



**OUR YEAR
AT A
GLANCE
2023**



Forest & Bird

TE REO O TE TAIAO | *Giving Nature a Voice*

INTRODUCTION

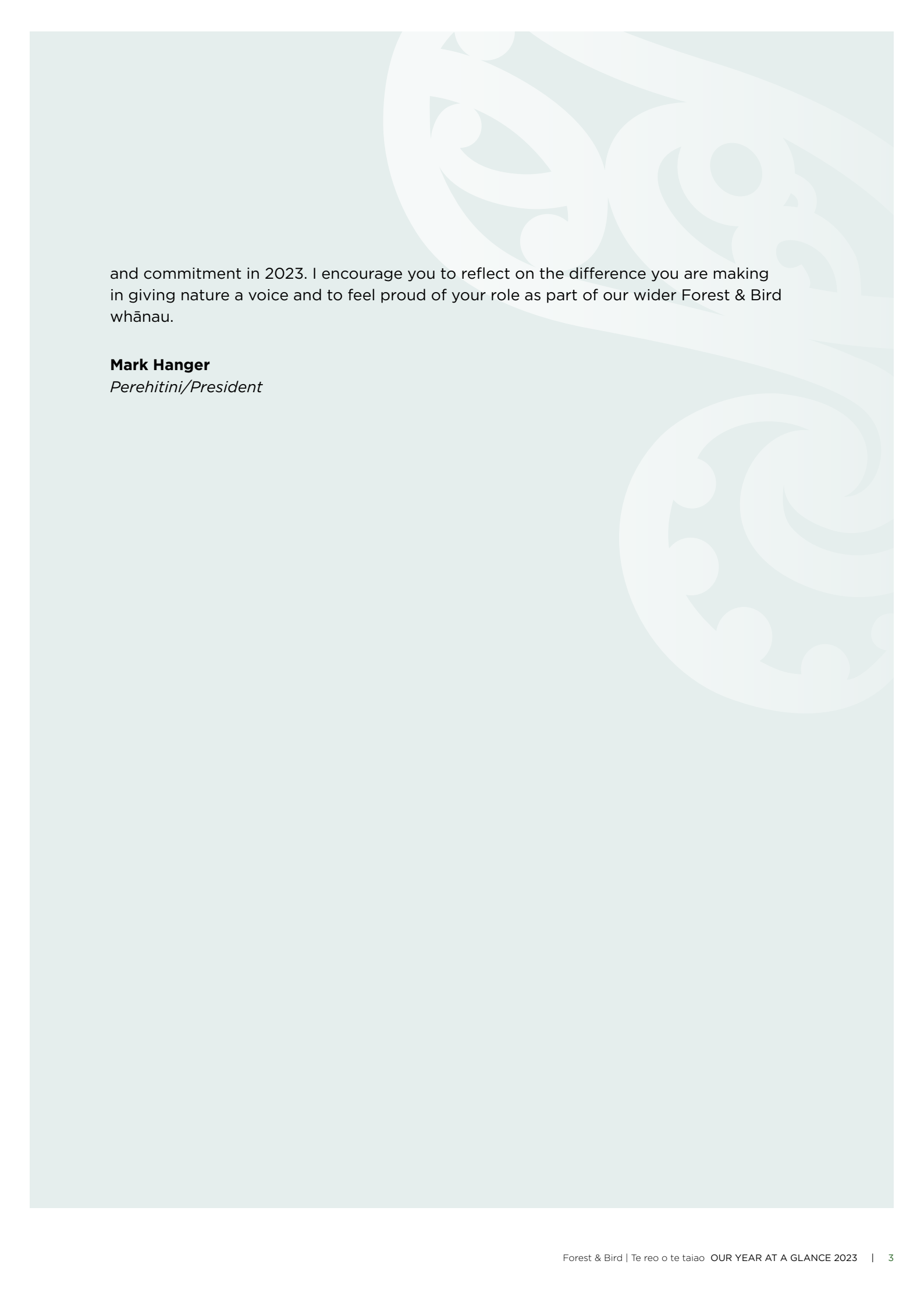
It's a pleasure to be introducing Forest & Bird's 2023 year in review. 2023 was a particularly special year for Forest & Bird. Our 100th birthday provided a chance to showcase the Society's rich history, celebrate its people and places, and talk about our many and varied accomplishments. It was a time to hold local and national celebrations and take the opportunity to step back, draw a deep breath, and appreciate Te Taiao in all its forms. Staff and Board members took real pleasure in being able to get out and about, and enjoy our reserves and projects with the Forest & Bird whānau. As President, it was a particular privilege to lead the Society through this time and help share what we have learnt about our whakapapa, our kaupapa, and the amazing men and women who have given a voice to nature over so many decades.

Although it has been a year of celebrations and reflections on the past, it has also been a time to look forward and plan for the future. The extreme weather events of 2023 showed us just what we face. Many friends and colleagues across the motu, but particularly in Tairāwhiti and Auckland, experienced first-hand the damage to our communities and to nature that these more frequent climate events will cause. This reminds us that, for all the good work that has been done, there is so much more still to do. For Forest & Bird to play its important role and continue to make a difference for Aotearoa New Zealand, we need to be a strong and sustainable organisation.

Over its lifetime, Forest & Bird has undergone many changes. The past year has seen important organisational work done that builds on our legacy and will strengthen Forest & Bird as we position ourselves for the future. We have called the result of this work "Mahi Ngātahi" – meaning "Work Together". Mahi Ngātahi has brought together the conservation outcomes contained in our 2020–2025 Strategy and a stronger strategic focus on delivering on those outcomes and strengthening our organisation for the future. This is changing how we do things at Forest & Bird.

While 2023 was a year of positive change for Forest & Bird as a Society, we have also experienced some noticeable political headwinds since the general election. We can see that coming years will be difficult for Te Taiao. Forest & Bird has a proud history of working with governments of all shapes and sizes from across the political spectrum. A change in government will always lead to new ideas and new directions, and our challenge now is to build the love we know New Zealanders have for nature in such a way that it influences decision-makers across our communities to value our natural world and invest in its protection for the benefit of us all.

I am immensely proud of the opportunities provided for people to connect with nature, the practical conservation work that is undertaken and learnt from, and the advocacy work we undertake to prioritise nature and hold decision-makers accountable. This statement of service performance provides a window into the wealth of this work that was undertaken in 2023. I'd like to take this opportunity to thank all our staff, members, supporters, volunteers, donors – everyone who we have worked with – for all their hard work, passion,



and commitment in 2023. I encourage you to reflect on the difference you are making in giving nature a voice and to feel proud of your role as part of our wider Forest & Bird whānau.

Mark Hanger

Perehitini/President

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Cover image: Leanne Buchan

OUR PURPOSE

We protect and restore nature in a climate crisis

OUR VISION

Aotearoa New Zealand working together for nature

OUR MISSION

We stand, speak, and act for nature

HIGHLIGHTS IN 2023

Building people's connection with nature and encouraging them to increase their active participation



14,201

VOLUNTEERS GAVE MORE THAN

44,590
HOURS



1706

MEMBERS OF KIWI CONSERVATION CLUB



Forest & Bird
TE REO O TE TAIAO | Giving Nature a Voice

10,240

ADULT MEMBERS OF FOREST & BIRD



125

LOCAL EDUCATIONAL EVENTS HELD

Reaching out and connecting people



E-NEWS

112,409

SUBSCRIBERS
9 ISSUES PER YEAR



NATURE ACTION

829

SUBSCRIBERS
10 ISSUES PER YEAR



KCC NEWSLETTER

9278

SUBSCRIBERS
10 ISSUES PER YEAR



FOREST & BIRD MAGAZINE

13,620

COPIES PRINTED
PER QUARTER



WILD THINGS MAGAZINE

36,169

COPIES TO KCC MEMBERS
OVER THE YEAR



125,000
FACEBOOK



7455
LINKEDIN



21,900
INSTAGRAM



18,100
TWITTER/X

Followers in May 2024

HIGHLIGHTS IN 2023

Initiating, supporting, and delivering local and national conservation programmes



1482

HECTARES OF OWNED AND
MANAGED RESERVES PROVIDE
SPACES WHERE PEOPLE CAN
ENGAGE WITH NATURE



140

ACTIVE CONSERVATION
PROJECTS



39

LOCATIONS ACROSS
THE COUNTRY



38,162

PLANTS AND TREES
PLANTED



6482

HECTARES OF ANIMAL PEST
CONTROL CARRIED OUT



5218

HECTARES OF PLANT PEST
CONTROL CARRIED OUT

HIGHLIGHTS IN 2023

Influencing key decision-makers to prioritise nature and holding them to account



MORE THAN
75
NATIONAL OR
REGIONAL
SUBMISSIONS
IN 2023



1219
STORIES IN
NATIONAL,
REGIONAL, OR
LOCAL MEDIA



47
MEDIA RELEASES
ISSUED ON
NATIONAL ISSUES



27
NATIONALLY OR
REGIONALLY
SIGNIFICANT LEGAL
CASES UNDERWAY
IN 2023



8
REGIONAL
CONSERVATION
MANAGERS



4
EXPERT
ADVISORS



5
LEGAL AND
PLANNING
EXPERTS

ENGAGING WITH LOCAL, REGIONAL, AND NATIONAL DECISION-MAKERS

HIGHLIGHTS IN 2023

Ensuring the mechanisms that keep the Society effective and aligned are working well and are sustainable



A NEW
**ECO-
PORTAL**
HEALTH AND
SAFETY SYSTEM
IMPLEMENTED



MAHI NGĀTAHI
**STRATEGIC
APPROACH**
EMBEDDED ACROSS
FOREST & BIRD



NEW
**BRANCH
SUPPORT
TEAM**
AND SYSTEMS
PUT IN PLACE



ACTION ON OUR
**CARBON
FOOTPRINT**
UNDERWAY AND
ISO 14064-1:2018
CERTIFICATION
ACHIEVED



NEW PROSPEND
**FINANCIAL
SYSTEM**
IMPLEMENTED



FOREST & BIRD
**KAUPAPA
MĀORI**
TRAINING ROLLED
OUT TO STAFF AND
BOARD MEMBERS

2023 IN SUMMARY

Delivering on key conservation outcomes from our 2020–2025 Strategy.



CLIMATE CENTRED

Ensuring our country does everything we can to keep the climate safe for all life on Earth. The impact of climate change will be at the centre of everything we do.



ECONOMY THAT SUPPORTS NATURE

A community that recognises that the long-term economy is dependent on a healthy environment for nature's intrinsic and life-giving values.



VIBRANT LANDSCAPES

Stable, healthy ecosystems full of native animals and plants.



ENERGISED WATER, RIVERS, AND WETLANDS

Rivers and streams that run clean, are healthy, and are teeming with life.



OCEANS ALIVE

Protected and preserved marine life and ecosystems.

STRATEGIC ACHIEVEMENTS

Our impact - delivering on key conservation outcomes from our 2020-2025 Strategy.



SO1 - "CLIMATE CENTRED"

Ensuring our country does everything we can to keep the climate safe for all life on Earth. The impact of climate change will be at the centre of everything we do.

