

Brewers Guild of New Zealand

Annual Report

2021 - 2022

Beer



**BREWERS
GUILD**
OF NEW ZEALAND



THANK YOU



Thank you!

The Brewers Guild of New Zealand would like to thank our sponsors and supporters.





Governance

Brewers Guild of New Zealand

Life Members

Simon Taylor
Martin Bennett
Ted and Frances Verrity

Honour Roll

Honorary Fellow

Dave Logsdon
Richard Emerson
David Cryer
Tracy Banner
Ralph Bungard

Honorary Member

Craig Bowen
John Harrington
Dr Tim Cooper
Luke Nicholas
Brian Watson
Jonathan Alve

Chairman Vice Chairman

Joseph Wood, Liberty Brewing
Brian Watson, Good George Brewing

Board of Directors

Dave Nicholls, DNA Brewing
Keith Riley, Lion
Sebastian Burke, Burkes Brewing Co
Paul Finney, Emporium Brewing
Jason Bathgate, McLeod's Brewery
Eddie Gapper, Altitude Brewing
Brayden Rawlinson, Fork & Brewer
Jason Ray, Volstead Brewing Co

Executive Director

Melanie Kees

Guild Staff

Kelly Ockwell

Awards Advisory Committee

Tracy Banner, Sprig & Fern
Brian Watson, Good George
David Nicholls, DNA Brewing
Tina Panoutsos, Asahi, Carlton & United
Breweries

Accountants

My Two Cents

Ordinary Brewery Members

Micro Brewery

Abandoned Brewery
Abbey Winery & Brewery
Alibi Brewing Co
BEERS by Bacon Bros
Black Sands Brewing Co
Boom Town Brewing Co
Burkes Brewing Co
ChinChiller Brewing Ltd
DNA Brewing
Emporium Brewing
Ferris Rd Brewery
Forgotten 43 Brewing
Isthmus Brewing
Kainui Brew Co
Lumberjack Brewing
Manaia Craft Brewers
Ruapehu Brewing Co
Shortjaw Brewing
The Beer Engine
The Catlins Brewery Ltd
The Theoretical Brewer
Three Sisters Brewery
Volstead Brewing Co
Waitoa Social Club Ltd
Zeelandt Brewery

Small Brewery

Altitude Brewing
b.effect
Beer Baroness
Brave Brewing
Brew Moon Brewing Co
Brewaucracy
Canyon Food and Brew Co
Choice Bros Brewing Ltd
Double Vision Brewing
Eddyline Brewery Limited
Fork Brew Co.
Ground Up Brewing
Heyday Beer Co
Hop Federation Brewery
Lakeman Brewing Co
Mata Brewery -
(Aotearoa Breweries)
North End Brewery
Shining Peak Brewing
Southpaw Brewing Co
Steam Brewing Co
Wigram Brewing Co

Medium Brewery

8 Wired Brewing
Behemoth Brewing Co
Boneface Brewing Co
Cassels
Deep Creek Brewing Co
Fortune Favours
Good George Brewing
Hallertau Brewery
Hawkes Bay Brewing Co
Kereru Brewing Co
Liberty Brewing
McLeod's Brewery
Moa Brewing Co
Mount Brewing Co.
ParrotDog
Renaissance Brewery
Sawmill Brewing
Sprig + Fern Brewery
Sunshine Brewery
Three Boys Brewery
Tuatara Brewing Co
Urbanaut Brewing Co

Large Brewery

Asahi Beverages (NZ) Ltd
Bstudio Ltd
DB Breweries
Emerson's Brewery
Garage Project
Lion
McCashin's Brewery
Panhead Custom Ales

Corporate Members

Bintani
Cryer Malt
Forbes Packaging
Gladfield Malt Ltd
Hop Products Australia
Hop Revolution
Konvoy Kegs
Label & Litho
Lesaffre Australia Pacific
Lincoln University
New Zealand Hops
Otago Polytechnic
Philstic Labels Ltd
Rapid Labels
Viniquip International Ltd



Members

Brewers Guild of New Zealand

In terms of regulatory impacts on the brewing industry, it appears that 2021 was just the beginning and as we headed into 2022, it became apparent that going forward regulatory changes would be some of the most substantial I have seen in my time in the industry.

