

PodiatryNZ

To advance the quality of and access to podiatry
Hei whakapiki i te kounga me te whāi wāhi ki te haumanu waewae

**ANNUAL
REPORT 2020**

Contents

About Us.....	3
Message from the Chair.....	3
2019/2020 Board Members.....	4
COVID Impact.....	5
2020 – the year we discovered Zoom	6
Members	6
Friends.....	6
Our Strategic Intent.....	- 7 -
The Boards Values	- 7 -
Strategic Goals.....	- 7 -
1. Facilitating Collegiality	- 7 -
2. Expanding Careers.....	- 7 -
3. Sustainability.....	- 7 -



About Us

PodiatryNZ is the professional membership association of registered podiatrists in New Zealand.

At PodiatryNZ we believe that putting our members' clients and patients first is essential. By always thinking of the needs of clients and patients we can continually adapt our services to ensure our members are equipped to meet the varying needs of clients and patients.

Our membership programs are designed for members to access the information and support needed to be an effective professional. We encourage members to work at "top of scope" and to assist in changing the world they work in, for the better.

We are dedicated to pursuing better patient outcomes through enhancing the profession of podiatry and increasing awareness of New Zealanders about the importance of good foot health care. We are the national voice of podiatrists.

Our aim is to deliver quality communication between members, students and stakeholders that enhances relationships within our profession. Membership is based on integrity and respect.

Podiatry New Zealand Incorporated (PodiatryNZ) is a membership based, not for profit association registered under the Incorporated Societies Act. Founded in 1946.

Message from the Chair

No amount of preparation could have prepared us for what has undoubtedly been an exceptionally challenging year. Fortunately, our board and management team have as part of a risk management approach to the business of PodiatryNZ built sufficient financial reserves to get us through a crisis – and yes, we really needed them this year. The loss of our conference and all that was involved in winding that back was not only a great disappointment to members, it required tremendous effort and energy because of the factors outside of our control.

I thank our team who moved into top gear and found ways to harness the spirit of the collegial nature of our membership with new and innovative ways to support members.

Having been a member of PodiatryNZ since I graduated (last century), I joined the Board in 2011 and have enjoyed holding a member and chair positions with a group of podiatrists who are as passionate about the profession as I am. Their passion is demonstrated in a professional body that is collegial and is committed to improving the quality of and access to podiatry.

My thanks and appreciation to all fellow board members during my time on the Board: Jenny Cousins, Caron Orelowitz, Michele Garrett, Andrew Jones, Lawrence Kingi, Angela Brenton Rule, Matt Franken, Rebecca Holbrook, Sarah Duncan and Rachael Harper all of you have made my time on the board enjoyable and extremely constructive.



Ben Lamb

Chair

2019/2020 Board Members

PodiatryNZ Board members are elected annually to serve from AGM to AGM and have a continuing right of re-election. Nominations are called for the Board from the membership.

The PodiatryNZ Board may consist of up to seven members. Three members may be voted on by the membership with another two co-opted. Two others may be appointed by Maori or Student groups.

Concerned about diversity and succession planning, during the past year, the PodiatryNZ Board invited two interested members to attend and participate in Board meetings. Whilst the addition of two additional members swelled Board numbers and added to governance costs, it was recognised by the Board that it is extremely important to seek a diverse range of views that represent our membership and to provide insight to future Board members on governance and board member responsibilities.

The in-person meeting schedule was interrupted at the end of the year with the Board holding numerous virtual meetings via Zoom to keep abreast of the needs of the membership during COVID-19 crisis.



Ben Lamb, Chair



Caron Orelowitz



Rebecca Finchett



Lawrence Kingi



Angela Brenton-Rule



Matthew Franken



Sarah Duncan



Rachael Harper



COVID Impact

On the 25th March 2020, the government placed New Zealand into a level 4 lockdown instructing people to stay at home in their bubble other than for essential personal movement. The majority of private practice podiatrists were unable to go back to work until 11th May some 6 weeks later. PodiatryNZ Board took the view that they needed to be seen to support the key messages of the government to halt the transmission of the virus and provide information to members to help them navigate the uncertain times. A dedicated webpage was created and updated regular, providing up to date information and advice from various sources four themes: Health Concerns, Clinic Management, Business Matters and Employment Issues.

