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2019-2020 overview

Fencing Contractors NZ had a great start to the 2020 financial year, with a fantastic Conference held in Invercargill in July, with a variety of activities and speakers including Nigel Latta, Tony Laker of Laker House of Travel and Barbara Kelly from Xalt focusing on business 'Beyond the Fence line', mixed with plenty of socialising and networking.

COVID-19 certainly dominated the end of the financial year and the first half of FY2021. The speed at which the country reacted to the emergence of Coronavirus in the community and the implementation of Level 4 lockdown created uncertainty for our members, particularly over the interpretation of what was considered an essential service.

Fencing Contractors NZ response included regular member communications via EDM and social media providing updates on the government's financial assistance initiatives and sharing health and safety advice and guidance from our Silver Partner Rural Safe.

Cancelled Conference

The Board elected to cancel the 2020 Conference due to be held in August during the first COVID-19 lockdown period. We are looking forward to holding a fantastic conference in the Bay of Islands in August 2021.

Personnel changes

The last financial year saw multiple changes in our frontline personnel. Melanie Weir, who was Fencing Contractors NZ's Business Development Manager for 2 years stepped back from the role in early 2019 to focus on another business opportunity. The recruitment process of finding a permanent Operations Manager was not completed until November 2019, with the appointment of Heather Kawan.

Jeanette Miller also joined the team as Administration Manager in April 2019, taking over the financial and administrative management of the Association from Debbie Furness. Jeanette kept the Association running while the recruitment of an Operations Manager took place, for which the Board was very grateful.

The delay in filling the Operations role, and the effect of COVID-19, has impacted the Board's ability to focus on many of the strategic projects outlined at the 2019 Annual General Meeting, however, the Board is now making progress and looks forward to updating you on developments in due course.

Unfortunately for the Association, records from the 2019 Annual General Meeting were not handed over following the departure of Dave McNulty, who undertook the Operations Manager role for a short term during 2019. The Board has prepared the Minutes of the 2019 AGM to the best of their knowledge but acknowledge that there may be some gaps in the records, due to holding incomplete data. We appreciate your understanding in this matter.

2020-2021 year to date

Wiremark Strategic Partnership

In July 2020 Fencing Contractors NZ and Pacific Steel (trading as Wiremark®) agreed that the Strategic partnership between the two companies had served its initial purpose.

Wiremark® were instrumental in the creation of Fencing Contractors NZ and have supported and helped to develop the Association, over the last 15 years. Keen promoters of the fencing industry, Wiremark® has also contributed substantially to the production and publication of WIRED magazine. The Executive Board extends its gratitude to Pacific Steel for their long-term support.

The conclusion of the partnership offers mutual benefits to both parties, with Wiremark® able to focus on the commercial opportunities available through direct engagement with Members instead of being part of the Board. Fencing Contractors NZ will continue raising the profile of the Association and its Members through increased engagement with the wider fencing community.

