

The logo for Retail NZ, featuring the word "Retail" in a black serif font, underlined with a yellow line. To its right is a yellow dotted circle containing the letters "NZ" in black.

Retail

NZ

A photograph of two women in a retail store. The woman on the left is wearing a brown t-shirt and a white face mask, looking towards the right. The woman on the right is wearing a beige turtleneck sweater and a white face mask, holding a white cup. In the background, there are clothing racks and a large potted plant. The foreground shows a wooden table with various items, including a basket of yarn and some jars.

RETAIL NZ FIGHTING FOR OUR MEMBERS

ANNUAL REVIEW 2021/22

RETAIL SECTOR //

KEY METRICS

Total retail sales

\$112bn

Retail business

27,000+

Online sales

\$11b+

People employed

220k+

Average wage

\$26.65



FROM THE PRESIDENT

While I started the year hopeful that we had moved beyond COVID-19, that proved not to be the case. There was significant disruption for the retail sector when the country was plunged into a further lockdown in August 2021. The restrictions continued for months, impacting the operations of our members, as well as Retail NZ.



Although operations were disrupted by COVID-19, and member numbers continue to be challenged by the operating environment, the Board is pleased with the financial performance of the business over the year. We have seen a modest improvement in net profit (to \$276k) and a solid lift in Member Equity (to \$1.029 million). Retail NZ is a not-for-profit incorporated society, so these reserves are important to help us whether future economic storms, changes in accounting policies, and other challenges that lie ahead.

Throughout the year, the Board has been focused on the key purpose of Retail NZ - to help retailers succeed and strengthen NZ inc. I have been pleased to see the business engage strongly with Government to speak up on behalf of our sector, achieve some solid advocacy wins, and continue refinements to the retail.kiwi digital hub, to help members access services.

As we move into the new financial year, a key issue for the Board is making sure Management is resourced to deliver good outcomes for our sector under the Government's new "Fair Pay" industrial relations framework. This is a massive shakeup for the economy, and will almost certainly impact every single employer in our sector. Retail NZ's advocacy work will be more important than ever as we negotiate terms with trade unions. It is also therefore critical that everyone gets in behind our sector's organisation - so if you know retailers who are not members, please encourage them to join.

We had some changes to the Board during the year. We farewelled former President Brian Lamont after more than 10 years' service, as well as Antoinette Laird and Rod Gibson who moved on from their roles. I would like to thank each of them for their valuable input and support to Retail NZ over time.

Additionally, three new directors joined us, and I have been pleased to welcome Richard Allin (Pushbikes Ltd), Peter Kelly (Butlers Chocolate Café); and John Warwick (Foodstuffs New Zealand) to the Board.

The size of the Board will be increasing to a total of nine directors during 2022, in order to better reflect the diversity of the retail sector and our members. Elections will be held in July/August for five positions, and the Board is keen to see nominations from regional and younger retailers, women members, and members of Asian, Māori and Pasifika ethnicity.

As we move into the challenges of 2022/23, I would like to thank our Chief Executive, Greg Harford, and his team for their efforts over the past year. Their advocacy is making a real difference to the environment our sector is operating in, and we are seeing continued demand for services by our members.

DES FLYNN
President

Our vision:

To be asked first on anything retail.

Our purpose:

To help retailers succeed and strengthen NZ inc.

What we do:



Training

Specialist retail training workshops, e-learning and free best-practice guides.



Events & networking

Helping retailers meet others, share experiences and knowledge.



Delivering savings

Offering better deals for members for key business services.



News, intelligence & insight

Keeping retailers informed of market developments and trends.



Advice & information

Helping retailers manage those tricky people and customer issues.



Speaking up for the sector

Lobbying Government to create the best opportunities for retailers to shine.

FROM THE CHIEF EXECUTIVE

2021/22 was the year of the continued pivot, as Retail NZ navigated its way through seemingly-endless lockdowns and other COVID-19 restrictions.

Speaking up for retailers

While the year started relatively well in April 2021, the arrival of the Delta strain of COVID-19, and then Omicron, along with the associated Government restrictions have created significant issues for our sector. The challenges of the long and difficult year meant that Retail NZ continued to be active in the advocacy space, speaking up for the sector on a myriad of issues. The team and I have been working hard to speak up for our sector. We appeared in the media around 1,000 times, and have had countless conversations and engagements with Ministers, other Members of Parliament, officials and Council officers. Key areas of focus included the need to loosen overly-onerous COVID-19 restrictions where safe to do so, support for businesses impacted by COVID-restrictions, compulsory mask use, supply chain problems, transport issues (particularly in Wellington and Auckland), crime and anti-social behaviour; payments and industrial relations issues.