OUTCOMES BY 2025

WHAT WE ACHIEVED IN 2023

1.1 Government has implemented a programme of action on the climate crisis that will achieve carbon neutrality as a country by 2040 and that places Aotearoa New Zealand as a recognised world leader in mitigating its effects

Forest & Bird advocated during the general election for continuity and stability around Aotearoa New Zealand's approach to tackling climate change. Despite a change in government and a new coalition being formed, the climate change architecture remains broadly intact. This stability is important. It stands in stark contrast to other steps announced by the coalition government to unwind existing environmental protections.

The importance of nature-based solutions was championed throughout 2023. We saw nature-based solutions that can benefit both biodiversity and the climate gaining momentum through mechanisms such as the National Adaptation Plan and the Emissions Reduction Plan. At the regional and local level, councils like Auckland, Wellington, Dunedin, and Hawke's Bay also took steps to introduce nature-based solution approaches to help tackle climate change.

Forest & Bird was invited to represent the NGO sector on the governance group for New Zealand's biodiversity strategy, Te Mana o te Taiao, enabling advocacy to support the critical nexus between climate change and biodiversity loss (and vice versa).

1.3 The public has a broad understanding of nature's value in mitigating climate change impacts and addressing emissions

A range of activity was undertaken to highlight the importance of nature-based solutions and the need for mainstreaming into local, regional, and national policy during 2023.

There were a number of key opportunities to reinforce and highlight the role that nature-based solutions can play at the national level. These included providing a submission to the inquiry into climate change adaptation and setting out the value of nature based solutions in Forest & Bird's submission on the National Policy Statement for Natural Hazard Decision-Making.

Forest & Bird also continued to work with the Climate Change Commission regarding their role in monitoring the implementation of the National Adaptation Plan. A strong focus from the Forest & Bird was seeking assurance around how nature-based solutions were being tracked as part of this mahi.

2023 also saw the change of government. This provided an opportunity to highlight to new Ministers the opportunities provided by nature-based solutions. All Forest & Bird letters to incoming Ministers highlighted the importance of nature-based solutions across portfolios, with specific asks to lift and shift thinking around investing in nature as part of the government's intended approach to infrastructure.

1.4 Climate crisis response and resilience is embedded in terrestrial, freshwater, and marine resource management legislation

In 2023, the area of resource management legislation started to undergo major changes, with significant implications for New Zealand's environment that are still playing out.

First, under the Labour-led government, considerable progress was made towards a new RMA model. This built on the Randerson Panel's *New Directions for Resource Management in New Zealand*, published in July 2020. In the first half of 2023, Forest & Bird provided input and advice to support, challenge, and refine the new laws being introduced based on the recommendations of the Randerson Panel. These were the:

- Natural and Built Environment Act
- Spatial Planning Act
- Climate Change Adaptation Act.

Forest & Bird engaged extensively with Ministers, officials, and Parliament in the development of this legislation. While there were areas where we felt improvement was required, the changes did provide environmental protections and built in climate change and biodiversity safeguards.

Following the election, our mahi had to change as the new National-led government announced it was going to repeal this legislation and embark on its own reform programme. This was included as a priority area within the government's 100-day programme.

Disappointingly, this has materialised into a repeal and replace agenda that is seeing replacement legislation being rushed through and environmental safeguards being sidelined and removed.

Throughout 2023, Forest & Bird advocated for a different approach and the need for safeguards to be maintained. A key focus of this work at the end of 2023 was the initial Fast-track Approvals Bill, which was signalled in late 2023.

There are significant concerns that this legislation and further resource management changes will weaken climate and biodiversity safeguards and protections, taking us further away from this objective. This will be a primary focus of Forest & Bird's advocacy and legal work in 2024.

1.6 Forest & Bird will emit less carbon than it absorbs at both a national and branch level

We received our audited emissions, for our staff and governance activities, verification ISO 14064-1:2018 certificate (2023464J) in November. This was an important first step towards reducing our carbon emissions as a Society, as it allows us to know exactly where our emissions are coming from and what we need to do to reduce them.

1.7 Forest & Bird has increased effective pest control over its own land

Forest & Bird has 1482ha of land spread across 39 reserves nationally. Work is continuing to increase the amount of this land that has appropriate pest control in place, delivered by Forest & Bird or others, of various types. Pest control ranges from trapping predators to removing weed species to controlling browsing pests.

1.8 Climate resilience is incorporated into all Forest & Bird projects

In 2023, we started our Reserve Whakamahere/Projects at Place work, which involves an in-depth stocktake of all of our reserves. Part of this stocktake is a site assessment completed by local reserve managers and trained staff to identify the potential climate impacts and propose resilience measures, where appropriate. This is the first step towards ensuring all of our projects, whether they are on Forest & Bird land or not, are resilient to the impacts of climate change.



SO2 - "ECONOMY THAT SUPPORTS NATURE"

A community that recognises that the long-term economy is dependent on a healthy environment for nature's intrinsic and life-giving values.

OUTCOMES BY 2025

WHAT WE ACHIEVED IN 2023

2.2 Government has adopted new economic measures to incentivise environmental protection and restoration, and discourage environmental damage

In 2023, Forest & Bird continued to push for a shift towards an investment mindset in relation to the natural environment. The 2023 Budget was disappointing in that, while it did see some new investment on the back of the extreme weather events of early 2023 (Cyclone Gabrielle and the Auckland floods), new investment in the environment was limited. This did, however, come on the back of multi-year environmental and conservation budget allocations made in 2022.

2023 saw some progress around the concept of investing in biodiversity through new economic incentives. While Forest & Bird was supportive of bringing in new funding and providing recognition for actions being undertaken, we were wary of seeing a reduction or displacement of the core role of the government in looking after the environment for New Zealanders. Similarly, we were concerned about the risk that new mechanisms could potentially have unintended consequences.

A number of key submissions in 2023 provided opportunities to highlight these points. First, advice was provided on the Climate Change Commission's consultation on the Emissions Trading Scheme. Second, a submission was provided on the role of native forestry and how native forestry could help reduce emissions, improve resilience, and support biodiversity gains. Finally, Forest & Bird provided a submission on "biodiversity credits" – thinking being led by the Ministry for the Environment on how a market mechanism could be applied to support the biodiversity goals set out in Te Mana o te Taiao. This question remains a live issue, and the new coalition has signalled it is an area it wishes to continue to explore. Forest & Bird will continue with this mahi in 2024.

2.3 Government has ended all new coal, oil, and gas exploration or extraction in Aotearoa New Zealand

A key focus for Forest & Bird in 2023 was looking to get “no new mines” on public conservation land across the line. This included coal mining but also covered other extractive mining. Significant advocacy work went into this, and a positive outcome was tantalisingly close. The Labour-led government did commit to introducing legislation, and a Bill was drafted that would have delivered on this goal. However, a “policy reset” initiated earlier in 2023 prior to the lead-up to the general election saw this put on ice and the opportunity lost.

With a change in government, the new National-led coalition has made it clear that it wishes to take New Zealand in a different direction around mining and other extractive industries. With this direction unfolding towards the end of 2023, Forest & Bird’s focus switched from making further gains at this time to safeguarding existing protections.

The new government has made it clear that it wishes to enable more mining of all types across the motu. The primary mechanism being used to enable this is reforms of the resource management system, starting with actively using fast-track to encourage applications from mining companies, including coal mining.

Forest & Bird will be actively leading opposition to these changes, with a particular focus on ensuring that New Zealand doesn’t go backwards from its current legislative environmental protections. A key part of this work will be highlighting to the New Zealand public just how damaging these extractive industries can be and signalling coal mining’s status as a sunset industry.

In late 2023, the National-led government also rowed back on the ban on offshore oil and gas exploration. Although the ability for companies to go down this route is now back on the table, market and social conditions are such that the appetite from businesses to re-enter the New Zealand oil and gas exploration market remains limited. In 2024, Forest & Bird will continue to work closely with other eNGOs to highlight the adverse economic, social, and environmental consequences of any such a move.

2.4 Government has integrated just transition factors into investment policies and decision-making

Work in 2023 included providing information about just transition factors in Forest & Bird’s climate adaptation submission to the parliamentary select committee.

Just transition was also highlighted in local work (regional conservation managers and branches) in Tairāwhiti and Auckland, as the regions undertook planning work for post-Gabrielle/flooding measures.

The Forest & Bird submission on the National Policy Statement for Natural Hazard Decision-Making also highlighted the importance of just transition measures.

Just transition factors were also discussed in our letters to incoming Ministers, with a focus on the importance of supporting regions and businesses that will be materially impacted by the changes required to reduce emissions and adapt to climate change.



SO3 - “VIBRANT LANDSCAPES”

Stable, healthy ecosystems full of native animals and plants

OUTCOMES BY 2025

WHAT WE ACHIEVED IN 2023

3.1 Forest & Bird fosters relationships with forest owners, land managers, and kaitiaki Māori to enable these areas to be managed effectively for carbon sequestration, and pest and weed control

In 2023, Forest & Bird continued to actively promote the importance of native forestry as a key component of the country’s focus on biodiversity and climate action.

Mahi included providing a response to the Emissions Trading Scheme review that advocated for sustainable forestry, highlighting carbon sequestration, and pest and weed control alongside wider biodiversity benefits.

Forest & Bird also provided input into the National Environmental Standards for Commercial Forestry.

3.2 Forest & Bird successfully advocates for increases in aerial 1080 predator control of 100,000ha each year

In 2022, multi-year investment in predator control was secured in government and was being rolled out in 2023. At the regional level, Forest & Bird worked with other local conservation groups to support the social license for 1080 control activities via ongoing community engagement and education.

A new initiative in 2023 was work kicked off with Federated Farmers and the New Zealand Institute of Forestry to identify areas of joint work around predator and ungulate control. The initial focus was on ungulate control, and discussions extended to joint activities that could be undertaken around wider predator control initiatives. Discussions began in 2023 to refresh the joint 1080 myth buster web resource.

The importance of ongoing investment in pest control was highlighted in letters to both Ministers of Conservation and the new Hunting and Fishing Minister.

3.4 Stewardship land is acknowledged as having conservation value either because of its high ecological integrity or the potential to restore and enhance threatened or rare ecosystems

The Department of Conservation manages stewardship land under the Conservation Act 1987 to protect its natural and historic values. Around 30% of conservation areas is held in stewardship – over 2.7 million hectares or 9% of New Zealand’s total land area. Many of these areas are home to threatened species and high-priority ecosystems. Reclassifying stewardship land would ensure there are additional layers of protection for the land that needs it the most.

In 2023, Forest & Bird continued its engagement around the proposed reclassifications of 504 pieces of stewardship land on the West Coast. This involved working with officials to ensure that the key points from Forest & Bird’s submission were being considered in DOC’s subsequent work with the National Panel, Mana Whenua Panel, and Te Runanga o Ngāi Tahu.

Heading in to 2024, the status of stewardship land review is uncertain. Ministerial priorities have shifted to economic development, and reclassification of stewardship land to provide for greater protection is not being progressed. Forest & Bird will continue to advocate for progress based on the extensive 2022 mahi that was undertaken.

3.5 Protection of natural ecosystems is secured for all publicly owned land, including Crown pastoral leases

Forest & Bird has been advocating for stronger protection of indigenous vegetation and habitat for native species on the Crown’s pastoral leases. Crown pastoral land reform was underway in 2023. However, Forest & Bird was concerned that a rush of land use consent applications occurred late in 2022, prior to new legislation taking effect.