Regular newsletters and emails were sent to members to ensure members remained fully informed throughout the period, this was in addition to the delivery of webinars. By the end of lockdown, we presented 23 webinars that were seen by over 1728 attendances.

The uncertainty of COVID and the impact on the financial uncertainty of members was considered by the board and it was determined that a new approach to membership subscriptions offering monthly payments as an alternative to annual payments. In addition, members were provided with one month's free membership.

The post lockdown survey of members provided positive results regarding PodiatryNZ services provided. 71% valued the level of COVID related information provided and 76% valued the webinars.

2020 – the year we discovered Zoom

A truly unique experience, "lockdown", we got all got through by sharing knowledge, skills and experiences. We thank all our members and friends for their generous support.



Members

Adam Philps
Andrew Jones
Ben Lamb
Caron Orelowitz
Cynthia Otene
Dr Stacey Clark
Gareth Milne

Julia Home
Matthew Franken
Rachel Harper
Rebecca Holbrook
Sarah Duncan
Simon Speight
Stacey Clarke

Friends

Brian Fitzpatrick
Don Lemieux
Geoff Coombridge
Hamish French
Johnathon Heath

Kimberley Wilson
Lucy Brown
Rachael Smith
Steve Lafferty
Troy Parsons

Our Strategic Intent

Access – Advocate – Advance

The Boards Values

- Integrity:** We act with integrity and respect in all we do. We are each personally accountable for the highest standards of behaviour, including honesty, transparency and fairness in all aspects of our work.
- Leadership:** We aim to support the profession of podiatry leading by example with vision, acting in the best interests of those receiving podiatric care.
- Excellence:** We are committed to robust governance, continuous quality development, and the application of best practice principles in all that we do.
- Collegiality:** We aim to actively engage our members and stakeholders to work together to enhance and advance the standard of the podiatry profession.

Strategic Goals

1. Facilitating Collegiality

Our goal is to facilitate a collegial network of podiatrists and stakeholders based on mutual respect and understanding. We work to build cooperative relationships through the engagement of podiatrists at national and regional levels. PodiatryNZ aims to deliver quality communication and training that enhances relationships for and between members, students and other stakeholders.

2. Expanding Careers

Our goal is to assist members to maximise career potential, improve patient outcomes and maintain job satisfaction. Professional development and career specialisations will continue to be a focus. PodiatryNZ will work collaboratively with others to achieve prescribing rights, deliver high risk foot and sports training and to further quality clinic training with the implementation of a 3rd party audit process.

3. Sustainability

Our goal is to ensure the continued relevance of PodiatryNZ by safeguarding sound organisational practices through best practice governance practices. This will involve the implementation of best practice procedures for: transitioning key personnel, Board succession plans and an investment in appropriate induction and governance procedures.



PodiatryNZ
To advance the quality of and access to podiatry
Hei whakapiki i te kōunga me te whāi wāhi ki te haumanu wāewae

**Financial
Statements**

FINANCIAL REPORT

INCLUDING THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

Association Information.....	2
Auditors Report.....	5
Statement of Financial Performance	7
Statement of Changes in Accumulated Funds	7
Statement of Cash Flows.....	9
PodiatryNZ Board Declaration	11
Notes to the Financial Statements.....	11
1. <i>General information</i>	11
2. <i>Income Tax</i>	13
3. <i>Other significant Items</i>	14
4. <i>Reserves</i>	16
5. <i>Detailed schedule of expenses</i>	16
6. <i>Related party transactions</i>	17
7. <i>Contingent liabilities</i>	18
8. <i>Events after balance</i>	18