Combating crime, violence, aggression and anti-social behaviour

Incidents of violence and aggression continued to grow through the year, and an important highlight of the year was the Retail NZ Summit on Violence and Anti-Social Behaviour, which ran as a hybrid in-person and digital event at Parliament in November 2021. It was sobering to hear the stories of our members and the impacts that anti-social behaviour is having on the well-being of people working in our sector. At the Summit, we launched an Action Plan, including the Retail NZ Declaration on Violence and Anti-Social Behaviour and #ShopNice, a public-facing campaign to encourage respect, along with resources for retailers to support the message.

We have also been working hard with the New Zealand Police to drive better outcomes across our sector. At our Summit, the Commissioner of Police announced the establishment of a new National Retail Investigation Support Unit to focus on repeat retail offending. The establishment of



the Unit is a big success for our advocacy work and, at the time of writing, is now delivering arrests to help break the cycle of retail crime.

Payments regulation is across the line

Retailers have long been concerned about the high costs of accepting credit and contactless debit cards in New Zealand; and we have been working hard in this space over a number of years. While it has taken some time, the Government has heard our message, and introduced legislation to regulate the New Zealand payment systems environment for the first time. This is good news, and initial pricing regulation will come into force at the end of 2022.

Industrial relations remains a significant focus

Industrial relations has also been a real focus over the past year. In good news, we convinced the Government not to proceed with a discriminatory amendment to the Holidays Act that would have required employers to meet the costs of paid leave for parent-teacher interviews. We also argued strongly that the extension of paid sick leave should be pro-rated for part-time workers in the same way as annual leave. I was particularly disappointed that the Government chose not to take this on board.

At the time of writing, the Government is also pushing ahead with its proposals for so-called "Fair Pay" agreements, which will see employer negotiations (like Retail NZ) negotiate with trade unions to determine mandatory terms and conditions that will apply across entire sectors. This is the biggest change to industrial relations in more than 30 years. It will likely drive substantial costs with no productivity improvements. It will also have big impacts on Retail NZ. I expect that unions will seek a "Fair Pay" agreement for the retail sector relatively quickly once the legislation comes into force in December 2022. This will be a convoluted and costly process through the 2022/23 year.

Pivoting to digital events

At the beginning of last year, I had hoped that we would be able to run events through the year that allowed our members to engage with each other and share best practice. Unfortunately COVID-19 meant that we were unable to run our planned programme. Instead, we pivoted. We delivered our Sustainability Forum via a series of bite-sized webinars. We also focused on sharing best practice via the *How-To Retail* series, and then *How-To Retail: Recovery Edition*. I was thrilled to get positive feedback on these series from our members, and would like to thank Westpac, Meridian, Z Business, Visa, Mastercard, UnionPay, and Auckland Unlimited for their respective support in helping us produce this content and making it available. Our Leading Retailers' Group met digitally throughout the year, allowing major members to exchange non-competitive information and insight on COVID-19 and other challenges. We have also hosted officials from MBIE at a variety of webinars around COVID-19.

Website and Advice Services grows

We launched the new Retail NZ website back at the end of 2020, including a member portal, 24/7 access to our full suite of guides, templates and other resources. It has been pleasing to see strong growth in members using the hub throughout the year. We are continuing to refine content and make it more accessible, including in languages other than English.

Demand has also been steady through the year for our Advice Service. This service remains completely free for members, and our team is able to help you with a variety of issues, including human resources, recruitment and disciplinary matters.

We are in good shape financially

Financially, Retail NZ is in good shape. We delivered a net profit of \$276k last year (\$270k last year), and member equity sits at \$1.029 million (\$752k last year). This positions us well to invest for the future. There are, however, real headwinds that will impact our financial performance during 2022/23. Additionally, the Government has passed a new Incorporated Societies Act, which will require us to re-register as a society with a new Constitution; and possibly to alter our long-standing Special Purpose Accounting Policies related

to the recognition of income. This will likely have a transitional impact on both net profit and total equity as the changes roll through over the next 12-24 months. I will keep members informed on this as the project rolls out.

