Account	<u>\$ 127.21</u>
	<u>\$6,497.15</u>
	\$7,523.42

- 4 The interest was earned on a Commercial Deposit of \$944 held in a Christchurch bank account between 1 January and 3 April, when the account was closed and the funds transferred to the Head Office account in Hamilton.

- 5 The interest was earned on the Westpac Accounts of the Head Office (\$94.48) and Special Publications Funds (\$134.85) in the period 1 January 1997 to April and May when the accounts were closed in Christchurch and the funds transferred to the Head Office account in Hamilton.

- 6 \$99.00 from 3218 Brierley Investments shares on 9 April 1997
 \$77.10 from 1670 Fletcher Challenge shares on 2 April 1997
 \$60.54 from 1718 Fletcher Challenge shares on 6 November 1997

The Brierley shares were sold on 30 May 1997.

- 7 \$93.55 was recovered from Massey University when it was noticed the Society had paid one account twice, and \$680.11 was the nett refund received from overpayment of GST.
- 8 \$968.03 from Longman Paul for Changing Places - received April 1997
 \$804.81 from Longman Paul for Changing Places - received Oct 1997
 \$290.26 from Copyright Licensing for academic copying - received Dec 1997
 \$2063.10
- 9 Share Revaluation consisted of:
- \$597.00 for 300 Shares Fletcher Energy
 (\$246.00) for 300 Shares Fletcher Building
 \$ 77.56 for 518 Shares Fletcher Forest (see Note 35)
 (\$390.00) for 600 Shares Fletcher Paper
\$ 45.50 for 3218 shares Brierley Investments
 \$ 84.06

The valuations for the Fletcher Shares were the differences between the values on 31 December 1996 and 1997.

The valuations for the Brierley Investment Shares were the difference between the values on 31 December 1996 and 30 May 1997 when they were sold.

- 10 For the 1996 accounts, an estimate was made that the Society owed \$12,513 to Creditors.

- 11 However, once all the accounts relating to 1996 expenditure were received and paid in 1997, the amount of money owed to Creditors was \$15,265.13. The breakdown is as follows:

Branch rebates	\$ 294.00
Royal Society membership	\$ 650.00
Postage	\$ 44.53
Sundry Printing	\$ 301.78
Telephone	\$ 123.01
Journal Printing & Preparation	\$13,851.81

The excess of \$2752.13 has been incorporated into the 1997 accounts as follows:

Branch rebates	\$ 294.00
Royal Society membership	\$ 650.00
Postage	\$ 44.53
Sundry Printing	\$ 301.78
Journal Printing	\$ 1461.82

- 11 Detail of Fixed Assets and Depreciation as at 31/12/97

Item	Cost	Opening Book Value	Additions - Date	Additions - Cost	Deletions - Cost	Deletions - Capital Gain (Loss)	Rate & Type	Depreciation	Closing Book Value
	\$	\$		\$	\$	\$		\$	\$
Calculator	148	11					20% DV	\$2.20	\$8.80
Computer MacIntosh LC4.40	5961	1667					20% DV	\$333.00	\$1334.00
Typewriter No 2	286	19			19	(19)	-	-	-
Computer - Apple PM7200/120	5852	-	14/2/97	5852			40% DV	\$2048.19	\$3803.80
End of Year Value									\$5146.60
Total Claimed for Depreciation								\$2383.39	

- 12 Branches received grants of fixed amounts per individual membership, based on the type of member. They are paid these grants on a three monthly basis.

The October to December portion of the 1996 rebates was not paid to branches and was not allowed for in the Creditors item of the 1996 accounts. Therefore, the total amount of \$294.00 has been recognised in the 1997 Expenditure.