In 2023, Forest & Bird highlighted the risk that neither Land Information New Zealand nor the Department of Conservation had adequate systems, resources, or capability to ensure these applications were going to be able to be adequately assessed to prevent further loss of natural values on Crown pastoral leases.

A letter was sent to the Ministers of Land Information and Conservation expressing concern and asking for a delay to granting any new land use consents until these concerns were addressed.

In 2023, Forest & Bird also provided feedback on the draft Crown Pastoral Land Act Strategic Intentions Document 2024–2029, and the draft Performance Monitoring Framework 2024–2029. Forest & Bird welcomed Land Information New Zealand developing the first iteration of these documents, as they were a significant step forward for transparency and accountability. Our response to these key plans was used to highlight the key role that Land Information New Zealand can play in supporting cross-government objectives around climate action and biodiversity loss.

3.6 All government agencies understand the importance of, and provide for, biodiversity protection, including restoration and enhancement, and a mountains-to-sea approach in strategies, policies, and plans

2023 saw a significant shift around biodiversity protection following on from the implementation plan for Te Mana o te Taiao, which was published in 2022.

The National Policy Statement for Indigenous Biodiversity (NPS-IB) was published in July 2023. The NPS-IB was the result of a collaborative process over many years from environmental, iwi, and industry organisations, Forest & Bird played a leading part in this mahi. The NPS-IB provides direction to councils to protect, maintain, and restore indigenous biodiversity, requiring at least no further reduction nationally.

The NPS-IB is a significant step forward, as it provides clarity and direction to councils on their roles and responsibilities for identifying, protecting, and maintaining indigenous biodiversity under the Resource Management Act.

It is limited to land (terrestrial) ecosystems and some aspects of wetlands, and significantly it applies across all land types/tenures in Aotearoa New Zealand, both public and private.

With the change of government, questions are now being raised about aspects of the NPS-IB, in particular the future of Significant Natural Areas or SNAs. The government has signalled that it will pause new SNAs – ie, mapping out areas with threatened native plants or wildlife for protection. While SNAs were first introduced in 1991, the National Policy Statement on Indigenous Biodiversity meant that all councils had to identify land for protection by 2028, including on private land. Forest & Bird will work on risks to the NPS-IB through these changes as part of its wider engagement around resource management reform in 2024.



SO4 - “ENERGISED WATER, RIVERS AND WETLANDS”

Rivers and streams that run clean, are healthy, and are teeming with life.

OUTCOMES BY 2025

WHAT WE ACHIEVED IN 2023

4.1 Forest & Bird has incorporated knowledge of the impact of climate change on freshwater ecosystems into campaign work and communications

In 2023, Forest & Bird applied to the High Court for a judicial review of government changes made to the policy and regulations guiding the protection and management of wetlands in Aotearoa. The focus of our judicial review was the loopholes in the changes meant wetlands would continue to be lost, including to the operation and extension of existing coal mines, with wide-ranging impacts on biodiversity and the climate. This mahi came on the back of Minister for the Environment David Parker announcing changes to the National Policy Statement for Freshwater Management and National Environmental Standards for Freshwater. The changes introduced “consenting pathways” allowing the destruction of wetlands for quarrying, landfills and clean fills, mining, urban development, ski-field infrastructure, and water storage infrastructure (eg, dams).

Significant work was also undertaken using GIS mapping to identify areas of historic wetland that remain in public ownership – and that could be ideal sites for restoration. The analysis showed around 125,000ha of lost wetland in public ownership could be restored, providing habitat for native species and helping to protect Aotearoa against biodiversity loss and climate change. This was followed by a call on central and local government to restore wetlands to cover at least 20% of their original natural extent.

Mahi was also undertaken with regional councils and territorial authorities to monitor activities and enforce existing rules protecting freshwater. A key example of this was Forest & Bird’s continued pressure on Waikato Regional Council to prosecute companies involved in wetland clearance at Matarangi.

Work on the “making room for rivers” and “every wetland counts” campaigns continued, including presenting to regional and local councils to educate them on the need to make room for rivers as the climate changes and flood risks increase. Work was also done to mainstream the room for rivers concept among the engineering community, paving the way for greater take-up in future.

2023 also saw the release of the final select committee report on Forest & Bird’s Every Wetland Counts petition, which included recommendations on incorporating wetlands into the Emissions Trading Scheme and developing a plan/targets for wetland restoration, as well as nature-based solutions to address impacts.

Forest & Bird also connected with the New Zealand Insurance Council and secured a presentation spot at their 2024 conference to speak about room for rivers and the climate change impact of severe weather.

4.3 Regional councils will have transparent and accountable regional freshwater management plans, with appropriate monitoring, compliance, and enforcement

As a core part of Forest & Bird's advocacy and legal work, submissions were made on regional council draft plans and proposed plans, and we attended regional plan hearings and continued to be involved in relevant mediation.

Work began on supporting lifting capacity and capability on freshwater issues through the development of practice notes for the www.WaiGoodPolicy.org.nz website. The goal of this open-source website mahi has been to support a lift in the quality of freshwater planning being undertaken across the country. Many practice notes were completed and uploaded through the year. This has been a great resource to incorporate into plan submissions and to inform submissions and mediations.

Building on this work, agreement was reached with the Ministry for the Environment on funding to support Forest & Bird involvement in plan change processes through the last quarter of 2023 into 2024.

Forest & Bird also participated in regular meetings with a joint group of councils from around the country and eNGOs to provide input and expert advice on regional freshwater plan development.



SO5 - "OCEANS ALIVE"

Protected and preserved marine life and ecosystems

OUTCOMES BY 2025

WHAT WE ACHIEVED IN 2023

5.1 Working alongside iwi, the government has adopted marine-spatial planning processes in a meaningful network of marine protected and no-take marine protected areas

2023 saw some important progress in this area with the government introducing a Bill into Parliament to establish a network of 19 marine protected areas in Tikapa Moana (Hauraki Gulf). Forest & Bird made a submission to Parliament on the Bill.

Forest & Bird campaigned for an end to destructive bottom contact fishing in Tikapa Moana and worked closely with a broad range of other organisations to highlight the impact that this practice causes.

The government closed Tikapa Moana to scallop dredging and released a proposal to restrict bottom trawling. Forest and Bird submitted in favour of the scallop closure and of completely closing Tikapa Moana to bottom trawling.

2023 also saw the announcement of six new marine reserves that would be established along the southeast coast of the South Island, from Timaru to Waipapa Point in Southland. Work on the establishment of these six marine reserves will come into force following an Order in Council and gazettal process, which is likely to be completed by mid-2024. The Department of Conservation will manage the marine reserves in partnership with Kāi Tahu.

5.2 Government has reformed the Fisheries Act (and other marine legislation) to incorporate ecosystem-based fisheries management capable of delivering a pathway to zero bycatch and inclusive of the values and aspirations of iwi and hapū

Forest & Bird continued participating in the Ministry of Primary Industries' Hauraki Gulf Fisheries Plan Advisory Group, with a staff member providing advice via the Group on bottom trawling restrictions, the annual operating plan for the Hauraki Gulf Fisheries Plan, and the final shape of the Hauraki Gulf Fisheries Plan.

The Plan will be the first fisheries plan to be explicitly based on ecosystem-based fisheries management, including a zero-bycatch goal and aims to actively include the values and aspirations of iwi and hapū.

Work on this reform is continuing in 2024.

5.3 All fishing vessels are 100% transparent (with at-sea observers, or cameras and digital monitoring deployed)

Forest & Bird continued supporting the roll-out of cameras on fishing boats, with the government launching the main roll-out on boats across the inshore fishing fleet.

Work was undertaken in preparation for the release of data from camera observations. This work will highlight the benefits that cameras can bring in terms of transparency, with an aim to use this information to support further roll-out.

5.5 Bycatch of endangered threatened or protected species is reduced year on year

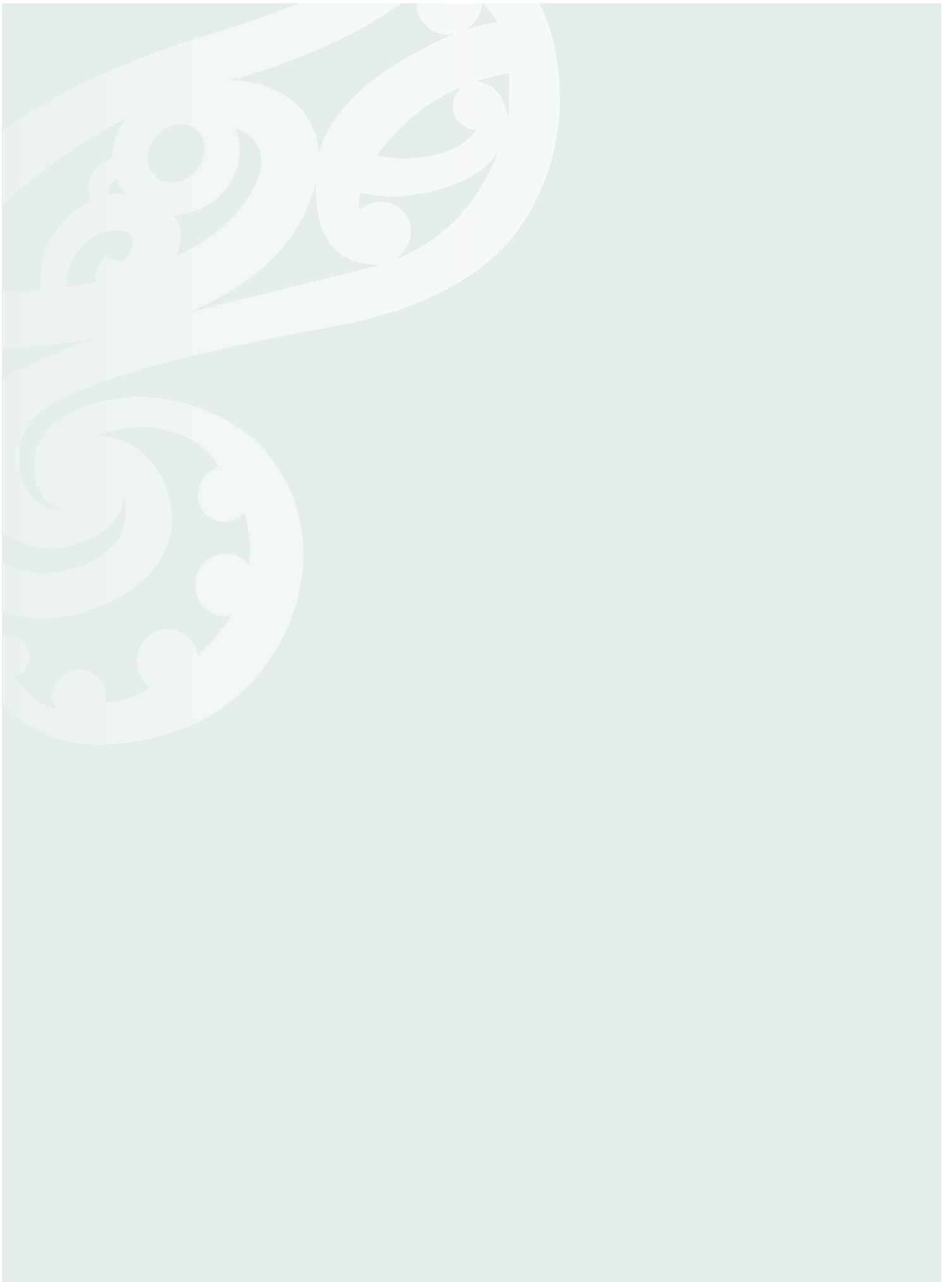
Forest & Bird has been working with Ministry for Primary Industries (MPI) on the review of the Fisheries (Seabird Mitigation Measures – Surface Longlines) Circular 2019. The aim of this work is to progress the need for the surface long-line fleet to use practices that are known to be effective in best avoiding seabird bycatch.