ASSOCIATION INFORMATION PAGE

ASSOCIATION INFORMATION

Legal Name of Association	Podiatry New Zealand Incorporated
Abbreviated Name	PodiatryNZ
Type of Association and Legal Basis	Incorporated Society
Registration Number	219973
Website	www.podiatry.org.nz
Secretariat Services	Butler Pelvin & Associates 04 473 9547 jennifer@butlerpelvin.com contact@podiatry.org.nz
Website/s	www.podiatry.org.nz, www.podnz.org, www.podiatrynz.com
Email	contact@podiatry.org.nz
Office Address	Apartment 11, 22 Ghuznee Street, Te Aro, Wellington 6011
Postal Address	PO Box 9893 Marion Square Wellington 6141
Auditors	Dent & Heath, Wellington
Audit Partner	Leonie Heath
Bankers	ASB Bank, Wellington
Bank Accounts	12-3272-0210275-00 12-3272-0210275-01 12-3272-0210275-72 Credit Card ending 1975
IRD Number / GST Number	046-107-446

ASSOCIATION INFORMATION CONTINUED

Association's Vision, Purpose or Mission

To advance the quality of and access to Podiatry

PodiatryNZ is dedicated to enhancing the profession of podiatry and increasing awareness among New Zealanders about the importance of good foot health care.

PodiatryNZ acts as the national voice representing the interests of Podiatrists.

Association Structure

Founded in 1946, PodiatryNZ is the profession's membership organisation. PodiatryNZ is registered under the Incorporated Societies Act 1908. Voting members must be Registered Podiatrists and hold a current annual practicing certificate.

Governing Body

The PodiatryNZ Rules provide for a governing body consisting of seven Board members:

- Three Members elected as Board members by the Members who are appointed for a two-year term and have a continuing right of re-election.
- One Podiatrist Māori representative. A Māori representative body (recognised by the Board), shall determine their processes for selecting their representative.
- One student representative. A student representative body (recognised by the Board), shall determine their processes for selecting their representative.
- Up to two persons that are not be current members, may be co-opted by the Board for a defined period to bring a particular aptitude to the Board.
- The Board at the first meeting following the election of Board members elects the PodiatryNZ Chairperson.

PodiatryNZ Board 2020

Ben Lamb, Podiatrist of Christchurch (Chairperson)

Caron Orelowitz, Podiatrist of Auckland (resigned 1 July 2020)

Lawrence Kingi, Podiatrist of Auckland (Maori representative)

Angela Brenton-Rule, AUT Health Sciences, Podiatry - Head of Discipline (resigned 30/11/20)

Matthew Franken, Podiatrist of Christchurch

Rebecca Finchett, Podiatrist of Dunedin

Sarah Duncan, Podiatrist of Christchurch (Co-opted 15/02/2020)

Rachael Harper, Podiatrist of Cambridge (Invited guest from 30/11/19))

ASSOCIATION INFORMATION CONTINUED

Operational Structure

Butler Pelvin & Associates provides secretariat, governance and executive services to PodiatryNZ and is responsible for management of the Association's activities.

Main Methods Used by the Association to Raise Funds

PodiatryNZ is supported by Registered Podiatrists who pay annual member subscription. PodiatryNZ also relies on the financial support of Sponsors and Exhibitors who participate in the biannual conference. Fees to attend PodiatryNZ's activities, such as the bi-annual conference, are calculated to adequately cover the cost of activity.

Association's Reliance on Volunteers and Donated Goods or Service

PodiatryNZ is entirely reliant on the goodwill and generous volunteer support of its members. The Association does not utilise donated goods and does not use free or subsidised podiatric services of its members.

Main Sources of the Association's Cash and Resources

PodiatryNZ is supported by member subscriptions from Registered Podiatrists and appreciates the support of our Sponsors.



INDEPENDENT AUDITOR'S REPORT

To the Members of Podiatry New Zealand Incorporated

Opinion

We have audited the financial statements of Podiatry New Zealand Incorporated on pages 4 to 15, which comprise the statement of financial position as at 30 June 2020, and the statements of financial performance and changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the accounting policies stated in Note 1a.

Basis for Opinion

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

Other than in our capacity as auditor we have no relationship with, or interests in, Podiatry New Zealand Incorporated.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1a to the financial statements, which describes the basis of accounting. The financial statements have been prepared for the members of the organisation, internal management and Inland Revenue purposes. As a result, the financial statements may not be suitable for another purpose.

Restriction on Responsibility

This report is made solely to the Members, as a body. Our audit work has been undertaken so that we might state to the Members those matters 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 Members as a body, for our audit work, for this report, or for the opinions we have formed.