2020 Annual General Meeting

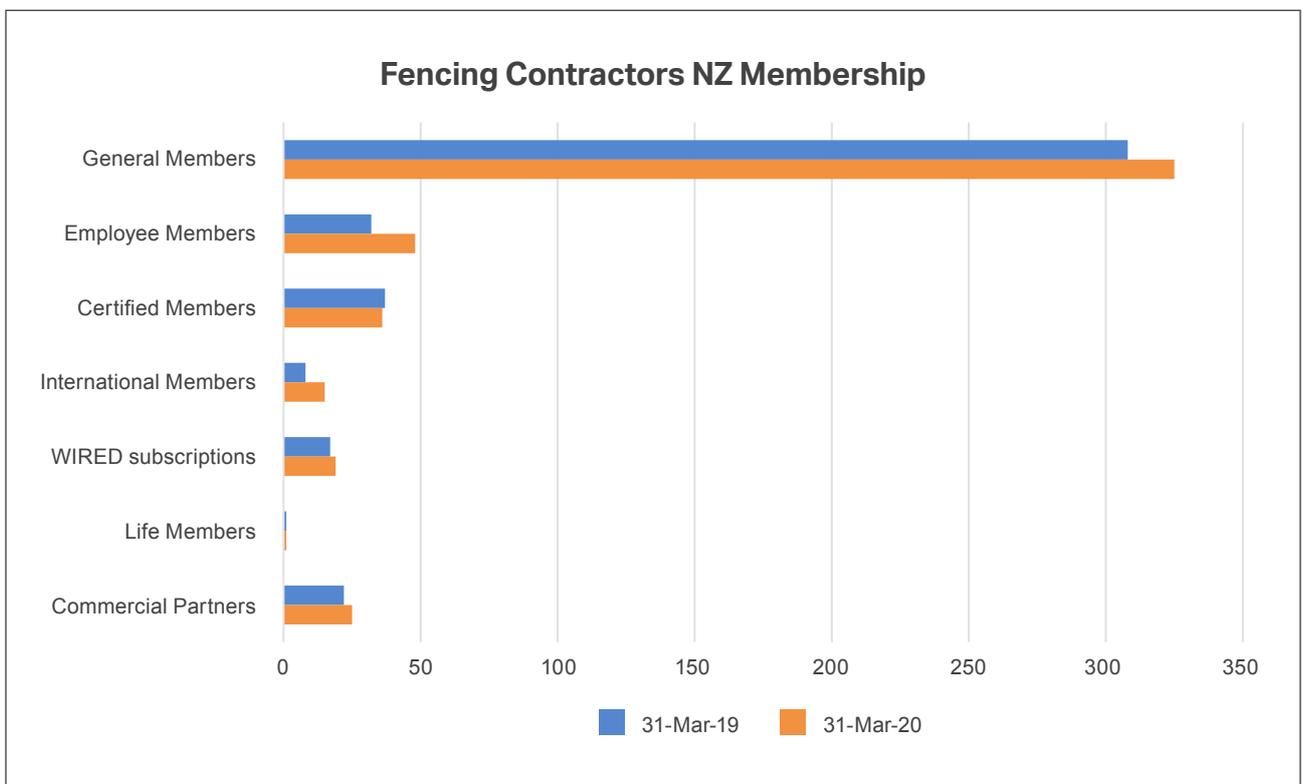
Following the cancellation of the 2020 Conference and while the country was enjoying a period at Alert Level 1, the Board surveyed members as to what kind of event they would like to support the constitutional need to hold an AGM. The overwhelming response was to host a shorter, more casual event in Wellington over a single day and night, leaving the bigger conference until 2021. The Executive Board are therefore looking forward to catching up with the members and partners who are attending on Friday 18 September.

Membership

In July 2017, the Fencing Contractors NZ Board set an ambitious target to increase membership to 500 by 2020.

Fencing Contractors NZ saw an 11% increase in total membership for the year to 31 March 2020 at 471 members, which included a 50% increase in Employee Members, 88% increase in International Members and 13% increase in Commercial partners.

In the period 1 April 2020 – 31 July 2020, the Association has seen a further 9% increase in General Membership, bringing the Association excruciatingly close to the target of 500.



WIRED

WIRED continues to be the only magazine in New Zealand which offers informative news, business, health and safety, industry and human-interest articles and information, specific to the fencing industry.

In the year to 31 March 2020, advertising revenue increased by 10%, however Printing and Postage costs also increased substantially. While there is little Fencing Contractors NZ can do about postage costs (especially international costs which have soared during the COVID-19 pandemic) a full review of overall production costs will be undertaken in the coming months to ensure we are receiving the best value for money.

The June 2020 edition of WIRED was produced in digital version only, because of the uncertainty of printing availability during COVID-19 lockdown. While there were financial benefits to not printing the magazine, the ability for Fencing Contractors NZ to connect with a far greater audience through the WIRED magazine was the greatest benefit of all.

The June 2020 WIRED magazine was shared by Farmlands and Federated Farmers to their mailing lists and was made available through the NZF Fencing Facebook page, creating a total potential readership of over 100,000. That's 100,000 New Zealanders learning about Fencing Contractors NZ, our goals and values, our commercial partners, and the great things your Association is doing to promote Certified Fencers and the fencing industry.

The digital version of WIRED also offers a great way to engage with and promote the value of our commercial partnerships – having a tangible product to share within their own client/customer communications creates added value and strengthens the relationship between the Association and our partners.



Association Days

Fencing Contractors NZ held 8 Association Days in the year to 31 March 2020.

The South Island 'roadshow' during the week of 7 October saw 200+ attendees in Blenheim, Darfield and Lumsden, with members, horticulture workers, fencer generals and up and coming fencers from high schools. The roadshow format proved beneficial to partners who could allocate a week on the road. Shane Bouskill was the lead demonstrator for these events, showcasing the industry, with demonstrations covering everything from footing, stays, residential fencing, inter-lock post and rail and security.