Our submission and engagement with MPI highlights that the fleet needs to be better supported by enforceable regulations.

This work has highlighted the prospect of undue effects on fishers from potential trade barriers and Aotearoa's reputation from the continued decline of New Zealand seabirds and lack of full implementation of best practice. Forest & Bird made it clear that the new Marine Stewardship Council Fisheries Standard v3.0 requires fisheries to verify that they are using best practice.

Forest & Bird actively participated in the Seabird Advisory Group as an ongoing part of this mahi.

Forest & Bird continued to encourage MPI to finalise and release the National Plan for the Conservation and Management of Sharks.



CONSOLIDATED STATEMENT OF SERVICE PERFORMANCE

ROYAL FOREST & BIRD PROTECTION SOCIETY OF NEW ZEALAND INCORPORATED

For the period ended 31 December 2023

Strategic Priority	2023 Operational Plan KPI	2023 Operational Achievement	2022 Operational Plan KPI	2022 Operational Achievement
2023 Strategic Outcome (SO) 1 Climate Centred	Increased public understanding of nature's value in mitigating climate impacts.	<p>Achieved – five submissions on relevant governmental policy or legislation changes and legal action relating to mining and the climate element of the National Policy Statement for Freshwater Management.</p> <p>Achieved – four climate-focused media releases.</p>	<p>Forest & Bird campaigns for the Government's Adaptation Plan to reflect F&B strategic plan objectives.</p> <p>Climate change messaging is delivered across all campaign activities.</p>	<p>Achieved – F&B submission on National Adaptation Plan resulted in wording from our submission being used in final plan.</p> <p>Partially achieved – (not all activities related to climate change)</p> <p>26 Media Releases relating to climate change.</p> <p>Two Appeals relating to climate change.</p>
	He Waka Eke Noa – model secured that delivers positive environmental outcomes.	Not achieved – the coalition government scrapped this model at the end of 2023.	No KPI in 2022.	Not reported on in 2022.
	NZ battery project – supporting action that leads to an alternative outcome.	Not achieved – the project hasn't gone ahead but there was no alternative identified before the end of 2023.	No KPI in 2022.	Not reported on in 2022.

Strategic Priority	2023 Operational Plan KPI	2023 Operational Achievement	2022 Operational Plan KPI	2022 Operational Achievement
2023 SO2 Economy that supports nature	Nature-based solutions integrated into Resource Management Act reforms.	In 2023, we had a primary focus on the Resource Management Act (RMA) reforms and a wider focus on an Economy that supports nature as one of our five strategic outcomes. Partially achieved – Five submissions on RMA reform, including one comprehensive submission.	Forest & Bird campaigns for governance of and implementation of Te Mana o te Taiao (TMOTT) that reflects strategic plan objectives (relevant to Economy that supports Nature). Previously reported under “Government decisions that achieve our strategic plan objective”.	Partially achieved – 15 Media releases relating to TMOTT Previously reported on as a combined result under “Government decisions that achieve our strategic plan objective”.
	No new mines advocacy.	Achieved – F&B submitted on the Crown Minerals Amendment Bill and took three legal actions opposing new mines.	Forest & Bird campaigns for governance of and implementation of Te Mana o te Taiao (TMOTT) that reflects strategic plan objectives (relevant to Economy that supports Nature). Previously reported under “Government decisions that achieve our strategic plan objective”.	Partially Achieved – Five media releases and one appeal relating to mining on conservation land Previously reported on as a combined result under “Government decisions that achieve our strategic plan objective”.

Strategic Priority	2023 Operational Plan KPI	2023 Operational Achievement	2022 Operational Plan KPI	2022 Operational Achievement
2023 SO3 Vibrant Landscapes	F&B will influence government programmes of work to lift the profile and awareness of Te Mana o te Taiao.	Partially achieved – Two submissions on local and central government Te Mana o te Taiao related work programmes.	Forest & Bird campaigns for governance of and implementation of Te Mana o te Taiao (TMOTT) that reflects strategic plan objectives (relevant to Vibrant Landscapes).	Not reported on in 2022.
	Launch a new predator free focused donation website.	Achieved – Give A Trap website platform given to F&B in April 2023 to own and run.	No KPI in 2022.	Not reported on in 2022.
2023 SO4 Energised water, rivers and wetlands	Room for Rivers.	Achieved – Promoting Room for Rivers by presenting to 33 different groups and 14 regional councils and territorial authority entities.	Forest & Bird campaigns for the Government's Adaptation Plan to reflect F&B strategic plan objectives.	Not reported on in 2022.
	Improvements to relevant National Policy Statements and National Environmental Standards through our advocacy.	Partially achieved – One submission, jointly with other eNGOs, on stock exclusion from waterways and initiated a judicial review that sought to improve protections under both the National Policy Statement and Environment Standard for Freshwater.	F&B campaigns for RMA reform that reflects F&B strategic plan objectives (relevant to freshwater) Implementation of freshwater components of Te Mana o te Taiao (TMOTT).	Not reported on in 2022.

Strategic Priority	2023 Operational Plan KPI	2023 Operational Achievement	2022 Operational Plan KPI	2022 Operational Achievement
2023 SO5 Oceans Alive	Hauraki Gulf campaign to secure marine protected areas and/or protections.	Achieved – Submission on bottom fishing restrictions in the Hauraki Gulf and through enabling others to submit in support of this ban.	Forest & Bird campaigns for governance of and implementation of Te Mana o te Taiao (TMOTT) that reflects strategic plan objectives (relevant to Oceans Alive).	Achieved – Participation in Sharks TAG & Hauraki Gulf Fisheries Plan Group.
	Our input into marine legislative reform.	Achieved – Three submissions on relevant marine legislation relating to quota regulations.	F&B develops a proposal for marine legislative reform.	Not reported on in 2022.
Membership	KCC Engagement Index increases by 5% on 2022 figures (this index includes an increase in membership and renewals as well as the growth in community engagement).	Achieved – Combined engagement index score of 93.58 which is a 9% increase from 2022.	KCC Engagement Index increases by 5% on 2021 figures. This index includes an increase in membership and renewals as well as the growth in community engagement.	Not achieved – combined 2022 index 85.65 was a 6% less than 2021.
	50% of those leaving KCC are retained in the Youth Network two years after transitioning.	Not achieved – Our retention rate was 13.7% in 2023.	The F&B Youth Community (members and supporters) has grown by 50% by the end of 2022, and is aligned to, and has the opportunity to engage with all aspects of F&B.	Not achieved – retention rate was -2% (membership at end of 2022 only 191 was less than 2021 total).

Strategic Priority	2023 Operational Plan KPI	2023 Operational Achievement	2022 Operational Plan KPI	2022 Operational Achievement
	Branch survey to understand how well we are providing them support, aiming for 80% satisfied or very satisfied.	Achieved – 80% (average) of respondents said they were satisfied or very satisfied (gave a rank of at least 6) with the support (IT, Financial and general) they received from National Office.	Survey of branches finds more than 75% are satisfied or very satisfied with the level of support they receive from National Office.	Achieved – 85% (29 out of 34) of branches who responded to the survey said that they were satisfied or very satisfied with the level of support from National Office.
Fundraising	Fundraised income meets the budgeted needs of the Society.	Achieved – Income from all streams, excluding project grants, exceeded our target by \$1,062,524 Target income = \$12,848,938 Actual income = \$13,911,462	Fundraising performance shows year on year improvement with key measures being donor retention, response rates to appeals, and growth in each income channel.	Not achieved – Income from those streams: \$9,684,558
	Membership income grows by 5%.	Achieved – Membership income for 2023 was \$454,855, which is a 27% (\$97,507) increase on our 2022 result.	Members get full value from their engagement with Forest & Bird demonstrated by year on year increase in membership renewal rate. Membership income grows by a minimum of 4%.	Not achieved – Total members = 6,944 Renewals = 276 Membership income = \$357,348
	At least four appeals run in 2023.	Not Achieved – Only three appeals were run in Q1, Q3 & Q4 of 2023. All had “second wave” follow-up appeals. The Q4 appeal also had a separate “Matched Giving” appeal.	No KPI in 2022.	Not reported on in 2022.

Strategic Priority	2023 Operational Plan KPI	2023 Operational Achievement	2022 Operational Plan KPI	2022 Operational Achievement
Carbon Emissions	F&B achieves a verified carbon emissions ISO standard	Achieved - ISO 14064-1:2018 received 27 November 2023.	Quarterly reports to the Board show F&B national office has implemented measures to reduce its carbon output.	Partially achieved - Board KPI report includes carbon accounting measure where updates have to be provided at each Board meeting. Reporting has been inconsistent due to capacity issues and F&B Covid restrictions meaning that contractors were not allowed on-site to complete carbon accounting work.
Reserve Whakamahere	Model and approach to achieve Reserve Whakamahere (Project at Place) is in place with a pilot of some reserves underway.	Not achieved - We were able to develop a model and project plan for our Reserve Whakamahere work and gather initial data on all reserves from our existing records, but we were not able to implement the pilot testing of our approach before the end of 2023.	New project - No KPI in 2022.	Not reported on in 2022.

Strategic Priority	2023 Operational Plan KPI	2023 Operational Achievement	2022 Operational Plan KPI	2022 Operational Achievement
Centennial Programme	Delivery of approved National Office-led centennial events programme.	Partially achieved – 23 events within the 2023 calendar year as per the approved centennial events programme with one exception – the Auckland Big Birthday Bash which was delayed nearly one year due to impacts from Auckland flooding and cyclone Gabrielle weather events.	An agreed programme of events and activities is confirmed and booked for the Forest & Bird centenary in 2023.	Achieved – Events programme confirmed in December 2022.
	Share 100 media stories relating to the centennial celebrations and events.	Achieved – 100 media stories shared.		

Distribution of the *Forest & Bird* magazine was not reported on in 2023, though it had been in previous years. In 2022 the total number of magazines distributed was 99,470.