Branches received for the 1997 year:

Auckland:	(26.00 + 123.00 + 276.00 + 13.50)	= \$438.50
Waikato:	(33.00 + 348.00 + 207.00)	= \$588.00*
Manawatu:	(33.00 + 184.00 + 72.00)	= \$289.00
Wellington:	(174.00 + 63.50 + 7.50)	= \$245.00
Canterbury:	(57.00 + 222.50 + 148.50 + 11.00)	= \$439.00
Otago:	(78.00 + 50.00 + 11.00)	= <u>\$139.00</u>
TOTAL:		\$2,138.50

*Overpayment of Waikato by \$1.50

\$43.00 of these rebates were paid in the 1998 financial year but related to 1997 subscriptions.

- 13 In June 1996, the Council resolved to pay Anne Murray a gratuity of \$5,000.00 in recognition of her numerous years of service and that her position would no longer be available to her, as the Head Office was being shifted from Christchurch to Hamilton. The gratuity was paid in April 1997 when the Christchurch office was closed.
- 14 \$288.29 was paid in ACC payments on 20 April 1997

Insurances cost:

\$24.00 for CED Distributors to provide AppleCare cover for the MacIntosh computer.

\$117.20 for State Insurance to provide \$17,000 cover for the Journals and Publications and the Society's records held in Christchurch.

- 15 Return of overpayments to five schools.
- 16 Anne Murray's wages for the period 1 January to 18 April, while the Christchurch office finalised matters relating to the 1996 financial year.
- 17 The interest consists of \$22.32 from the Westpac Christchurch cheque account for the period 17 January to 3 April, \$53.37 from UDC Investment (1 January to 31 March) and \$344.77 from the term deposits with Trustbank.
- 18 These two amounts consist of associate membership fees of \$8.00 for individuals, and a set range of rebates from schools. \$422 of BoGT 1997 funds were transferred on 27 January 1998.
- 19 Sponsorship grants for competitions run in the schools by the Board were received from the Ministry of Civil Defence (\$1,777.78 excl GST) and Transit New Zealand (\$622.22 excl GST). A grant of \$231.11 (excl GST) was received from the Community Trust of Southland, and is to be used for a research project on Southland. The Geography Teachers who applied for this grant have yet to claim it.
- Sponsorship funds of \$700 and \$260 were direct credited to the Board's bank account, and GST of \$77.78 and \$28.88 respectively need to be paid to Inland Revenue. The Head Office account handles the Board's GST payments, and therefore the money needs to be transferred to the Head Office account.
- 20 In previous years, 10% of the Accountancy and Audit Fee paid by Head Office has been allocated to the Board. However, for 1997, the Head Office account will bear all costs of the 1996 accountancy and audit services.
- 21 The Board of Geography Teachers has requested that its accounts be prepared using Portfolios rather than type of expenditure (such as postage). It is intended to adopt the Portfolio approach if this meets Financial Reporting Standards.
- 22 Of the Sponsorship grants for competitions, for the Ministry of Civil Defence, \$1600 was spent on prizes and \$97.60 on administration costs; and for Transit, \$550 was spent on prizes and \$152.50 on administration costs such as printing and stickers.
- 23 The Special Publications Fund was closed on 1 April 1997, when all assets and liabilities were transferred to the main Head Office account. The interest earned during the first four months when the Fund still existed has been incorporated into the Head Office accounts.
- 24 The Eighteenth Conference Proceedings for the Canterbury Conference (1995) and the Nineteenth Conference Proceedings for the Hobart/Waikato Conference (1997) are scheduled to be printed in 1998.
- 25 \$7655.65 held for producing the Conference proceedings of the 18th conference for those attending and \$5086.16 held for the 19th proceedings from Hobart for those