There has been an unprecedented amount of work getting the Guild back at the regulatory table. As an industry body, it is important that our voice is heard amongst many others, and much work has been done to ensure that we are clearly (and loudly) representing our members. In particular, the Container Return Scheme has been at the forefront of everyone's minds. This, in its proposed format, will have a massive impact on all of our businesses, and it is vitally important that while the Guild is fighting its corner, our members are also doing their part, engaging with your local MP's and telling your story and the impact this and other regulatory activity will have on your business and community.

Further regulatory work with FSANZ has been quiet during 2021 - but again heading into 2022, both energy labelling and carb/sugar claims are back on the table, and we expect consultation to happen in the next financial year.

Aside from regulatory happenings, other enormous impacts have affected our industry dramatically. Aluminium, Co2, cardboard shortages, freight increases, wage increases etc, not to mention excise tax! To say running a brewery post covid and into the 2022 financial year is difficult would be a massive understatement, yet still, as a collective, we have the power to steer this industry towards a bright and sustainable future.

We have a diverse, creative and intelligent membership. We are unlike any other industry in New Zealand. Although we compete for shelf space in a tightly contested market, we work together. We help one another out. We share knowledge. We collaborate with each other, nationally and internationally. We have iconic breweries working with new breweries for the betterment of our offerings. We are rebuilding a strong brewing community and now more than ever it is important that we continue to work together to support and grow.

Joseph Wood
Chairman
Brewers Guild Of New Zealand



From the Chairman

Brewers Guild of New Zealand





Our Strategy

Brewers Guild of New Zealand

Our Vision

The quality and creativity of New Zealand beer is celebrated at home and around the world.

Our Mission

The Brewers Guild of New Zealand is the leader and voice for our diverse brewing industry. We provide thoughtful leadership and a strategic focus that fosters innovation, promotes social responsibility and facilitates the commercial success of New Zealand's brewing.

Our Goals

- The Guild is recognised by the industry and stakeholders as the voice & 'go-to' source for the New Zealand brewing industry.
- The Guild celebrates the best of our industry in everything we do.
- The Guild facilitates the improved quality of New Zealand Beer.
- The Guild facilitates opportunities for the people in our industry to be healthy, skilled, and develop long careers.



2021/2022 Year in Review

Brewers Guild of New Zealand

Melanie Kees
Executive Director

The past year was somewhat of a reprieve from the previous two years of unprecedented disruption. However, while it had a few positives like the hospitality industry reopening and the changing of covid related levels it was by no means a walk in the park for the New Zealand brewing industry.

The Guild was fortunate enough to find a gap in the madness to hold the NZ Beer Awards judging in October 2021, which, with 832 entries showed that our industry was not only resilient, but also itching to get back to some form of connection and celebration. Our relief at managing to get the judging booked and on the way was short lived, with both Auckland and then Waikato and Northland put into lockdown. Many of our judges missed the 2021 event, and with 2020 cancelled it was two years of unusual circumstances that the team had to navigate.

The Awards took on a new look with a virtual model rolled out to accommodate not only those in lockdown but also to allow them to go ahead in what was a slight reduced format for 2021. Six venues across the country hosted smaller events under strict Covid guidelines. Live streaming allowed those unable to join in person, to join in the fun all the same and it was wonderful to see members celebrating at homes, baches, workplaces event on the Waiheke Island Ferry.

Huge thanks need to go to all our members, sponsors, awards entrants, corporate partners, suppliers and everyone involved in making both the judging and awards happen. Without your support and guidance, we could not have pulled this off.

“A pivot is a change in strategy without a change in vision.”

Eric Ries

We have continued to face multiple regulatory challenges, which we have taken head on. The proposed Container Return Scheme will potentially have a major effect on our industry in its proposed form. We continue to have a voice at the table for industry conversations and will represent our members to our best ability.

Labelling is another area that continues to see change and we will work with the relevant agencies to fight our corner. Both labelling and the CRS will be a long road of meetings, representation and consultation which will involve considerable work. This is also an area that all members need to take an interest in as both of these activities will have an impact on your business.