I would like to recognise Westpac and our other strategic business partners for their support. They play a key role in enabling us to deliver for members and support our sector. I really appreciate their long-standing confidence in us, and their passion for our vision of a thriving retail sector.

The outlook for our sector is challenging

Looking ahead, there are many issues for our members and our sector. I am hopeful that, as a country, we are now largely through the era of COVID-19 restrictions, but there are significant challenges ahead, ranging from geo-political challenges that might impact supply chains, runaway inflation, the threat of an economic recession impacting consumer confidence, increasing compliance costs through a plethora of Government regulation, the threat of Government intervention in our sector, and the new "Fair Pay" system.

As the peak body for all New Zealand retailers, of all sizes and ethnic backgrounds, Retail NZ is well-placed to carry on its advocacy work on these, and other issues. Of course, we can only do that with the support of you, our members.

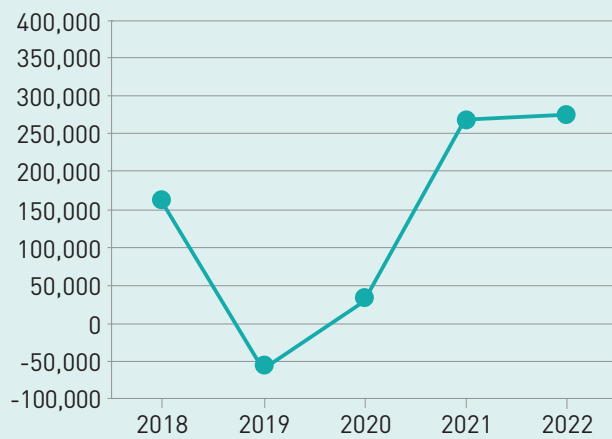
Thank you for your support

To close, I would like to thank you for your continued membership. I also thank the Board for its ongoing support, and recognise the huge efforts of the dedicated Retail NZ team, which worked hard through a disrupted year to fulfil our organisational purpose of helping retailers succeed and strengthen NZ inc.

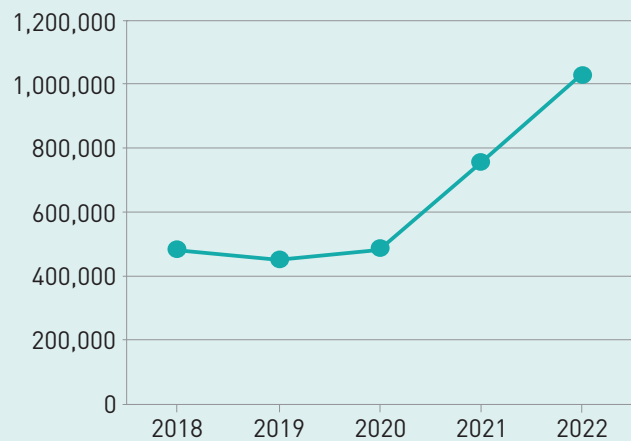


GREG HARFORD
Chief Executive

RETAIL NZ NET PROFIT (\$ LOSS)



MEMBER EQUITY



On average, Retail NZ was speaking up in the media 19 times every week.

STRIVING FOR DIVERSITY

Whichever way you look at it, the retail sector is extremely diverse. All geographies, ethnicities, genders and ages are represented in Aotearoa-New Zealand, as well as the people who work in, manage and own retail businesses.

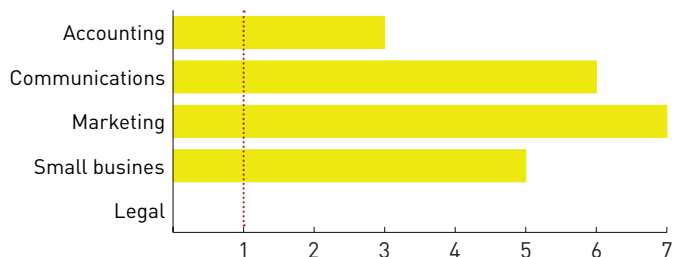
The Board's aspiration is that it should reflect this diversity in its make-up. It has set targets to support this, and agreed to report progress against diversity targets regularly to members.

Currently, the Board is comprised of seven directors, and there are some significant gaps in its diversity. To support increased diversity, the Board has resolved that two additional directors should be elected (bringing the total to nine).