Board' Responsibility for the Financial Statements

The Board are responsible on behalf of the entity for determining that the Special Purpose framework adopted is acceptable in Podiatry New Zealand Incorporated's circumstances, the preparation of financial statements, and for such internal control as the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



going concern basis of accounting unless the Board either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in blue ink, appearing to read 'Dent & Heath'.

Dent and Heath
Lower Hutt
9 September 2020

STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2020

	Note	<u>2020</u>	<u>2019</u>
REVENUE			
Membership Fees		141,641	147,481
Conference	3a	-	196
Sponsor Advertising		60,000	59,978
Event fees		20,512	36,235
Expense Recovery	2	1,743	-
Interest received		2,612	3,294
TOTAL REVENUE		226,508	247,185
EXPENSES			
Conference	3a	49,733	886
Administration		188,724	206,513
Audit fees		6,300	6,300
Events		7,491	25,129
Governance		12,924	16,370
Member services		21,152	7,068
Charitable donation to Podiatry NZ Charitable Trust	3c	-	-
TOTAL EXPENSES	5	286,324	262,266
Operating Surplus/(Deficit) before Income Tax		(59,816)	(15,082)
Income Tax Expense	2	-	-
Surplus/(Deficit) for year		(59,816)	(15,082)

STATEMENT OF CHANGES IN ACCUMULATED FUNDS

For the year ended 30 June 2020

	<u>2020</u>	<u>2019</u>
ACCUMULATED FUNDS		
Accumulated Funds at start of year	238,811	253,893
Surplus/(Deficit) for the year	(59,816)	(15,082)
ACCUMULATED FUNDS AND RESERVES	178,995	238,811

These financial statements must be read in conjunction with the attached Notes to the Accounts and Audit Report.



STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

	Note	2020	2019
CURRENT ASSETS			
Cash and cash equivalents		276,247	321,583
Trade and other receivables			
Trade receivables (net of provision of doubtful debts)		20,085	28,054
Interest Receivable		462	744
Event expenses in advance		-	3,915
Conference expenses in advance	3a	14,804	1,214
Prepaid Membership Services		904	13,021
TOTAL CURRENT ASSETS		312,502	368,530
CURRENT LIABILITIES			
Trade and other payables		41,742	32,118
Conference venue commitment	3a	14,804	-
Membership subscriptions in advance		66,450	89,612
Insurance subscriptions in advance	3f	2,970	2,700
Event subscriptions in advance		3,130	1,565
Goods and services tax payable		4,411	3,724
TOTAL CURRENT LIABILITIES		133,507	129,719
NET ASSETS		178,995	238,811
ACCUMULATED FUNDS			
Accumulated Funds at start of year		238,811	253,893
Surplus/(Deficit) for the year		(59,816)	(15,082)
Accumulated Funds at end of year	4	178,995	238,811

These financial statements must be read in conjunction with the attached Notes to the Accounts and Audit Report.



STATEMENT OF CASH FLOWS

For the year ended 30 June 2020

	Note	2020	2019
<u>Cash Flows from Operating Activities</u>			
RECEIPTS			
Member subscriptions		125,267	161,051
Conference subscriptions from members		-	14,682
Sponsorships received		60,000	63,250
Event fees received		34,194	41,723
Member Insurance		63,256	70,479
Expense Recovery		1,743	-
Interest received		2,894	4,023
Receipts from Operating Activities		287,354	355,208
<u>Cash Flows from Other Operating Activities</u>			
Net Goods and Services Tax	(c)	3,123	(7,315)
PAYMENTS			
Supplier payments	(d)	224,308	287,560
Member insurance		62,986	58,707
Conference payments		48,519	73,224
Payments made for Operating Activities		335,813	419,491
Cash Flows from Operating Activities	(a) ,(b)	(45,336)	(71,598)
(a) Net Increase/(Decrease) in Cash and cash equivalents			
Cash and cash equivalents at 1 July		321,583	393,181
Cash and cash equivalents at 30 June		276,247	321,583
Net Increase/(Decrease) in Cash and cash equivalents		(45,336)	(71,598)

These financial statements must be read in conjunction with the attached Notes to the Accounts and Audit Report.