Our strategic focus throughout 2021/22 was definitely a marathon and not a sprint. Endurance and persistence come to mind, as we relied on our strong foundations to help us regain momentum, with members, partners, industry and government relations.

The beginning of 2022 saw a change in focus, with a chance to regroup, reengage and look at our available resources and time. We made some cuts to activity that was no longer deemed a priority, and worked hard on connection, and rebuilding relationships across both our memberships and industry.

*“Saying Hello doesn’t have a ROI
-it’s about building relationships”*

Gary Veynerchuck

Tourism has not been a big focus for the Guild for obvious reasons. We have reduced the financial investment into the NZ Ale Trail, however as a benefit to our members we have continued to add value to this via various channels. This year for the first time we linked into the New World Beer & Cider Awards and promoted the NZAT via their substantial promotional material. We continue to work hard behind the scenes to engage with Tourism New Zealand to ensure that Beer Tourism is a key part of their new food and beverage strategy.

Workforce continues to be an area of movement. The guild advertised 227 jobs in 2021/22, that is up 72 from the previous year, and the year prior was up 78, so clearly our industry is growing, however filling some of the gaps, especially those that are specialised continues to prove difficult.



Finance

Brewers Guild of New Zealand

Financial Report

The financial statements presented in this report follow the same reporting format as was implemented in 2020. We have continued to operate with a cost-centred approach in our day-to-day bookkeeping, which offers greater transparency to our board and members. The accounts represent a second year of challenges, but we have again responded well continuing with some prudent measure, while still engaging and connecting with our membership base.

Financial Statements

Brewers Guild of New Zealand Incorporated.
For the year ended 31 March 2022
Prepared by My Two Cents Limited



Performance Report

Brewers Guild of New Zealand
Incorporated
For the year ended
31 March 2022

Prepared by My Two Cents
Limited 2022



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Compilation Report

Brewers Guild of New Zealand
Incorporated
For the year ended 31 March 2022

Compilation Report to the Directors of
Brewers Guild of New Zealand
Incorporated.

Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Brewers Guild of New Zealand Incorporated for the year ended 31 March 2022.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

Responsibilities

The Trustees are solely responsible for the information contained in this financial report and have determined that the accounting policies used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

Independence

We have no involvement with Brewers Guild of New Zealand Incorporated other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on this financial report.

My Two Cents Limited
Mangawhai
Dated: 14 September 2022



Entity Report

Brewers Guild of New Zealand
Incorporated
For the year ended 31 March 2022

Legal Name of Entity:
Brewers Guild of New Zealand
Incorporated

Entity Type and Legal Basis:
Incorporated Society

Registration Number:
NZBN 9429043144235

Entity's Purpose or Mission

The Brewers Guild of New Zealand is the leader and voice for our diverse brewing industry. We provide thoughtful leadership and a strategic focus that fosters innovation, promotes social responsibility, and facilitates the commercial success of New Zealand's brewing industry. Our vision is that the quality and creativity of New Zealand beer is celebrated at home and around the world.

Entity Structure

The Guild is governed by a voluntary governing board of directors who are elected by the membership each year at the Annual General Meeting. Only individuals from ordinary brewery members (breweries) are entitled to vote at the Annual General Meeting.

The Guild continues to try to attract a diverse board that represents our membership tiers - namely:

- Micro Breweries
- Small Breweries
- Medium Breweries
- Large Breweries

The brewery membership tiers are not prescribed in the Guild Rules and are reviewed every few years by the Board to ensure they continue to best reflect our industry. The Guild Rules set out the specific dates and timings for various prescribed steps for the Annual General Meeting. The Guild Board appoints an Executive Director to manage and lead the organisation's day to day activities.

Main Sources of Entity's Cash and Resources

The Guild's core activities are primarily funded through annual membership fees. Our annual BREWNZ and AWARDSNZ events are primarily funded through sponsorship contributions.

Main Methods Used by Entity to Raise Funds

The Guild raises funds through annual membership invoicing in around April each year. The Guild engages with allied industry bodies, and potential partners and sponsors every year between April and June to secure funding for BREWNZ and NZBA.