The North Island saw Association Days held in Gisborne in May 2019, and Taranaki, Ngatea and Northland in November 2019, with a further event held in the King Country in late February 2020. These Association days were hosted by a number of our members and offered a variety of best-practice demonstrations.

2020/2021 Trade Days

Preparation for another series of Association Days in both North and South Islands is underway, with the week of 5 October offering events in Tapanui, South Canterbury and Nelson. Dates for the North Island events are being finalised, with events expected to be held in Pukekohe, Taupo and Manawatu.

This year, Silver and Bronze Partners have been invited to exhibit – the more partner representation we have at the Fencing Contractors NZ Association Days, the better it reflects the industry as a whole, offering variety and increased interest for our members and the wider fencing community.

Training

Having re-established the Level 3 Certificate in Fencing with NorthTec in 2018, access to the Certified Fencer accreditation resumed, however, issues surrounding the availability and location of courses in both islands has meant access had been restricted.

The Government's Trades and Apprenticeships Training Package announced in May 2020, offers free access to primary industry training - which includes the Level 3 Certificate in Fencing. Interest in undertaking this course has soared since the announcement, with the 2020 North Island and South Island intakes in Cambridge and Christchurch full, and additional courses in Northland and Marlborough being considered for 2021. NorthTec are very receptive to holding further courses in alternative locations around the country, however a minimum number of students must be guaranteed. This initiative will provide the fencing industry with a much-needed boost of qualified and capable fencing contractors.

Certified Fencer

The Board recognise that many Fencing Contractors have vast experience learnt over many years, and are now working on an internal assessment process to allow those individuals to become Certified. This is expected to be based on the learning requirements and performance criteria of the NZQA unit standards for Levels 3, 4 and 5 of the Certificate in Fencing qualifications. We hope to share more information on this project in the coming months.

With the route to Certification back on track, Fencing Contractors NZ will commence a national marketing campaign educating New Zealand on the importance of using a Certified Fencer, using our current and developing networks to share Fencing Contractors NZ Certified Contractors to New Zealand consumers, local and national departments, in the residential, rural and commercial sectors.

Riparian Waterways funding

The Government's \$100million riparian fencing and planting initiative, announced in May 2020 as part of the Provincial Growth Fund, has also highlighted the importance of the fencing industry and the need for quality fencing contractors. As part of the Association's engagement with the Riparian fencing initiative, all Certified Fencing Contractors were promoted to the six regional councils targeted in the initiative, as well as to several environmental agencies that have applied for funding. This initiative was an excellent opportunity for the Association to connect with local government on behalf of our members, raising the profile of the Association and encouraging high levels of fencing workmanship for all government funded initiatives.

Financials

- Partnership income increased by 80% to \$160,559 in the year to 31 March 2020 (\$89,175 YE2019), however \$31,770 of the income relates to earnings attributable to the 2019 financial year, which was not included in the 2019 financial statements.
- Membership subscription income increased by 38% to \$62,214 (\$44,784 YE 2019)
- Operations costs have increased in the year to 31 March 2020, reflecting the decision to increase the hours of the Operations Manager role to drive forward the strategic projects set by the Board and meet the increasing requirements of the membership base.
- Increases in the Association Day and WIRED magazine costs have all been identified as areas of improvement in the current financial year.
- Trade Debtors of \$100,036 as at 31 March 2020 includes four partnership income invoices to the value of \$85,100, which were raised in the weeks prior to year-end.

A copy of the Financial Report is included in the Appendix of this Annual Report.

Changes to the Executive Board

Brad Joines has indicated that he does not wish to stand for re-election this year. Brad has been on the Board since 2015 and has been the Association President for last 2 years. Brad's goal throughout his time on the Executive Board has been to deliver fencing training for all. With the Level 3 Certificate in Fencing re-established in 2018 and the Board currently in the process of finalising the Fencing Contractors NZ internal assessment for Certification, Brad has delivered on his personal objectives, while leading the Association through a period of substantial growth.

Andy Johnson has also indicated that he does not wish to stand for re-election this year. Andy has also been on the Board since 2016 and has been Association Vice-President since 2018. Andy has been instrumental in the strategic growth of the Association's commercial partnerships, advocating for and delivering clear partner terms which support industry growth and mutually benefit both the Fencing Contractors NZ members and partners.