- attending. Plus \$115.32 held for three individuals who have ordered and paid for copies of the proceedings. The Waikato Branch is holding the funds to produce the proceedings for the Geog Ed conference held in 1997 at Hamilton.
- 26 The GST component of the Unpresented Cheques has been deducted (\$2143.70).
 - 27 Creditors are Branches (\$43.00) for rebates collected in the period September to December 1997, the University of Canterbury for postage (\$139.50) and Inland Revenue (\$231.96) for December PAYE.
 - 28 The Head Office Balance includes both the Head Office Balance and the Special Publications Fund Balance, as the Special Publications Fund was closed on 3 April, and all funds transferred into the Head Office Account.
 - 29 \$42939 from Head Office and \$55616 from Special Publications Fund.
 - 30 The bank accounts and investments of the Special Publications Fund were incorporated into the Head Office accounts and term deposits on 3 April 1998, and the Fund terminated.
 - 31 The Head Office Account shares an \$100,000 plus accumulated interest deposit with the Board of Geography Teachers. The Board of Geography Teachers has principal of \$6103.37 plus interest of \$344.77, and the Head Office principal of \$93896.63 and interest of \$4089.50. In addition to this, Trustbank incorrectly withheld \$814.76 of the interest and paid it to Inland Revenue for Residents Withholding Tax. This has to be reclaimed from Inland Revenue.
 - 32 \$26.40 in Petty Cash was retrieved from the Christchurch office and banked in the Head Office bank account. No petty cash is held in the Hamilton office.
 - 33 Waikato Branch repaid all loans after the Geog Ed conference was finished.
 - 34 Value at 1 January 1997 was \$3218.00. At time of sale on 30 May, the shares were sold for \$3263.50 (at a rate of 134c per share). The gain was \$45.50.
 - 35 The sell prices of the Fletcher shares as at 31 December 1997 were:
605c for Fletcher Energy
351c for Fletcher Building
142c for Fletcher Forest
217c for Fletcher Paper.
During the year, Fletcher Forest advised that a bonus of 48 shares was given to the Society.

AUDITORS REPORT

To the Members of the New Zealand Geographical Society Incorporated.

Audit of The New Zealand Geographical Society Inc for the Year ended 31 December 1997.

The audit of the New Zealand Geographical Society Inc. for the year ended 31 December 1991 is now completed.

The audit was structured to provide the most efficient means of obtaining evidence to support my opinion on the financial statements. The audit consisted of:

- 12 Examination and evaluation of the internal controls,
- 13 Substantive testing from source documents to the general ledgers for receipts and payments,
- 14 Testing from the ledgers to source records in support of the figures in the financial statements,
- 15 Reconciliation and verification of all bank balances,
- 16 Verification of asset, liability and equity figures recorded in the financial statements.

I conducted the audit in accordance with generally accepted auditing standards. The audit also includes assessing the accounting principles used and significant estimates made by the Society, as well as evaluating the overall financial statement presentation.

In my opinion, according to the best of the information and the explanation given and as shown by the said records, the financial statements referred to above give a true and fair view, in all material respects of the state of affairs of the Society as at 31 December 1997 and the results of its business and cash flows for the year ended on that date, in accordance with generally accepted accounting principles.

I have obtained all the information and explanations that I have required. In my opinion, proper accounting records have been kept by the Society so far as appears from my examination of those records.

Nihal Jayawickrama
16 July 1998

GEOGRAPHY RESOURCE CENTRE

Statement of Financial Position For the Year Ended 31 December 1996

1996		1997	
\$		\$	\$
	ACCUMULATED FUNDS		
22,559	Opening Balance	22,212	
(347)	Net Surplus/(Deficit)	(4,891)	
22,212	Closing Balance		17,321
 <i>Represented by:</i>			
	ASSETS		
7,651	Current Account	4,287	
2,471	Accounts Receivable	2,929	
405	GST Receivable	431	
16,979	Inventory	12,031	
27,506	Total Assets		19,678
	LESS LIABILITIES		
5,294	Accounts Payable		2,356
22,212	Closing Balance		17,321