Entity's Reliance on Volunteers and Donated

The Guild relies on volunteer time and expertise as members of the Guild Board. In addition, the Guild may rely on volunteers to assist in the delivery of BREWNZ and AWARDSNZ events. Members may contribute voluntary assistance throughout the year by providing expertise, knowledge or staff time to assist with a range of activities. Beer leftover from judging AWARDSNZ are used at the various BREWNZ events. Members may provide beer to support Guild functions or activities throughout the year.

Physical Address

PO Box 1023, Christchurch, Christchurch, New Zealand, 8140



Statement of Service & Financial Performance

Brewers Guild of New Zealand
Incorporated
For the year ended 31 March 2022

Description of Entity's Outcomes

The key outcomes/goals the Guild is seeking to achieve are that:

- The Guild is recognised by the industry and stakeholders as the voice and 'go-to' source for the New Zealand brewing industry.
- The best of our industry is celebrated in everything we do.
- The Guild facilitates the improved quality of New Zealand Beer.
- The Guild facilitates opportunities for the people in our industry to be healthy, skilled, and develop long careers.
- Our core areas of strategic focus are Tourism, Workforce, Quality, and BREWNZ Excellence.

Description and Quantification of the Entity's Outputs

Performance Indicators	2021 Actual	2022 Target	2022 Actual
Guild Performance: The percentage increase in total revenue from previous financial year	\$97,035.00	No Target Set due to continued Covid-19 Disruption	\$353,127 increase from 2021 or 264%
Guild Performance: The Guild has a surplus.	-\$44,674.24	No Target Set due to continued Covid-19 Disruption	-\$8,586.51
Guild Performance: The number of Ordinary Brewing Members of the Guild.	48 Ordinary Members	88 Ordinary Members	76 Ordinary Members

Impacts of Covid-19

The Brewers Guild begins its annual budget setting and invoicing process on 1 April 2021. By that time, COVID19 impacts were in full effect. The Board and Management made a number of decisions regarding the functioning of the Guild in 2021 with the goal of reducing financial liabilities and uncertainty to ensure that the Society survived as an entity for future years.

These included:

- Immediately making changes to adhere to Covid-19 protocols to ensure that the NZBA Judging could take place.
- Changing the 2021 New Zealand Beer Awards regional events to be free for members as well as being smaller regional events to ensure Covid-19 event guidelines were met and to allow our members to continue to connect and celebrate
- To cancel BREWNZ for 2021.

All of these changes removed many of the financial pressures associated with such events yet still allowed us to have some sense of normality.



Statement of Financial Performance

Brewers Guild of New Zealand Incorporated
For the year ended 31 March 2022

	NOTES	2022	2021
Revenue			
Revenue from providing goods or services	1	353,127	97,035
Interest, dividends and other investment revenue	1	1,302	1,477
Total Revenue		354,430	98,512
Expenses			
Costs related to providing goods or service	2	363,016	143,186
Total Expenses		363,016	143,186
Surplus/(Deficit) for the Year		(8,587)	(44,674)



Statement of Financial Position

Brewers Guild of New Zealand Incorporated
As at 31 March 2022

	NOTES	31 MAR 2022	31 MAR 2021
Assets			
Current Assets			
Bank accounts and cash	3	144,663	158,971
Debtors and prepayments	3	2,597	1,426
Other Current Assets	3	19,314	5,645
Total Current Assets		166,573	166,043
Non-Current Assets			
Property, Plant and Equipment	5	10,508	10,636
Total Non-Current Assets		10,508	10,636
Total Assets		177,081	176,679
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	26,075	17,086
Total Current Liabilities		26,075	17,086
Total Liabilities		26,075	17,086
Total Assets less Total Liabilities (Net Assets)		151,006	159,592
Accumulated Funds			
Accumulated surpluses or (deficits)	6	137,502	146,088
Reserves	6	13,504	13,504
Total Accumulated Funds		151,006	159,592