STATEMENT OF CASH FLOWS CONTINUED

For the year ended 30 June 2020

Note	<u>2020</u>	<u>2019</u>
(b) Reconciliation of Net Cash Flows from Operating Activities to Surplus/(Deficit)		
Surplus/(Deficit) for year	(59,816)	(15,082)
Add/(Deduct) movements in working capital items		
Trade and other Receivables	1,846	(12,094)
Trade and other payables	9,511	(51,737)
Goods and Services Tax	3,123	7,315
Net Cash Flows from Operating Activities	(45,336)	(71,598)
(c) Supplier Payments by activity		
Administration	180,356	232,698
Audit	6,300	6,300
Events	3,576	28,622
Governance	12,924	19,940
Member services	21,152	-
	224,308	287,560

These financial statements must be read in conjunction with the attached Notes to the Accounts and Audit Report.



BOARD DECLARATION & NOTES PAGE

PODIATRYNZ BOARD DECLARATION

For and on behalf of the PodiatryNZ Board on 9 September 2020



Ben Lamb
Chairman



Board Representative
Sarah Duncan

NOTES TO THE FINANCIAL STATEMENTS

1. General information

PodiatryNZ is registered under the Incorporated Societies Act 1908. Its vision is to “advance the quality of and access to podiatry”.

These financial statements were adopted by the PodiatryNZ Board by email resolution on 31 August 2020.

a. Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with the Special Purpose Framework using generally accepted accounts principles and have been prepared for the members of the organization, internal management purposes and Inland Revenue.

b. Changes in accounting policies

There have been no changes to accounting policies in the year. All policies have been on a consistent basis with previous years.

c. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions with original maturities of three months or less that are readily converted to cash and which are subject to an insignificant risk of changes in value. Cash on deposit with financial institutions with maturities greater than three months is classified as cash on deposit within the statement of financial position.

FINANCIAL REPORTING NOTES CONTINUED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

d. Goods and services tax

The financial report has been prepared on a goods and services tax exclusive basis, with the exception of accounts receivable and accounts payable which are stated as gst inclusive.

e. Interest received

Interest received is recognised on a time-proportion basis using the effective interest method. The interest rate risk is managed by investing funds in deposits in a registered bank.

f. Taxation

The organisation's subscription revenue from members is tax exempt in accordance with the Income Tax Act 2007. As an incorporated society, the organisation receives a \$1,000 tax exemption. Any revenue other than this is taxable.

g. Revenue recognition

Subscription revenue received for the following financial year is recognised as revenue in advance. Revenue from conferences and other activities and events is recognised in the Statement of Financial Performance only on completion of the conference, activity or event. Expenditure relating directly to such activities and events is also not recognised in the Statement of Financial Performance until completion of the activity or event.

Interest received is recognised in the Statement of Financial Performance as the gross amount of interest received in cash or added to deposit principal.

h. Trade receivables

Trade receivables are valued at net realisable value. Trade receivables exclude the unpaid membership fees not received, which were written off in the Statement of Financial Performance by 30 June or else are recorded under the provision for doubtful debts when this assessment is made after 30 June.

i. Management of capital

The association's capital mainly consists of cash or cash equivalents. The PodiatryNZ secretariat and PodiatryNZ Board monitor its capital funding needs on a regular basis.

2. Income Tax

Tax is not chargeable on the net surplus earned by the Association within the 'circle of membership'. Income Tax is due on all other revenue including interest received during the year, less the \$1,000 deduction allowed by Inland Revenue.

	Note	PodiatryNZ	
		2020	2019
Taxation for the year ended 30 June			
Operating Surplus/(Deficit) before income tax		(59,816)	(14,353)
Permanent Adjustment		(55,203)	(50,654)
Timing Differences		(333)	(333)
Non-taxable income concession	1f	-	-
Losses brought forward		(77,914)	(12,574)
Under/(Over) Provision in prior year		-	-
Taxable Income/(Losses to Carry Forward)		(193,266)	(77,914)
Income tax expense at 28%		-	-
Opening Balance		-	-
Provisional Tax Paid		-	-
Terminal Tax Paid		-	-
Refund Received		-	-
Taxation payable/(refundable)		-	-

The permanent adjustment has been included to reflect the movement in the taxable income after removing the membership subscription revenue and the attributed expenses.