Trading Statement For the Year Ended 31 December 1996

1996		1997	
\$		\$	\$
	SALES		
19,062	Sales-Resources	18,577	
7,491	Sales –DOSLI Maps	7,652	
26,553	TOTAL SALES		26,228
	LESS COST OF GOODS SOLD		
17,322	Opening Inventory	16,979	
9,679	Purchases – Resources	6,076	
-	Production – Resources	3,477	
6,479	Purchases – DOSLI Maps	8,131	
-16,979	<i>Less</i> Closing Inventory (<i>Note 1</i>)	-12,031	
16,501	COST OF GOODS SOLD		22,632
10,052	GROSS PROFIT		3,596

Note 1: The basis of valuation of inventory has changed between 1996 and 1997 in accordance with Financial Reporting Standards and is valued at the lower cost and net realisable value. This change has resulted in a decrease in gross profit and closing inventory of \$5,473.

GEOGRAPHY RESOURCE CENTRE

Income and Expenditure Statement For the Year Ended 31 December 1996

1996		1997
\$	OPERATING REVENUE	\$
10,052	Gross Profit (Trading Statement)	3,596
	<i>Other Operating Revenue</i>	
-	GR Subscriptions	360
105	Interest – Current Account	140
172	Interest – Term Deposits	141
3,000	Honoraria – Head Office Subsidy	3,000
500	Honoraria – NZBoGT Subsidy	500
8	ACC Rebate	-
17	Miscellaneous Revenue	-
<u>3,802</u>	Total Other Operating Revenue	<u>4,141</u>
13,854	TOTAL OPERATING EXPENSES	7,737
	LESS OPERATING EXPENSES	
6	Depreciation	-
96	ACC Levy	113
1,229	Audit and Accounting	1,059
7	Bank Charges	8
2,000	Honorarium (editing)	1,298
1,460	Freight and Postage	1,297
710	Goods & Services Tax (Net)	-
378	Stationery and Packing	745
548	Publicity and Advertising	750
676	Telephone Tolls and Faxes	508
-	Conference Expenses	391
251	Travel Expenses	224
4,218	Wages (Gross – including PAYE)	3,640
2,500	Honorarium (Management)	2,500
43	Insurance	43
79	Miscellaneous Expenses	52
<u>14,201</u>	TOTAL OPERATING EXPENSES	<u>12,628</u>
(347)	TOTAL OPERATING EXPENSES	(4,891)

(These accounts are to be read with the notes that are attached to these accounts)

AUDITOR'S REPORT

Geography Resource Centre

I have audited the Statement of Trading and Statement of Income and Expenditure, reporting the financial performance for the year ended 31 December 1996, and Statement of Financial Position, showing the financial position of the Centre as at 31 December 1997.

Directors' Responsibilities

The Director is responsible for the preparation of a Statement of Trading, Statement of Income and Expenditure and Statement of Financial Position which fairly reflect the financial position of the Centre as at 31 December 1997, and of the results of operations for the year ended 31 December 1997.

Auditors' Responsibilities

It is my responsibility to express an independent opinion of the Statement of Trading, Statement of Income and Expenditure and Statement of Financial Position presented by the Director and report my opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the Statement of Trading, Statement of Income and Expenditure and Statement of Financial Position. It also includes assessing:

- the significant estimates and judgements made by the Director in the preparation of these Statements
- whether the accounting policies are appropriate to the Centres' circumstances, consistently applied and adequately disclosed.

I conducted the audit in accordance with generally accepted auditing standards in New Zealand. I planned and performed the audit so as to obtain all the information and explanations which I considered necessary in order to provide sufficient evidence to give reasonable assurance that the Statement of Trading, Statement of Income and Expenditure and Statement of Financial Position are free from material misstatements, whether caused by fraud or error. Other than in my capacity as auditor, I have no relationship with or interest in the Centre.

Opinion

In my opinion, the Statement of Trading, Statement of Income and Expenditure and Statement of Financial Position have been prepared in accordance with generally accepted accounting practice and give a true and fair view of the financial performance and position of the Centre as at 31 December 1997 and the results of its operations for the year ended that date.

GW Scott, B.Com, CA
25 March 1998