FINANCIAL STATEMENTS

ROYAL FOREST & BIRD PROTECTION SOCIETY OF NEW ZEALAND INCORPORATED
CONSOLIDATED STATEMENT OF COMPREHENSIVE REVENUE & EXPENSES FOR THE PERIOD ENDED 31 DECEMBER 2023

	Note	Group	
		31 Dec 2023	31 Dec 2022
		\$	\$
Income			
Appeals		1,382,948	814,798
Bequests	5	5,666,378	2,008,212
Corporate partnership	7	396,700	482,781
General donations		5,085,220	4,934,228
Grants	6	1,523,691	1,072,812
Membership subscriptions - Forest & Bird		307,187	320,268
Membership subscriptions - Kiwi Conservation Club		45,161	51,459
Membership subscriptions - Nature's Future		102,507	-
Other operating income		620,600	709,869
Ruapehu Lodge		52,156	55,034
TOTAL OPERATING INCOME		15,182,547	10,449,461
Less cost of raising income			
Cost of raising income		3,199,884	1,908,437
Total operating costs - raising income	8	1,097,298	1,013,904
TOTAL COST OF RAISING OPERATING INCOME		4,297,183	2,922,341
GROSS SURPLUS		10,885,364	7,527,120
Expenditure			
Conservation - expenditure			
Climate		15,623	17,065
Freshwater		115,665	59,783
Marine		35,869	62,573
Terrestrial		1,668,927	1,535,798
International		117,174	110,263
KCC		323,509	280,048
Branch support		5,461	5,939
Total operating costs - conservation	8	3,331,417	2,855,518
Donations		37,487	49,720
Other branch operation expenditure		119,154	230,613
TOTAL COST OF CONSERVATION		5,770,285	5,207,319
Conservation Support - expenditure			
Centennial		284,126	27,629
Governance		106,165	76,463
Marketing and communications		206,594	74,263
Planning and reporting		243,636	65,242
Total operating costs - conservation support	8	1,666,625	1,187,680
TOTAL COST OF CONSERVATION SUPPORT		2,507,147	1,431,277
TOTAL EXPENDITURE		8,277,432	6,638,596
Surplus / (deficit) for the year before other income and expenditure		2,607,932	888,524
Other Income			
Interest received		458,579	184,092
Interest and dividends received - CIP investment		232,487	155,004
Interest and dividends received - Forest & Bird Endowment Fund	21	-	1,407
Unrealised gain on investment - Other investments		160,294	(33,695)
Unrealised gain / (loss) on investment - CIP investment		10,120	(514,337)
Unrealised gain on investment - Forest & Bird Endowment Fund	21	624,373	(689,619)
TOTAL OTHER INCOME		1,485,853	(897,148)
Other Expenditure			
Forest & Bird Endowment Fund expenditure	21	23,468	26,708
CIP investment expenditure		36,321	45,438
Asset impairment		-	-
TOTAL OTHER EXPENDITURE		59,789	72,146
Total comprehensive revenue and expense for the year		4,033,997	(80,770)

The attached notes form part of and are to be read in conjunction with the consolidated financial statements.

ROYAL FOREST & BIRD PROTECTION SOCIETY OF NEW ZEALAND INCORPORATED
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS / EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2023

	\$	Group	\$	\$
	Accumulated revenue and expense	Restricted cash reserves (note 10)	Total net assets/equity	
Restated balance as at 31 December 2021	14,113,371	4,591,865	18,705,236	
Total comprehensive revenue and expense for the year	(80,770)		(80,770)	
Transfers - restricted cash reserves (Note 9)	(81,775)	81,775	-	
Balance as at 31 December 2022	13,950,826	4,673,640	18,624,466	
Total comprehensive revenue and expense for the year	4,033,997	-	4,033,997	
Transfers - restricted cash reserves (Note 9)	1,514,353	(1,514,353)	-	
Balance as at 31 December 2023	19,499,176	3,159,286	22,658,463	

The attached notes form part of and are to be read in conjunction with the consolidated financial statements.

ROYAL FOREST & BIRD PROTECTION SOCIETY OF NEW ZEALAND INCORPORATED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	Group	
		31 Dec 2023	31 Dec 2022
		\$	\$
Current Assets			
Cash & cash equivalents		1,782,646	2,135,933
Deposits (On Call)		8,979,422	2,714,178
Investments - term deposits		3,155,032	6,127,350
Receivable (from exchange transactions)	15	521,248	536,972
Inventory	4	6,556	5,373
		14,444,905	11,519,805
Non current assets			
Investments - managed funds and other securities		1,250,274	2,004,054
Investments - Forest & Bird CIP		1,057,897	693,054
Investments - Forest & Bird Endowment Fund	21	5,058,870	4,458,534
Investments - JS Watson	20	333,085	-
Restricted funds	14	692,050	760,219
		8,392,176	7,915,861
Fixed Assets			
Property Plant & Equipment	22	2,379,096	2,062,724
Intangible Assets	23	44,985	32,566
		2,424,081	2,095,290
TOTAL ASSETS		25,261,161	21,530,956
Current liabilities			
Accounts payable	10	978,535	905,297
Income received in advance	11	205,516	154,048
Rental income received in advance	12	89,882	94,613
Deferred income	13	636,714	992,313
		1,910,648	2,146,272
Non-current liabilities			
Restricted funds	14	692,050	760,219
		692,050	760,219
TOTAL LIABILITIES		2,602,698	2,906,490
NET ASSETS		22,658,463	18,624,466
Equity			
Member funds		19,499,176	13,950,826
Branch reserves	9	1,925,534	1,270,023
National office reserves	9	1,233,753	3,403,617
TOTAL EQUITY		22,658,463	18,624,466



M Hanger
Society President
For and on behalf of the Board
Date: 10 June 2024

The attached notes form part of and are to be read in conjunction with the consolidated financial statements.

ROYAL FOREST & BIRD PROTECTION SOCIETY OF NEW ZEALAND INCORPORATED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	Group	
	31 Dec 2023	31 Dec 2022
	\$	\$
Cash flows from operating activities		
Proceeds from:		
Donations, fundraising and other receipts	12,531,246	8,235,289
Subscriptions	454,855	360,433
Grants	1,523,691	1,173,285
Receipts from providing goods & services	678,297	1,070,675
Interest & dividends	691,066	340,503
Net GST	(103,481)	(255)
Payments to:		
Suppliers and employees	(12,335,893)	(9,440,383)
Donations or grants paid	(37,487)	(49,720)
Net cash inflow/(outflow) from operating activities	3,402,294	1,689,828
Cash flows from investing activities		
Proceeds from:		
Disposal of property, plant and equipment	-	-
Sale of investments	3,222,621	-
Payments for:		
Purchase of property, plant and equipment	(515,693)	(171,022)
Repayments of loans borrowed from / funds held for other parties	-	(80,333)
Purchase of investments	-	(2,987,691)
Net cash inflow/(outflow) from investing activities	2,706,928	(3,239,046)
Net increase/(decrease) in cash and cash equivalents	6,109,222	(1,549,218)
Cash and cash equivalents at beginning of year	5,344,896	6,894,114
Cash and cash equivalents at the end of year	11,454,118	5,344,896
Made up of:		
Bank Overdraft	-	-
Cash & Cash Equivalents	1,782,646	2,135,933
Restricted Funds	692,050	494,784
Deposits (on Call)	8,979,422	2,714,178
	11,454,118	5,344,896

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The attached notes form part of and are to be read in conjunction with the consolidated financial statements.

1. Reporting entity

The Royal Forest & Bird Protection Society of New Zealand Inc. (the 'Entity') is an incorporated society and a registered charity. For the purposes of financial reporting, the Entity is a public benefit entity in accordance with the Incorporated Societies Act 1908, Charitable Trusts Act 2005, and the Financial Reporting Act 2013.

These consolidated financial statements comprise the National Office, branches, the Endowment Fund, and the JS Watson Trust (together referred to as the 'Group').

2. Basis of preparation

(a) Statement of compliance

The Group financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities and disclose concessions have been applied.

As a registered charity, the Entity qualifies as a Tier 2 reporting entity as for the two most recent reporting periods it is not publicly accountable and not large (operating expenditure has been between \$2m and \$30m in the current and prior period).

These financial statements were authorised for issue by Mark Hanger, Society President, on behalf of the Board on 10 June 2024.

(b) Functional and presentation currency

These consolidated financial statements are presented in New Zealand Dollars (\$), which is the Group's functional and presentation currency. All amounts have been rounded to the nearest dollar.

(c) Basis of measurement

The Group 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:

- Managed funds and other securities
- Investments

3. Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively.

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 4 (c) - revenue: whether non-exchange revenue has conditions or restrictions
- Note 4 (j) - leases: the classification of lease arrangements, and an arrangement contains a lease.

4. Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

(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.

ii. Loss of control of a controlled entity

On the loss of control, the Group derecognises the assets and liabilities of the controlled entity, any minority interest, and the other components of net assets/equity related to the controlled entity. Any resulting gain or loss is recognised in surplus or deficit.

iii. Transactions eliminated on consolidation

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

(b) Taxes

The Group is a registered charitable organisation and is therefore exempt from income tax under section CW 41 of the Income Tax Act 2007. These consolidated financial statements are prepared on a GST exclusive basis, except for accounts receivable and accounts payable which are stated GST inclusive as the Entity has opted to file returns on a payments basis.

4. Significant accounting policies (continued)**(c) 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. Revenue is 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**Subscriptions**

Revenue is recognised over the period of the membership or subscription (usually 12 months). Amounts received in advance for memberships or subscriptions relating to future periods are recognised as a liability until such time that period covering the membership or subscription occurs.

Sale of goods (included in "other operating income")

Revenue from sale of goods is recognised in the statement of comprehensive revenue and expense when the Group has transferred to the buyer the significant risks and rewards of ownership of the goods supplied. Transfer of the risks and rewards of ownership generally occur when the goods leave the office.

Services (included in "other operating income")

Revenue from services is recognised in the accounting period in which the services are rendered, by reference to the stage of completion of the specific transaction. The stage of completion is assessed by reference to surveys of work performed. Under this method, revenue is recognised in the accounting periods in which the services are provided. When the contract outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

ii. Revenue from non-exchange transactions

Non-exchange transactions are those where the Group receives value from another entity (e.g. cash or other assets) without giving approximately equal value in exchange.

With the exception of services-in-kind, inflows of resources from non-exchange transactions are only recognised as assets where both:

- It is probable that the associated future economic benefit or service potential will flow to the entity, and
- Fair value can be measured reliably.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where:

- it is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- the amount of the obligation can be estimated reliably.

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, donations - general, appeals, and corporate sponsorship

The recognition of non-exchange revenue from grants, donations - general, appeals and corporate sponsorship, 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 do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

Bequest

Bequest revenue is recognised as received, and all receipts are recognised as income in the period in which they are received. Unless recognised as a specific purpose bequest, the bequest is used in the manner determined by the Board at the time, with the preference to preserve the significant contributions and utilise the interest generated from such sums to fund the operating activities of the Group.

Other operating income

Other than revenue from sale of goods and services noted above which are exchange revenue, other operating income includes revenue from non-exchange transactions which is recognised as revenue when received.

iii. Other income**Finance Income**

Finance income comprises interest income, dividend income, changes in fair value of financial assets at fair value through statement of comprehensive revenue and expense. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

4. Significant accounting policies (continued)

(d) Employee benefits

i. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Long-term employee benefits

The Group's net obligation in respect to long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in surplus or deficit in the period in which they arise.

iii. Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

(e) Financial instruments

(a) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Society becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. At initial recognition, an entity may measure short-term receivables and payables at the original invoice amount if the effect of discounting is immaterial.