There are tax losses to be carried forward and to be offset against future taxable income. The availability of tax losses is subject to the requirements of the Income Tax Act 2007 continuing to be met. The potential future income tax benefit has not been recorded in the accounts.

3. Other significant Items

Normal operations were disrupted from mid-March 2020 by the COVID-19 pandemic that included the imposition of strict isolation controls in which New Zealand effectively closed its borders to international travellers and imposed a lockdown on the population in an effort to halt the spread of COVID-19. Except for acute care procedures, all podiatrists were subject to the Alert Levels 1 to 4. Podiatry was not deemed to be an essential service and consequently members were unable to operate their businesses during the several weeks of lockdown.

Significant impacts have been identified in relation to current and future financial performance:

- the 2020 Rotorua Conference was cancelled (Note 3a.)
- the suspension of anniversary membership payments from mid-March 2020 (note 3c)
- the introduction of a monthly membership subscription from July 2020 (Note 3c)
- the disbandment of work on a new proprietary membership software and write off of prior year work on this project (Note 3(d)); and
- the Secretariat's April 2020 contract fee was not charged in recognition of members loss of income caused by the pandemic (Note 6).

The Association operations from mid-March 2020 were rearranged to provide support to members (also offered to non-member registered podiatrists). During the lockdown, the Secretariat and volunteer members organised 33 "free" online CPD sessions to provide some support to members and to provide meaningful activities they could pursue during lockdown that would have the benefit of assisting them to meet the compulsory study hours required by the Registered Podiatrists Board of New Zealand.

The true and full cost of producing, recording and integrating these with the PodiatryNZ eLearning platform, is not possible to estimate. Much of the effort which is gratefully acknowledged by PodiatryNZ was shouldered by the Staff, Board and members who volunteered to provide content for the Online CPD sessions.

What is clear from this experience is that members adapted quickly to Zoom and acknowledge that this form of learning will be a desirable format for education in the future. There is uncertainty about the future of all education and training activities particularly if different alert levels are applied in different parts of the country in the coming months and years.

3a. Biannual Conference

On 13 March 2020 the Board decided to defer the Rotorua PodiatryNZ 25 to 27 June 2020 conference until June 2021 immediately following the World Health Organisation's COVID-19 global pandemic declaration. Due to the uncertainty of the duration and impact of COVID-19 controls the Association has expensed conference preparation costs (2020: \$49,733 2019: \$886) apart from a \$14,804 contractual commitment for Rotorua Energy Events Centre venue hire. shown as a Current Asset, Conference Expenses in Advance 2020: \$14,804 2018: \$\$1,214).

The Association's contract commitment for conference venue hire, now scheduled for use by the June 2021 Rotorua face to face event, is disclosed as a Current Liability, Conference venue commitment (2020: \$14,804 2019: \$nil) representing the contractual obligation to pay Rotorua Energy Events Centre.

3b. Members Insurance Scheme

PodiatryNZ collects BizCover insurance premiums for the group professional indemnity insurance scheme required to be paid under PodiatryNZ rules by all members individually that provide podiatric services to the public. Due to timing Member receipts in advance of the BizCover billing are treated as Insurance subscriptions in Advance (2020: \$2,970 2019: \$2,700). During the period of the lockdown, BizCover allowed members to hold over anniversary date payment of member's annual insurance premium until 30 June 2020 without loss of cover.

3c. Members Subscriptions in Advance

Members pay annual member subscriptions on the anniversary of their association joining date. Membership Subscriptions in Advance (2020: \$67,278 2019: \$89,612) recognises that portion of their subscription which relates to the period from 30 June balance date until their next anniversary date.

For several weeks the Association suspended anniversary subscriptions during the 25 March 2020 National Emergency COVID-19 pandemic New Zealand and allowed affected members to maintain their membership status. All members utilising the monthly payment scheme are allowed a full month free membership for July 2020 in recognition of the loss of income as our podiatrist members were unable to work except in limited conduct of acute care procedures during the lockdown.