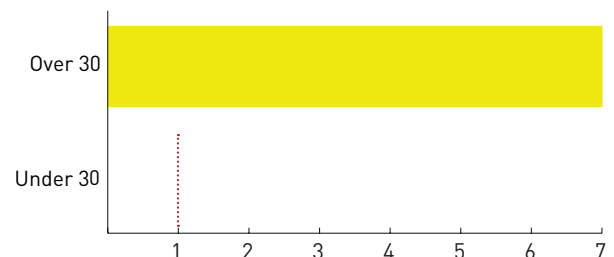
Appointments to the Board of Retail NZ are made by member election. While it is the prerogative of members to elect directors as they see fit, the Board is particularly keen to see directors from regional New Zealand, younger directors, more women, and directors of Māori, Pasifika and Asian ethnicity stepping up.

Retail NZ Board Diversity Dashboard: May 2022 - seven Board members

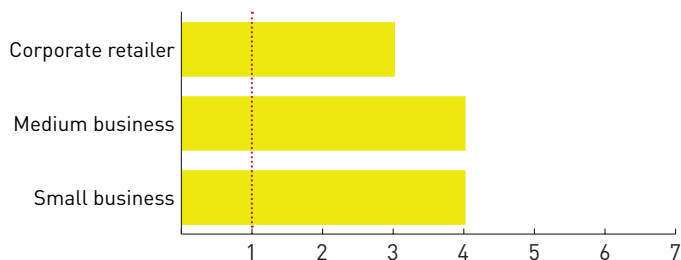
Functional expertise



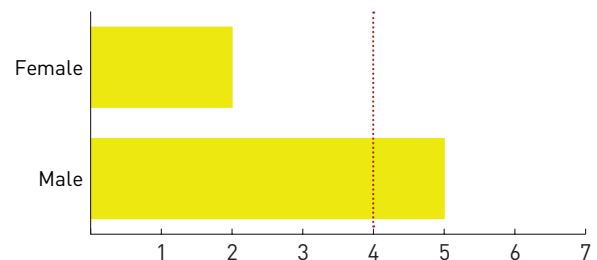
Age of Board members



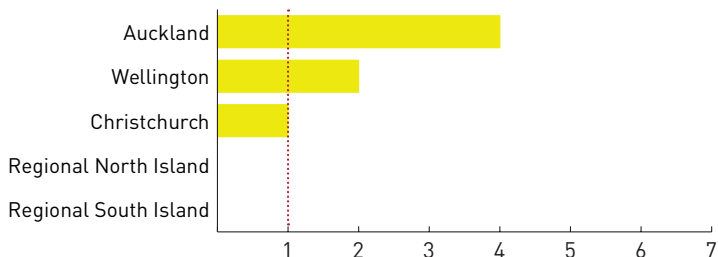
Scale of retail



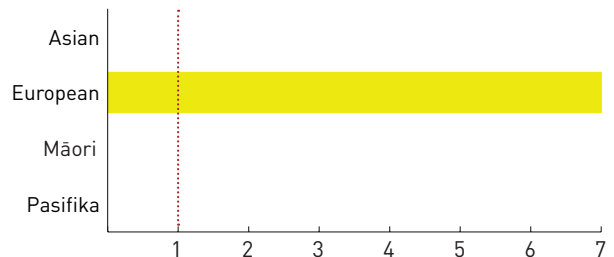
Gender diversity



Regional representation



Ethnic diversity



Key: Diversity target 1

BOARD OF DIRECTORS

Des Flynn
PRESIDENT
The Warehouse Group

Richard Allin
DIRECTOR
Push Bikes Ltd.
(from October 2021)

Peter Kelly
DIRECTOR
Chocolate Cafés NZ Ltd.
(from October 2021)

Antoinette Laird
DIRECTOR
Foodstuffs
(to November 2021)

Scott McMillan
DIRECTOR
Tea Pea

Liz Wheadon
VICE PRESIDENT
Glengarry Wines Ltd.