The Society derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Society neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(b) Classification and subsequent measurement

Financial assets

On initial recognition, all of the Society's financial assets are classified and measured at either amortised cost or fair value through surplus or deficit.

i) Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions:

it is held within a management model whose objective is to hold assets to collect contractual cash flows;

and

its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

ii) Fair value through surplus or deficit

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTSD. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in surplus or deficit.

Financial liabilities

All of the Society's financial liabilities are classified and measured at amortised cost.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

(c) Impairment of financial assets

The Society recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Society measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Society considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Society's historical experience and informed credit assessment and including forward-looking information.

The Society assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Society considers a financial asset to be in default when the financial asset is more than 90 days past due.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Society expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ROYAL FOREST & BIRD PROTECTION SOCIETY OF NEW ZEALAND INCORPORATED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (Continued)

g) Classification of financial instruments

The tables below show the carrying amount of the Group's financial assets and financial liabilities

Group - 31 December 2023

		Carrying amount (\$)				
		Financial assets		Financial liabilities		Total
		FVTSD ¹	Amortised cost	FVTSD	Amortised cost	
	Note					
Cash and cash equivalents			1,782,646			1,782,646
Deposits (on call)			8,979,422			8,979,422
Investments - Term deposits			3,155,032			3,155,032
Receivables (from exchange transactions)	15		123,471			123,471
Managed funds and other securities		1,250,274			-	1,250,274
Investments - Forest & Bird CIP		1,057,897				1,057,897
Investments - Forest & Bird Endowment Fund	21	5,058,870				5,058,870
Investments - JS Watson	20	333,085				333,085
Restricted funds - asset	14				-	-
Accounts Payable	10			(326,392)		(326,392)
Restricted funds - liability	14			(692,050)		(692,050)
		7,700,126	14,040,572	-	(1,018,442)	20,722,256

For the period ended 31 December 2023

¹ FVTSD = Fair value through surplus or deficit

Group - 31 December 2022

		Carrying amount (\$)				
		Financial assets		Financial liabilities		Total
		FVTSD ¹	Amortised cost	FVTSD	Amortised cost	
	Note					
Cash and cash equivalents			2,135,933			2,135,933
Deposits (on call)			2,714,178			2,714,178
Investments - Term deposits			6,127,350			6,127,350
Receivables (from exchange transactions)	15		325,117			325,117
Managed funds and other securities		2,004,054			-	2,004,054
Investments - Forest & Bird CIP		693,054	232,479			925,533
Investments - Forest & Bird Endowment Fund		4,458,534				4,458,534
Restricted funds - asset	14		760,219		-	760,219
Accounts Payable	10			(113,711)		(113,711)
Restricted funds - liability	14			(760,219)		(760,219)
		7,155,642	12,295,276	-	(873,929)	18,576,988

¹ FVTSD = Fair value through surplus or deficit

4. Significant accounting policies (continued)

(h) Property, plant, and equipment

i. Recognition and measurement

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

All of the Group's property, plant and equipment are subsequently measured under the cost model: cost (or fair value for items acquired through non-exchange transactions) less accumulated depreciation and impairment.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Website development expenditure is capitalised when incurred.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

iii. Depreciation

For property, plant and equipment, depreciation is based on the cost of an asset less its residual value. Significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately.

Depreciation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Land is not depreciated.

The estimated useful lives are:

Buildings	5 - 40 years	Straight Line
Equipment	5 years	Straight Line
Furniture and Fittings	5-10 years	Straight Line
Motor Vehicles	5 years	Straight Line
Office Equipment	5 years	Straight Line

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

(i) Intangible assets

i. Recognition and measurement

Intangible assets are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Amortisation

Amortisation is recognised in surplus or deficit on a straight line basis over the estimated useful lives of each amortisable intangible asset.

The estimated useful lives are:

Software	5 years	Straight Line
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Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

iv. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

(j) Leases

Operating leases

Leases that are not finance leases are classified as operating leases.

Operating leases are not recognised in the Group's statement of financial position. Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Determining whether an arrangement contains a lease

At the inception of an arrangement the Group determines whether such an arrangement is or contains a lease. This will be the case if the following two criteria are met:

- The fulfilment of the arrangement is dependent on the use of a specific asset or assets, and
- The arrangement contains a right to use the asset(s).

At inception or on reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

(k) Inventory

Inventory has been valued at the lower of cost or estimated net realisable value.

(l) Goods and Services Tax (GST)

The accounts are prepared on a GST exclusive basis, except for accounts receivable and accounts payable which are stated GST inclusive.

ROYAL FOREST & BIRD PROTECTION SOCIETY OF NEW ZEALAND INCORPORATED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (Continued)

5. Bequests

Bequests received by National Office during the year to 31 December 2023 were as follows:

Frederick and Audrey Adams Trust \$3,500, Estate of Sandra Joan Audley \$373,484, Estate of Glen Robert Martin Beauchamp \$783, Estate of Logan Cochrane Bell \$1,400, Estate of Hazel Berryman \$10,000, Estate of Elizabeth May Bichan \$117,142, Estate of Joyce Castle \$5,000, The Mac & Tui Chapman Charitable Trust \$9,358, Estate of Brian Clemens \$2,700,000, Estate of Judith Mary Clein \$1,000, Estate of Sheila Isabel Coombs \$12,581, Irene Erica Cowan Charitable Trust \$7,400, Estate of Brabara Craig \$1,000, The Ivan & Nancye Davis Charitable Trust \$1,250, Estate of Leslie Charles Doubleday \$200, Estate of Robin Jeffrey Doyle \$10,000, Estate of David Philip Eade \$5,000, Estate of Audrey Lily Eagle \$5,000, Sybil Mary Gaudin Charitable Trust \$2,105, Estate of Suzanne Catherine Hall \$5,349, Estate Wilfred Terence Hall \$5,047, H M Hancock Charitable Trust \$2,998, Estate of Betty Mary Barbara Harris \$100,000, Estate of Peter Harrison \$4,000, Kenneth Holmes \$35,024, Estate of Kathleen Jacobs \$1,000, Estate of Margaret Helen Jordan-Luff \$5,000, Estate of Valerie A Lambeth \$809,933, Estate of Jennifer Jane Leatham \$3,565, Estate of Pauline Leith \$576,000, The Charles Leslie Turner Trust \$500, Estate of Martyn Howard Lovelock \$13,625, Marcia Lousley Charitable Trust \$3,700, Estate of Kathleen Doris McSherry \$500, Estate of Gladys Malt \$15,000, Estate of Kenneth Charles Mills \$1,000, Estate of Dawn Irene Miller \$15,385, Estate of David Frederick Poulson \$99,862, Estate of Alan George Rosoman \$100,000, Irene and Stanley Sawtell Charitable Trust \$560, Estate of Allen Smith \$3,000, Estate of A Lawrence Spitz \$316,982, Estate of Nola Stewart \$5,843, Betty Stoker Charitable Trust \$2,242, The Hazel Traynor Charitable Trust \$5,188, Estate of Arthur Donald Vivian \$187,171, Estate of Pamela Iris Whiteley \$24,645, Estate of Morva Milburn Williams \$11,300

No bequests received in 2023 were tagged to specific work/projects.

Bequests received by branches during the year to 31 December 2023 total \$45,755 (2022 \$243,091)

6. Grants

Grants recognised during the year to 31 December 2023 for National Office were as follows:

Grants with Conditions:

\$450,042 for Ark in the Park from Auckland Council \$109,100, Foundation North \$285,503, MJT Public Trust \$8,000 and The Trusts Community Foundation (TTCF) \$1,481 from CAF America for Forest & Bird campaign work and conservation
 \$1,802 from Foundation North for the Fairy Tern project
 \$262,097 for the Pest Free Hibiscus Coast project from Auckland Council \$215,930, Foundation North \$30,570, and Lottery Environment and Heritage Fund \$15,598
 \$9,881 for the South East Wildlife Link project from Foundation North
 \$428,283 for the Te Hoiere Bat Recovery project from Marlborough District Council \$423,768 and Transpower \$4,515

Total grants funds recognised by National Office during the year to 31 December 2023 were \$1,153,587 (2022: \$684,358).

Total grants recognised by branches during the year to 31 December 2023 were \$370,105 (2022: \$388,454).

7. Corporate sponsorship

Corporate sponsorship income received by National Office during the year to 31 December 2023 was as follows:

Bayview Treehouse \$7,573, Blag Shag Café \$161, Blunt Umbrellas \$3,304, Boston Consulting Group \$287, Bright Funds / WizeHive Inc \$5,437, Cranfield Design \$6,000, Decision Makers \$200, Deloitte NZ \$500, Dr Beak \$307, Elite Hardware 2019 Limited \$5,427, Eliza's Manor \$4,500, Forager Wines Ltd \$500, Google (Benevity) \$362, Haigh Workman \$1,500, Hansby Design \$1,062, Healthpak Ltd \$26,668, Heritage Expeditions \$3,448, Hidden Asset \$338, Holy Trinity (Community Shop) \$500, Hopper Shop \$1,000, Hugo Charitable Trust \$2,000, Hummingbird Coffee \$16,200, Intrepid Travel / Haka Tours \$6,410, IWS Group \$1,000, JB Hi-Fi Group (NZ) \$27,314, Jenny Mitchell \$1,297, Judi Lapsley Miller \$1,440, Metalbird \$21,851, Michael Harney \$7,868, Nature Quest NZ \$5,000, One Good Kiwi \$6,112, Oxted Resources Ltd \$300, Part Time Rangers \$10,000, Pathfinder Asset Management \$115,681, Payroll giving \$28,463, Policy Exchange \$20,000, Pure Nature \$22,110, Sarah Adam \$3,460, Spy Valley Wine \$14,500, Sumner Trees Eco-Suite \$1,685, Sustainable Travel Co. \$500, Te Pukenga \$617, Thunderpants \$750, Tumbleweed Tees \$275, Zeden Cider \$12,500, Other (under \$100 each) \$293

8. Total operating costs

	National Office	
	Dec 2023	Dec 2022
	\$	\$
Total Operating Costs is made up of the following		
Raising income		
Salary costs	860,087	806,713
Office premises	91,660	82,129
Office equipment	10,915	17,677
Communications / Consumables	13,942	16,836
General	112,288	84,856
Travel costs	8,408	5,693
Conservation		
Salary costs	2,605,769	2,238,307
Office premises	212,152	220,262
Office equipment	20,010	30,400
Communications / Consumables	54,189	32,673
General	322,985	261,772
Travel costs	116,311	72,103
Conservation support		
Salary costs	1,118,979	867,766
Office premises	141,475	181,003
Office equipment	14,698	14,394
Communications / Consumables	134,825	89,623
General	202,433	3,313
Travel costs	54,216	31,581

The above costs are for National Office as Branches only have general operating costs.

In 2023, a further \$1,031,899 of salary costs was paid to Forest & bird staff for work on conservation projects such as Ark in the Park, Bushy Park, Dunedin branch projects, Pest Free Hibiscus Coast, South East Wildlink, Te Hoiere Bat Recovery project, and the Birdlife International Pacific Region Co-ordinator position, which is fully funded by Birdlife International. (2022: \$751,507)

9. Restricted cash reserves

Income received which is subject to certain restrictions has been recognised as an adjustment to equity. These funds are included in cash and term deposits.