3d. Prepaid Membership Service

PodiatryNZ Secretariat development work on Podiatry NZ's overhaul of its internet website and integrated membership e-learning continued this year. Following the imposition of the 25 March 2020 National Emergency COVID-19 pandemic New Zealand the Association recognised that there was a need to develop a revised payment system for monthly membership so as to smooth cash impact on podiatrists who had been unable to work during the lockdown. To introduce this new monthly payment system, the Association has now commenced an upgrade of its current software as the most economic option rather than utilise the intended replacement proprietary membership management software as that system failed to provide sufficient flexible subscription schemes. Development costs associated with the proprietary membership management software were expensed (2020: \$13,021 expense 2019: \$nil).

4. Reserves

The Association discontinued implementation of proprietary membership management software as that system failed to provide sufficient flexible subscription schemes in the adoption of monthly membership arrangements. For year ended 30 June 2020, these Reserves are for:

	2020			2019		
	Opening balance	Transfer to/(from) Accumulated funds	Closing balance	Opening balance	Transfer to/(from) Accumulated funds	Closing balance
Study Grant fund	10,704	-	10,704	10,704	-	10,704
Members support fund	489	-	489	489	-	489
TOTAL RESERVES	11,193	-	11,193	11,193	-	11,193

5. Detailed schedule of expenses

The expenses for the year ended 30 June 2020 were:

	2020	2019
EXPENSES		
Administration contract & expenses	183,333	200,000
Conference expenses	49,733	886
Communication & Sponsorship	-	394
Audit fees	6,300	6,300
Affiliation fees	975	661
Events	7,491	25,129
Member services	20,177	6,674
Bank and merchant fees	4,671	5,147
Office Expenses	720	705
Administration Expenses	273,400	245,896
Governance Expenses	12,924	16,370
TOTAL EXPENSES	286,324	262,266

6. Related party transactions

Details of payments to PodiatryNZ Board Members and the Secretariat (Butler Pelvin & Associates) as at 30 June 2020 were:

	<u>2020</u>	<u>2019</u>
EXPENSES		
PodiatryNZ Board Members	-	-
Secretariat*	218,333	200,000
*Explanation of Secretariat Fees		
Association Management & Administration	183,333	200,000
Organising PodiatryNZ Conference	35,000	-
Organising PodiatryNZ Exhibition	-	-
	218,333	200,000
Other transactions		
- Expense reimbursements	4,392	9,630

Secretariat

Butler Pelvin & Associates provides a secretariat service under service agreement. That is the provision of office premises, staff, computers, communications, website, membership management systems and other incidental expenses including policy and strategic advice by Jennifer Pelvin who acts in a chief executive capacity. The Secretariat's April 2020 contract fee was cancelled in recognition of members loss of income caused by the pandemic.

From time to time the PodiatryNZ Board review the work programme and prioritise activities, which are by nature project based and separately resourced. All work is undertaken on a "high trust" basis with the PodiatryNZ Board providing oversight of strategies and service delivery.

The PodiatryNZ 2020 Rotorua Conference and Trade Exhibition was managed by Butler Pelvin & Associates under a separate contract. The majority (over 80%) of planning and organising occurs in the twelve months prior to the event, a payment schedule reflected the execution of this work.

PodiatryNZ Board Members

From time to time PodiatryNZ Board members contribute to PodiatryNZ by undertaking assignments relating to their area of expertise. Where appropriate contributions are assessed, and payments are made to the PodiatryNZ Board members at the rate of \$70 per hour.

For the 30 June year, 2020, there have been no payments to Board members.

PodiatryNZ Board members are reimbursed for incidental expenses incurred in attending PodiatryNZ engagements. Incidental reimbursements for the secretariat and PodiatryNZ Board members are not identified separately as they form part of the normal operating expenses.

7. Contingent liabilities

PodiatryNZ has no contingent liabilities at 30 June 2020 (2019: \$nil).

8. Events after balance

There have been no events subsequent to balance date that impact PodiatryNZ financial statements at 30 June 2020 (2019: \$nil).