Melanie Weir joined Fencing Contractors NZ as Business Development Manager in 2017. In 2019 Mel took up another exciting role with the Langley Group but remained committed to Fencing Contractors NZ through her membership of the Executive Board. Mel has been fundamental in executing the Level 3 Fencing Certificate with NorthTec and Primary ITO, the Fencing Contractors NZ brand update and the strategic direction of the company, while increasing the standards and professionalism of the organisation. Increased activity in her role means Mel no longer has the capacity to give the Association the attention she wants to and therefore Mel will not be standing for re-election this year.

George Williams has enjoyed a year on the Board but as his business is about to undergo an extremely busy 12 months, George has decided to step down to allow another member with more time to dedicate to the Board the opportunity to drive the direction of the Association.

We therefore wish to thank Brad, Andy, Mel and George for their combined 13 years of dedication to the governance and operations of Fencing Contractors NZ. We look forward to working with the refreshed Board members elected at the Annual General Meeting.

Appendix

Fencing Contractors Association of New Zealand Financial Report year ended 31 March 2020

FENCING CONTRACTORS ASSOCIATION

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2020

2019	Note	2020
	<i>INCOME</i>	
6,986	Association Day	5,703
119	Interest Received	91
4,531	Sundry Income	1,215
-	Donations Received	200
-	Field Days Demonstrations	629
27,774	AGM Registration/Sponsorship/Sales	28,429
44,784	Subscriptions Received	62,214
13,660	Training	9,000
1,497	Merchandising Income	1,390
11,417	Wired Magazine	12,313
-	Employment & Health & Safety Income	15,134
89,175	Partnership Fee	160,559
<u>199,943</u>	<i>TOTAL INCOME</i>	<u>296,877</u>

*The accompanying notes form part of these financial statements.
The above information has been prepared without performance of audit or review
engagement procedures and must be read subject to the compilation report.*

Bailey Ingham Limited
Chartered Accountants

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FENCING CONTRACTORS ASSOCIATION

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2020**

2019	Note	2020
EXPENSES		
Administration		
620	Accountancy Fees	695
2,553	Admin Services	-
706	Advertising	3,968
32,027	AGM Expenditure	56,502
11,818	Association Days/Get Ahead Days	17,702
25	Bank Charges & Interest	123
2,961	Board Payments	1,441
710	Committee Uniform	1,390
2,158	Computer Expense	3,803
1,397	Entertainment	1,056
240	FCANZ Consulting and Judging	-
3,500	Federated Farmers Expenses	3,500
21,133	General Meeting Expenditure	19,238
130	Health and Safety Maintenance	11,185
2,530	Insurance	2,656
2,880	Legal Expenses	1,120
35,068	Magazine Costs	44,880
14,088	Merchandise	14,240
41,678	Operations	66,568
433	Paypal/Farmlands	658
2,794	Postage & Stationery	4,121
2,548	Printing	6,037
-	Rates	972
3,400	Recruitment Costs	7,769
1,700	Sponsorship	2,500
3,668	Sponsorship - North Tec	2,609
1,808	Subscriptions	2,085
525	Sundry	802
6,537	Telecommunications and Website Costs	5,691
225	Training	261
<u>199,861</u>		<u>283,571</u>
3,245	Depreciation	2,648
<u>203,106</u>	TOTAL EXPENSES	<u>286,219</u>
<u>\$(3,163)</u>	NET SURPLUS (DEFICIT)	<u>\$10,658</u>

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Fencing Contractors Association of New Zealand Financial Report year ended 31 March 2020

FENCING CONTRACTORS ASSOCIATION

**STATEMENT OF MOVEMENTS IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 MARCH 2020**

2019		Note	2020
(3,163)	Net Surplus (Deficit) for the Period		10,658
(3,163)	<i>Total Recognised Revenue and Expenses</i>		10,658
135,829	<i>ACCUMULATED FUNDS AT START OF PERIOD</i>		132,666
132,666			143,324
<u>\$132,666</u>	<i>ACCUMULATED FUNDS AT END OF PERIOD</i>		<u>\$143,324</u>

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GOLD PARTNERS

Fletcher
Wire products™



SILVER PARTNERS



BRONZE PARTNERS