	Group	
	Dec 2023	Dec 2022
	\$	\$
Opening Balance as at 1 January 2022		4,591,866
<u>Plus</u> Transfer to restricted & branch reserves		81,774
<u>Less</u> Transfer from restricted & branch reserves		-
Balance as at 31 December 2022		4,673,640
Opening Balance as at 1 January 2023	4,673,640	
<u>Plus</u> Transfer to restricted & branch reserves	-	
<u>Less</u> Transfer from restricted & branch reserves	(1,514,353)	
Balance as at 31 December 2023	3,159,287	

These funds are from and to be used for:

Estate Ada-Rae Herd (Nelson Biodiversity Forum)	16,900	16,900
Estate of Patrica Ann Wright (protection, defence, and restoration of conservation value on private land)	327,579	411,077
Estate of Lois McFarlane (maintaining reserves and/or of fresh clean water)	909,019	909,019
Estate of Lois McFarlane (maintaining reserves and/or of fresh clean water in local branches)	865,967	883,504
Fairy Terns	11,087	11,087
Grant & Marilyn Nelson Endowment Fund	-	836,293
Major Gift (Ocean Acidification)	17,782	17,782
Ark in the Park	19,960	19,960
Mearns Bequest (Bushy Park - Tieke & Hihi)	-	-
Mearns Bequest (Protect rare NZ birds - NI Kokako & Tieke)	149,934	149,934
Estate of Stanley Alfred Hunt (KCC)	172,924	172,924
Donations for Arowhenua Bush purchase (funding for purchase of Arowhenua Bush)	-	289,903
Frances Lee legal action fund (funding for legal action)	280,836	336,691
Glen Beauchamp bequest (funding for projects on/around Waiheke Island)	9,136	116,766
GAMNEF funds for disbursement	-	114,173
GAMNEF PP1 Freshwater advocate	-	1,110
Robson bequest to be spent on work in the Hawke's Bay	5,000	5,000
MacLeod bequest to be spent on work in the Hauraki Gulf	5,379	5,379
Branch cash reserves	367,786	376,140
	3,159,287	4,673,640

Grant & Marilyn Nelson Endowment Fund

In March 2023, the Nelson's requested the return of the outstanding balance of the \$5m gift received by Forest & Bird in November 2016. \$1m was returned to the Nelson's in 2021 and withdrawn from the portfolio in 2022. Forest & Bird was given two options: one to return the full amount immediately (i.e. \$5m less \$1m already returned); or the second to return \$500k each year for the next eight years (equal to \$4m). \$4m was withdrawn from the portfolio and returned to the Nelson's. The remaining balance became funds of Forest & Bird and are recorded as the CIP investment in non-current assets within the statement of financial position.

10. Accounts payable

	Group	
	Dec 2023	Dec 2022
	\$	\$
Trade payables	326,392	113,711
Accruals	225,575	373,371
Employee benefits	426,568	418,215
	978,535	905,297

All accounts are paid as they fall due, and all known liabilities for events occurring before balance date have been accrued.

11. Income received in advance

Income received from members' subscriptions to Forest & Bird and Kiwi Conservation Club is matched using accrual accounting concepts. Membership fees are paid on an annual basis for a 12 month period and span balance date for some members. In order to calculate income received in advance, it is assumed that the 12 month renewal period starts from the month the payment is received.

Life Membership subscriptions are shown in deferred income and released to subscriptions income over fifteen years for life members to 28 February 2010 and over twenty six years for life members from 1 March 2010.

In early 2023, F&B asked regular givers if they wished to retain the membership benefit of receiving the quarterly F&B magazine from 1 April 2023 onwards. Those that indicated that they did were set up as Nature's Future members and had the first \$57.00 of their donations recorded as an F&B membership subscription with any further donations remaining as donations under regular giving income.

12. Rental income received in advance

Rental income received in advance relates to property purchased by the Group on Waiheke Island. This purchase included a lease back to the vendor for a period of 34 years, ending 18 December 2042. Rental is to be allocated over this term at \$4,731 per annum.

13. Deferred income

	Group	
	Dec 2023	Dec 2022
	\$	\$
Unspent grants	534,908	705,909
Life Membership provision	20,213	21,665
Other income in advance	81,593	264,740
	636,714	992,313

ROYAL FOREST & BIRD PROTECTION SOCIETY OF NEW ZEALAND INCORPORATED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (Continued)

14. Restricted funds & loans

The National Office has deposited funds at Kiwibank on behalf of branches and other entities. These funds are administered by National Office. They are not available for use by the National Office for its general purposes.

	Group	
	Dec 2023	Dec 2022
	\$	\$
Environmental Defence Fund	238,666	228,788
Fensham Reserve	82,405	82,834
Horner Fund	235,819	224,612
Inwin Legacy	82,795	79,368
Pauatahanui Wildlife Reserve	15,570	14,262
Pacific Islands Bird Conservation and Research Fund	-	95,084
Term Deposit - combined branches	-	40,823
Other Funds	36,795	(5,551)
	<u>692,050</u>	<u>760,219</u>
These are split as per below:		
Cash and cash equivalents	692,050	494,784
Investments (term deposits greater than 3 months)	-	265,435
	<u>692,050</u>	<u>760,219</u>

15. Accounts receivable

	Group	
	Dec 2023	Dec 2022
	\$	\$
Trade Receivables	64,642	247,937
Other Receivables	58,829	77,181
Prepayments	233,333	150,892
GST Receivable	164,444	60,963
	<u>521,248</u>	<u>536,972</u>

16. Operating lease commitments

National Office commitments under a non-cancellable operating lease:

	Group	
	Dec 2023	Dec 2022
	\$	\$
Less than one year	350,096	360,096
One year to five years	298,296	578,342
Greater than five years	5,225	-
	<u>653,617</u>	<u>938,439</u>

Branches - no commitments existed under non-cancellable operating leases as at 31 December 2023

Current leasing arrangements include rent for:

Auckland Office - lease expires 30 September 2025, Wellington Office - renewal option 1 December 2025 (9 years), and Christchurch Office - renewal option 1 October 2025 (2 years).

Other leasing arrangement include:

parking at Auckland office (1 month notice period), photocopiers (5 year term expiring Dec 2028), EFTPOS (2 month notice period), and phones and internet (lease extended to encapsulate Calling by Teams - now expires 30 November 2024).

Operating lease expenses during the year to 31 Dec 2023 were \$388,524 (2022: \$349,323)

17. License commitments

Ruapehu Lodge - The Group has been granted a licence from the Department of Conservation to use the lodge site in the Tongariro National Park. The license is for a term of 20 years from 1 July 2013 to 30 June 2033 with an option to take a renewal for one further term of 20 years to 30 June 2053. Annual rental is payable by 31 March each year for the period from 1 July of the proceeding year to 30 June of the current year and is reviewed every third year. The current rental is \$2,943 per annum and is subject to three yearly reviews. The next review is due 30 June 2026.

18. Contingent liabilities

Due to the nature of legal cases that Forest and Bird is involved in it is likely court costs will be incurred that are not quantifiable at present. However, as at 31 December 2023, there are no contingent liabilities known to the National Office Leadership Team.

19. Related party transactions

In addition to transactions disclosed under notes 20 and 21, \$5,500 of sponsorship income was received from Nature Quest NZ Limited, a company owned by a board member of the Society (2022: \$57,565).

20. JS Watson Trust

The James Sharon Watson Conservation Trust (JS Watson Trust) was established under the will of the late Katherine Watson in memory of her husband. The trust's objective is to conserve the flora and fauna and natural features of New Zealand and to advance the knowledge and education of the public in these matters.

The JS Watson Trust has been consolidated into the Group.

21. Forest & Bird Endowment Fund

The Forest & Bird Endowment Fund was set up by Michael Lookman & Marilyn Somerville who are trustees of the T-Gear Charitable Trust. The purpose of the trust is to 'preserve and protect the indigenous flora and fauna, and natural features of New Zealand for the benefit of the public including future generations'.

The Forest & Bird Endowment Fund has been consolidated into the Group.

22. Property, Plant & Equipment

All land is stated at cost. No revaluations have been made in the financial period ended 31 December 2023.

	Land	Buildings	Plant & Machinery	Motor Vehicles	Furniture & Fittings	Office Equipment	Total
Cost or valuation							
Balance as at 1 January 2023	1,179,710	1,515,837	147,479	23,517	87,709	357,506	3,311,757
Additions (exchange)	411,324	1,320	14,261	947	3,570	83,822	515,244
Additions (non-exchange)	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
Disposals	-	-	(11,028)	(947)	-	(77,472)	(89,446)
Balance as at 31 December 2023	1,591,034	1,517,157	150,712	23,517	91,279	363,856	3,737,555
Accumulated depreciation & impairment							
Balance as at 1 January 2023	-	817,935	110,241	18,784	80,246	221,824	1,249,030
Depreciation	-	106,391	10,934	947	3,631	63,518	185,421
Impairment	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	(75,993)	(75,993)
Balance as at 31 December 2023	-	924,326	121,175	19,731	83,877	209,349	1,358,458
For the period ended 31 December 2023							
Net book value							
As at 31 December 2021	1,179,710	662,206	24,224	5,916	9,362	109,752	1,991,168
As at 31 December 2022	1,179,710	697,902	37,238	4,733	7,462	135,682	2,062,725
As at 31 December 2023	1,591,034	592,831	29,537	3,786	7,402	154,507	2,379,096
Made up as follows:							
National Office	1,400,739	418,748	-	-	5,365	154,507	1,979,359
Branches	190,295	174,083	29,537	3,786	2,037	-	399,738
	1,591,034	592,831	29,537	3,786	7,402	154,507	2,379,096

Due to the inherent difficulties with the valuation of reserve land, valuations have not been sought, or included in these financial statements.

23. Intangible Assets

	Software	Total
Cost or valuation		
Balance as at 1 January 2023	271,977	271,977
Additions (exchange)	39,000	39,000
Additions (non-exchange)	-	-
Disposals	-	-
Balance as at 31 December 2023	310,977	310,977
Accumulated amortisation & impairment		
Balance as at 1 January 2023	212,962	212,962
Amortisation	53,030	53,030
Impairment	-	-
Disposals	-	-
Balance as at 31 December 2023	265,992	265,992
Net Book Value		
As at 31 December 2021	59,015	59,015
As at 31 December 2022	32,566	59,015
As at 31 December 2023	44,985	44,985

24. Key management personnel remuneration

The Group classifies its key management personnel into one of two classes:

- Members of the governing body
- Leadership team

Members of the governing body are paid an annual amount in honoraria for each meeting attended during the year, although many members do not take the payment. The leadership team are employed as employees of the Society, on normal employment terms.

The aggregate level of remuneration paid and number of persons (measured in 'people' for members of the governing body, and 'full-time-equivalents' (FTEs) for the Leadership team in each class of key management personnel is presented below:

	2023		2022	
	Remuneration	Number of	Remuneration	Number of
	\$	individuals	\$	individuals
Members of the governing body	50,750	8 people	45,000	9 people
Leadership team	1,250,974	8 FTE	1,135,561	8.5 FTE
	1,301,724		1,180,561	

Key management personnel are paid through National Office and none are paid through the branches.