Rod Gibson
DIRECTOR
Animates
(to December 2021)

Brian Lamont
DIRECTOR
Allied Petroleum Ltd
(to September 2021)

Jules Lloyd-Jones
DIRECTOR
Mitre 10 New Zealand

John Warwick
DIRECTOR
Foodstuffs
(from December 2021)

LEADERSHIP TEAM

Greg Harford
Chief Executive

Aimie Hines
Manager, Public Affairs & Advice

Rachel McCarten
Manager, Brand & Marketing

Nigel Pounds
Manager, Partners & Members



Special Purpose Financial Statements

Retail NZ Incorporated
For the year ended 31 March 2022

Prepared by RightWay Limited

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Entity Information

Retail NZ Incorporated

For the year ended 31 March 2022

Legal Name of Entity

Retail NZ Incorporated

Entity Type and Legal Basis

Incorporated Society

Registration Number

345871

Incorporation Date

23 June 1987

IRD Number

039-972-592

Registered Address

Floor 9, 175 Victoria Street
Te Aro
Wellington 6011

Officers / Trustees

Greg Harford - Chief Executive
Des Flynn - President
Liz Wheadon - Vice President
Scott McMillan
Jules Lloyd-Jones
Richard Allin (from October 2021)
Peter Kelly (from October 2021)
John Warwick (from December 2021)
Brian Lamont (to September 2021)
Antoinette Laird (to November 2021)
Rod Gibson (to December 2021)

Approval of Financial Report


Retail NZ Incorporated

For the year ended 31 March 2022

The Board are pleased to present the approved financial report including the historical financial statements of Retail NZ Incorporated for year ended 31 March 2022.

Approved this²⁹..... day of^{June}..... 2022.

For and on behalf of the Board

A handwritten signature in blue ink, appearing to be "D. L. H. ~", written above a horizontal line.A handwritten signature in blue ink, appearing to be "A. L. G.", written above a horizontal line.

Independent Auditor's Report

Grant Thornton New Zealand Audit Limited
L15, Grant Thornton House
215 Lambton Quay
PO Box 10712
Wellington 6143
T +64 4 474 8500
www.grantthornton.co.nz

To the Members of Retail NZ Incorporated

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the special purpose financial statements of Retail NZ Incorporated (the 'Association') on pages 7 to 14 which comprise the special purpose Balance Sheet as at 31 March 2022, and the special purpose Statement of Profit and Loss, special purpose Statement of Changes in Equity for the year then ended, and notes to the special purpose financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose financial statements present fairly, in all material respects, the financial position of the Association at 31 March 2022 and of its financial performance and cash flows for the year ended 31 March 2022 in accordance with the Accounting Policies set out in the notes to the financial statements.

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 special purpose Financial Statements section of our report. We are independent of the Association 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.

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

Trustee's Responsibilities for the Special Purpose Financial Statements

The Trustees are responsible on behalf of the Association for the preparation and fair presentation of these special purpose financial statements in accordance with the Accounting Policies set out in Note 1 in the financial statements and for such internal control as those charged with governance determine is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, those charged with governance are responsible on behalf of the entity for assessing the Association'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 Trustees either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the Special Purpose Financial Statements

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

A further description of the auditor's responsibilities for the audit of the financial statements is located on the External Reporting Board's website at: <https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>

Restriction on use of our report

This report is made solely to the Association's Members, as a body. Our audit work has been undertaken so that we might state to the Association's Members, as a body, 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 Association and the Association's Members, as a body, for our audit work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited



B Kennerley

Partner

Wellington

29 June 2022

Statement of Profit and Loss

Retail NZ Incorporated

For the year ended 31 March 2022

	NOTES	2022	2021
Income			
Subscriptions Received		1,114,044	1,112,038
Interest Received		6,561	6,131
Trading Income		648,523	376,157
Other Income		142,615	49,170
Wage Subsidy Received - MSD Covid 19		-	84,355
Worksafe Covid Response & Recovery Income		22,000	-
Total Income		1,933,742	1,627,851
Expenses			
Audit Services		19,800	16,720
MBIE Covid-19 Recovery Expenditure		133,933	41,696
Depreciation		45,231	47,902
Digital Production Costs		31,626	-
Gain/(Loss) on Bonds		950	304
IT Expenses		84,705	61,391
Loss on disposal of assets		-	68,648
Marketing		41,280	30,920
NZ Retail Magazine & The Register		71,217	63,080
Office Relocation and Make Good Provisions		-	14,625
Other Operating Expenses		134,771	109,408
Rent		67,592	48,695
Travel and Accommodation		12,744	8,059
Telecommunications		8,642	13,023
Wages & Salaries		981,543	748,175
Wage Subsidy Paid - MSD Covid 19		-	84,355
Working From Home Allowance		-	623
Worksafe Covid Response & Recovery Expenditure		22,000	-
Workshops & Seminars		965	-
Total Expenses		1,656,997	1,357,623
Net Surplus / (Deficit) before Taxation		276,745	270,228
Net Surplus / (Deficit) for the Year		276,745	270,228



These Special Purpose Financial Statements should be read in conjunction with the attached Compilation Report and the Notes to the Financial Statements.