25. Acknowledgement of reserve land assets

During 2020 the Board of the Society established a Property Committee to gain a clearer understanding of the property owned by Forest & Bird. In 2023 this committee became part of the Audit, Risk, Investment, and Property Committee.

In 2020, the Property Committee reviewed the reserves held by Forest & Bird. The following list are the reserve land assets held by the Society that are recognised at a cost of zero, due to the accounting policy adopted by the Society and because the land was gifted not purchased.

Name, location	Date gifted	QV last valuation date	QV last valuation amount
Arethusa, Far North	1985	11/02/2021	500,000
Atawhai Whenua Reserve, Hauraki Islands	1995	1/06/2021	1,140,000
Blowhard Bush Reserve, Hastings/Havelock North	1989	11/02/2021	155,000
Calder Green Reserve, North Canterbury	mid-1970's	1/07/2023	46,000
Chapman Reserve, Southland	1985	1/09/2018	620,000
Colin Kerr-Taylor Memorial Reserve, Kaipara	1993	1/06/2021	2,365,000
Conway's Bush, South Canterbury	1987	1/09/2020	114,000
Dick Jackson Memorial Reserve (Westland Black Petrel Colony), West Coast	1989	1/09/2018	34,000
E. B. Firth Reserve, Waikato	1978	1/08/2022	14,000
Ecclesfield Reserve, Upper Hutt	1965	1/07/2022	1,150,000
Field Reserve, Kapiti	1973	1/08/2023	240,000
Herbert Bismark Matthews Reserve, Far North	1996	1/10/2022	355,000
Laird's Reserve, Rangitikei	1967	1/08/2023	93,500
Lenz Reserve, Dunedin	1964	1/10/2020	985,000
Little Bush Reserve, Napier	1989	1/08/2022	320,000
McPherson's Reserve, Rangitikei	1962	1/08/2023	226,500
Morgan Reserve, Waikato	1993	1/09/2021	1,527,000
Ngaheretuku Reserve, South Auckland	1951	11/02/2021	440,000
Olive Davis Reserve, South Auckland	1971	11/02/2021	2,020,000
Onetangi Reserve, Hauraki Islands	1962	1/06/2021	2,300,000
Papatowai, Dunedin	prior to 2020	1/10/2020	105,000
Percy Leonard Moore Reserve, Dunedin	1974	1/07/2022	49,500
Pryce's Rahui Reserve, Rangitikei	1962	1/08/2023	305,500
Rhodes Reserve, North Canterbury	1967	1/08/2022	580,000
Simpson's Reserve, Rangitikei	1962	1/08/2023	82,000
Sutherland Turakina Reserve (Big Sutherland or Sutherland No.1), Rangitikei	1967	1/08/2023	510,000
Te Rere Reserve, Southland	1989	1/08/2021	195,000
Tom and Don's Bush, North Taranaki	prior to 2020	1/08/2022	1,350,000
Walter Scott Reserve, Waikato	1963	2013	58,000
Violet Bonnington Reserve, Rotorua	prior to 2020	1/09/2020	28,000
		Total valuation amount	17,908,000

The quotable value of property carried at cost total \$9,606,795. These are not included in the above list and continue to be carried at cost per Note 22.

26. Subsequent events

There were no material events that would affect these financial statements

ROYAL FOREST & BIRD PROTECTION SOCIETY OF NEW ZEALAND INCORPORATED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023 (Continued)

27. Consolidation of Branches

The financial statements of the branches of the Royal Forest & Bird Protection Society for the year ended 31 December 2023 have been included in the consolidated financial statements using the purchase method.

All significant inter entity transactions have been eliminated on consolidation.

As an incorporated society, the Group has access to use the assets of the branches through the Council.

The 47 branches included in the consolidation are as follows:

	Income	Expenditure	Surplus / (Deficit)	Assets	Liabilities	Member Funds
Ashburton	6,590	7,390	(800)	34,568	50	34,518
Central Auckland	5,684	5,530	154	33,514	1,148	32,366
Central Hawke's Bay	10,217	10,916	(699)	36,512	11,626	24,886
Central Otago Lakes	36,527	33,038	3,489	37,056	-	37,056
Dunedin	257,062	258,923	(1,861)	906,553	32,513	874,040
Dunedin - LENZ	54,214	14,425	39,789	431,435	1,124	430,312
Eastern Bay of Plenty	20,913	16,748	4,165	57,780	10,008	47,771
Far North	25,763	27,572	(1,809)	43,227	-	43,227
Gisborne	910	1,349	(439)	20,362	-	20,362
Golden Bay	1,567	5,216	(3,649)	4,536	-	4,536
Hastings / Havelock North	62,844	16,062	46,782	285,772	-	285,772
Hauraki Islands	114,183	63,591	50,593	352,305	26,310	325,996
Hibiscus Coast	4,319	6,149	(1,830)	15,809	-	15,809
Horowhenua	5,057	6,796	(1,740)	13,276	-	13,276
Kaikoura	504	373	131	3,341	-	3,341
Kapiti-Mana	8,913	7,552	1,361	24,544	-	24,544
Lower Hutt	6,172	3,673	2,499	42,944	660	42,284
Manawatu	5,705	7,917	(2,213)	29,701	-	29,701
Marlborough	961	542	418	11,800	-	11,800
Mercury Bay	-	-	-	4,999	2,242	2,757
Napier	26,329	25,642	687	474,443	-	474,443
Nelson-Tasman	11,610	8,890	2,720	80,674	-	80,674
North Canterbury	22,279	26,740	(4,461)	292,960	-	292,960
North Shore	8,406	7,834	572	79,963	45	79,918
North Taranaki	27,527	15,654	11,873	121,843	-	121,843
Northern	6,160	4,742	1,418	96,195	-	96,195
Rangitikei	9,748	7,883	1,864	49,898	-	49,898
Rotorua	7,651	8,999	(1,348)	196,274	-	196,274
South Auckland	8,487	5,611	2,876	46,287	-	46,287
South Canterbury	9,242	1,442	7,799	26,145	-	26,145
South Otago	12,049	18,462	(6,414)	39,058	-	39,058
South Taranaki	10,892	12,340	(1,448)	34,263	-	34,263
Southland	33,170	32,721	449	167,439	-	167,439
Taupo	7,582	9,391	(1,809)	34,346	51	34,295
Tauranga	49,270	49,700	(430)	100,742	-	100,742
Te Puke	3,811	3,434	377	22,942	-	22,942
Thames- Hauraki (non-active branch)	-	-	-	51,481	-	51,481
Upper Coromandel	12,221	12,312	(92)	20,038	-	20,038
Upper Hutt	47,918	44,537	3,381	70,779	6,975	63,804
Waikato	31,741	33,529	(1,788)	40,680	-	40,680
Wairarapa	2,548	2,153	396	14,567	-	14,567
Waitakere	49,268	36,466	12,802	367,725	12,891	354,834
Waitaki	1,642	1,616	27	1,348	173	1,175
Warkworth Area	32,035	20,421	11,613	63,966	-	63,966
Whanganui	338	1,418	(1,080)	93,595	-	93,595
Wellington	33,651	39,759	(6,107)	146,935	392	146,542
West Coast	13,291	13,227	63	14,462	12,250	2,212
	1,106,972	938,688	168,284	5,139,081	118,457	5,020,623

Branch assets include:

Cash, Cash Equivalents & Deposits on Call	2,290,041
Investments - Term Deposits	2,155,032
Investments - Held at National Office	52,606
Shares & Other Investments	194,531
Total Cash & Investments in Branches	4,692,210
Other Assets	451,870
Total Assets	5,144,081

AUDITORS' REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ROYAL FOREST & BIRD PROTECTION SOCIETY OF NEW ZEALAND INC

Opinions

We have audited the general purpose financial report of Royal Forest & Bird Protection Society of New Zealand Inc. ("the Society") and its subsidiaries (together, "the Group"), which comprise the consolidated financial statements on pages 31 to 45 and the consolidated service performance information on pages 23 to 29. The complete set of consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive revenue and expense, consolidated statement of changes in net assets/equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

Opinion on the Consolidated Service Performance Information

In our opinion, the accompanying general purpose financial report presents fairly, in all material respects, the consolidated service performance for the year ended date, in accordance with the group's service performance criteria, in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Qualified Opinion on the Consolidated Financial Statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at date, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Qualified Opinion on the Consolidated Financial Statements

1. In common with other similar organisations, control over revenues prior to being recorded is limited, for income received by Royal Forest & Bird Protection Society of New Zealand Inc. from donations. There are no practical audit procedures to determine the effect of this limited control. Accordingly, the completeness of donation income received by the group and the Group's members' fund is unable to be determined.
2. Royal Forest & Bird Protection Society of New Zealand Inc. has engaged service organisations to facilitate the collection and processing of income for subscriptions, and a significant portion of the recognised income from donations. The Group is reliant on this service organisations for the controls over the completeness of income from these sources. We were unable to obtain sufficient appropriate audit evidence over the controls in place at these service organisations.

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing (New Zealand) (“ISAs (NZ)”) and the audit of the consolidated service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 The Audit of Service Performance Information (NZ). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the General Purpose Financial Report section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) 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.

Our firm carries out other assignments for the Group in the area of taxation advice. The firm has no other relationship with, or interests in, the Group or any of its subsidiaries.

Other Information

The Executive Board is responsible for the other information. The other information obtained at the date of this auditor’s report is information contained in the general purpose financial report, but does not include the consolidated service performance information and the consolidated financial statements and our auditor’s report thereon.

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

In connection with our audit of the consolidated service performance information and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated service performance information and consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor’s report, 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.

Executive Board’s Responsibilities for the General Purpose Financial Report

Those charged with governance are responsible on behalf of the Group for:

- (a) the preparation and fair presentation of the consolidated financial statements and consolidated service performance information in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards Reduced Disclosure Regime; and
- (c) for such internal control as the directors determine/determines is necessary to enable the preparation of consolidated financial statements and consolidated service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report, the directors is/are 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 directors either intend/intends to liquidate the Group or to cease operations, or have/has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole, and the consolidated service performance information 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) and NZ AS 1 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the XRB's website at

www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-13/

This description forms part of our auditor's report

Who we Report to

This report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an 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 Society and the Society's members, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Wellington Audit Limited

BDO WELLINGTON AUDIT LIMITED

Wellington
New Zealand
10 June 2024



BDO Wellington Audit Limited

“Forest & Birds’ involvement has meant we are not the only voice anymore.”

“After a developer unlawfully cleared ours and neighbouring urban SNA land, and after unsuccessful attempts to have the land restored, or even find people willing to support our cause, we reached out to Forest & Bird. We have since received much needed support from Forest & Birds’ network of capable, knowledgeable and passionate people.

We are no longer feeling alone in our cause and are extremely appreciative of the support that has been provided. Our country desperately needs more people like those at Forest & Bird to advocate, create awareness and to protect our environment.”



Forest & Bird

TE REO O TE TAIAO | *Giving Nature a Voice*

forestandbird.org.nz | info@forestandbird.org.nz
Ground floor, 205 Victoria Street, Wellington
PO Box 631, Wellington 6140, New Zealand
INT +64 4 385 7374 | NZ 0800 200 064

Forest & Bird is a registered charitable entity in terms of the Charities Act 2005. Registration No. CC26943.

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