Balance Sheet

Retail NZ Incorporated

As at 31 March 2022

	NOTES	31 MAR 2022	31 MAR 2021
Assets			
Current Assets			
Cash & Bank		1,018,806	506,807
Accounts Receivable		192,752	295,067
Current Taxation Receivable			
Tax Provision Paid Asset		2,330	2,461
RWT due to Jack Carter Fund		(945)	(863)
Total Current Taxation Receivable		1,385	1,599
NZSGA Term Deposits	2	36,901	36,736
Other Current Assets	3	21,427	19,955
Term Deposits - Short Term	2	402,756	401,015
Total Current Assets		1,674,028	1,261,179
Non-Current Assets			
Property, Plant and Equipment	4	20,563	25,791
Intangibles	5	20,793	53,552
Investments	6	12,120	63,070
Total Non-Current Assets		53,475	142,413
Total Assets		1,727,504	1,403,592
Liabilities			
Current Liabilities			
Accounts Payable		36,335	49,744
Accrued Membership Subscription Revenue		158,317	167,028
GST Payable		50,534	49,933
Other Current Liabilities	7	453,201	384,681
Total Current Liabilities		698,388	651,387
Total Liabilities		698,388	651,387
Net Assets		1,029,116	752,205
Equity			
Members' Funds	11	1,029,116	752,205
Total Equity		1,029,116	752,205



These Special Purpose Financial Statements should be read in conjunction with the attached Compilation Report and the Notes to the Financial Statements.

Statement of Changes in Equity

Retail NZ Incorporated

For the year ended 31 March 2022

	2022	2021
Equity		
Opening Balance	752,205	481,251
Increases		
Surplus/(Deficit) for the Period	276,745	270,228
Total Increases	276,745	270,228
Decreases		
Members Capital Funds	166	726
Total Decreases	166	726
Total Equity	1,029,116	752,205



These Special Purpose Financial Statements should be read in conjunction with the attached Compilation Report and the Notes to the Financial Statements.

Statement of Accounting Policies

Retail NZ Incorporated

For the year ended 31 March 2022

1. Statement of Accounting Policies

Reporting Entity

Retail NZ Incorporated (the "Association") is an entity incorporated under the Incorporated Societies Act 1908. These financial statements have been prepared in accordance with the specific accounting policies below.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Association except for investments which are revalued to fair value.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied. The comparative financial information has been restated when necessary for compliance with these policies.

i) Income

Subscription Income

Subscription income is recognised on a cash received basis.

Trading Income

Trading income is recognised on an invoice basis with any specific trading income received for a particular major event is subsequently recognised in the period of the event.

Any trading income received from the Association's partners for specific expenditure is in accordance with their contract is recognised in the period of the expenditure.

Other Income

Other income is recognised on an accrual basis.

ii) Property, Plant & Equipment

Property, Plant & Equipment are stated at cost less accumulated depreciation. Depreciation has been calculated using both the straight line and diminishing value method for furniture, fittings and office equipment and computer equipment. The straight line basis has been applied to leasehold improvements. The below depreciation rates applied reasonably approximate the useful lives of the assets.

Computer Equipment	21 - 50%
Furniture, Fixtures and Fittings	7 - 67%
Leasehold Improvements	6 - 17.5%
Office Equipment	7 - 67%



iii) Intangible Assets

Intangible assets are recognised at cost less accumulated amortisation. Amortisation has been calculated using the rates reflecting the expected useful life of the assets.

Computer Software	40 -60%
Website Development	50%

iv) Leases

The Association leases certain office space, vehicles and car parks.

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the lease item, are recognised in the determination of the operating surplus in equal instalments over the period of the lease.

v) Accounts Receivable

Accounts Receivable are stated at their estimated realisable value.

vi) Investments

Investments are valued at their market value and any realised or unrealised gains or losses for the year are included in the Statement of Profit and Loss.

vii) Income in Advance

Income in Advance relates to trading income received for specific events. Trading income is recognised in the period of the event.

viii) Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense recorded in the profit or loss for the period represents the income tax payable for the period.

The current income tax asset or liability recognised in the balance sheet represents the current income tax balance due from or obligation to the Inland Revenue Department at balance date.

ix) Goods and Services Tax

The Statement of Profit and Loss for the Incorporation has been prepared so that all components are stated exclusive of GST. Debtors and creditors on the balance sheet are stated gross of GST.

Changes in Accounting Policies

Except as noted there have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period. With the change to the accounting system, debtors now includes subscriptions billed but not received at balance date. The portion of subscriptions not received is recorded as an adjustment on the balance sheet.



2. Short Term Deposits

Westpac - 0008	Matures 23 May 2022	1.40%	\$15,791
Westpac - 0009	Matures 05 July 2022	1.50%	\$21,110
Westpac - 0013	Matures 23 September 2022	1.90%	\$201,894
Westpac - 0014	Matures 23 June 2022	0.90%	\$200,862
Total			\$439,657

	2022	2021
3. Other Current Assets		
Prepaid Expenses	13,927	4,105
Sundry Debtors - Accrued Income	7,500	15,850
Total Other Current Assets	21,427	19,955
	2022	2021

4. Property, Plant & Equipment

Computer Hardware	3,719	7,865
Furniture, Fixtures & Fittings	16,139	16,847
Leasehold Improvements	1	1
Office Equipment	704	1,078
Total Property, Plant & Equipment	20,563	25,791
	2022	2021

5. Intangible Assets

Computer Software	-	16,204
Website Development	20,792	37,348
Total Intangible Assets	20,793	53,552
	2022	2021

6. Investments

Bond Investments	12,120	63,070
Total Investments	12,120	63,070



	2022	2021
7. Other Current Liabilities		
Employee Entitlements	71,922	59,397
Provision for Audit Fees	17,900	17,000
Income in Advance	353,667	275,304
Other Accruals	1,207	3,158
Sundry Creditors	8,506	29,822
Total Other Current Liabilities	453,201	384,681

8. Related Party Transactions

Related Party transactions are all made on commercial terms equivalent to those that prevail in arm's length transactions. The only related party transactions are in respect of subscriptions from various board members. No related party debts were forgiven or written off during the year.

	2022	2021
9. Operating Lease Commitments		
Commitments under non-cancellable operating leases		
Current	63,313	63,313
Non-Current	31,656	94,969
Total Commitments under non-cancellable operating leases	94,969	158,282

	2022	2021
10. Income Tax		
Accounting profit / (loss) before income tax	276,745	270,228
At the Association's statutory income tax rate of 28%	77,488	75,664
Represented by		
Adjustments in respect of current income tax		
Net profit / (loss) on non-taxable activities	44,642	54,513
Other non-deductible/non-assessable items	3,071	(707)
Benefit of income tax losses not recognised	29,776	21,857
Tax Expense	-	-

The Association has tax losses available to carry forward of \$681,842 (2021: \$810,120). The \$190,916 (2021: \$226,834) future tax benefit of these losses has not been recognised.

The Association's tax affairs are complicated by its not-for-profit status. Subscription income is not taxable and the cost of providing members' services is not deductible.



	2022	2021
Tax Reconciliation		
Taxable Income		
Accounting Profit/(Loss)	276,745	270,228
Jack Carter Fund Interest	-	-
Non Assessable Income	(1,114,044)	(1,112,038)
Non Deductible Expenses	954,609	917,347
Timing Differences	10,969	(2,523)
Total Taxable Income	128,278	73,014
Losses		
Loss Brought Forward	(810,120)	(883,134)
Loss to Carry Forward	(681,842)	(810,120)
	2022	2021

11. Members' Funds

Retained Earnings/(Accumulated Deficit)	986,352	709,608
NZSGA Jack Carter Fund Capital	42,764	42,597
Total Members' Funds	1,029,116	752,205

12. Contingencies

The Association has no known contingent liabilities at balance date (2021: nil).

13. Subsequent Events

There have been no events since balance date that would have a material impact on these accounts (2021: nil).

14. Impacts of Covid 19

Retail NZ Inc reviewed and reduced its work program for 2020/21 in light of COVID-19, including the cancellation of a number of events. The economic conditions associated with COVID-19 have put real pressure on the retail sector, and a number of mainly SME members have ended their memberships. Retail NZ Inc put a program in place to manage the impacts of this while maintaining the provision of high quality services to members.



Thank you to all our business partners





TAKING RETAIL **FURTHER** //

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