Statement of Cash Flows

Brewers Guild of New Zealand Incorporated
For the year ended 31 March 2022

	2022	2021
Cash Flows from Operating Activities		
Interest, dividends and other investment receipts	1,302	1,477
Cash receipts from other operating activities	404,597	119,641
GST	(33,162)	36,443
Payments to suppliers and employees	(397,269)	(154,049)
Total Cash Flows from Operating Activities	(24,531)	3,511
Cash Flows from Investing and Financing Activities		
Payments to acquire property, plant and equipment	-	(1,000)
Cash flows from other investing and financing activities	10,223	2,043
Total Cash Flows from Investing and Financing Activities	10,223	1,043
Net Increase/(Decrease) in Cash	(14,308)	4,553
Bank Accounts and Cash		
Opening cash	158,971	154,417
Net change in cash for period	(14,308)	4,553
Closing cash	144,663	158,971



Depreciation Schedule

Brewers Guild of New Zealand Incorporated
For the year ended 31 March 2022

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
Computer Equipment						
HP Laptop & Docking Station	1,890	256	-	-	128	128
Total Computer Equipment	1,890	256	-	-	128	128
Software						
Creator Named User for ArcGIS Online	1,000	-	-	-	-	-
Web Site Development	10,380	10,380	-	-	-	10,380
Total Software	11,380	10,380	-	-	-	10,380
Total	13,270	10,636	-	-	128	10,508




Notes to the Performance Report

Brewers Guild of New Zealand Incorporated
For the year ended 31 March 2022

	2022	2021
1. Analysis of Revenue		
Revenue from providing goods or services		
Entries Income	124,519	-
Membership Fees Income	173,174	97,035
Sponsorship Income	52,435	-
Trade Show/Conference Income	3,000	-
Total Revenue from providing goods or services	353,127	97,035
Interest, dividends and other investment revenue		
Interest Income	1,302	1,477
Total Interest, dividends and other investment revenue	1,302	1,477
	2022	2021

2. Analysis of Expenses

Costs related to providing goods or services		
Accounting Expenses	4,701	5,844
Awards Dinner	11,507	-
Bank Fees	4,457	821
Board Expenses	127	-
Brewery Tour	-	24
Competition	100,997	381
Contractor Fees	158,182	76,914
Depreciation	128	1,256
Freight & Courier	591	183
General Expenses	502	39
Hire Costs	117	-
Human Resource Expenses	6,105	79
Insurance	1,920	1,850
Legal Fees	1,562	2,127
Marketing	10,738	1,922
Member Benefits Expense	3,085	6,139
Member's Website	32,270	28,856



Notes to the Performance Report

Brewers Guild of New Zealand Incorporated
For the year ended 31 March 2022

Analysis of Expenses continued	2022	2021
Printing & Stationery	115	261
Storage Expenses	1,273	1,068
Subscription Expenses	6,834	6,537
Trade Show	(1,380)	8,375
Travel for Staff	6,231	514
Total Costs related to providing goods or services	350,063	143,186
	2022	2021
3. Analysis of Assets		
Bank accounts and cash		
Kiwibank Benevolent Fund	3,176	3,169
Kiwibank Cheque Account	32,750	49,377
Kiwibank Notice Saver	105,940	105,011
Kiwibank Online Call	-	-
Kiwibank Visa Debit Card	1,364	1,415
Paypal	1,434	-
Total Bank accounts and cash	144,663	158,971
Debtors and prepayments		
Accounts Receivable	2,597	1,426
Total Debtors and prepayments	2,597	1,426
	2022	2021
4. Analysis of Liabilities		
Creditors and accrued expenses		
Accounts Payable	15,329	17,086
GST	(18,948)	(5,232)
Payments in Advance	10,746	-
Total Creditors and accrued expenses	7,127	11,855
Other current liabilities		
Income Tax	-	-
Withholding tax paid	(365)	(414)
Total Other current liabilities	(365)	(414)



Notes to the Performance Report

Brewers Guild of New Zealand Incorporated
For the year ended 31 March 2022

	2022	2021
5. Property, Plant and Equipment		
Other Fixed Assets		
Owned fixed assets	13,270	13,270
Accumulated depreciation - fixed assets owned	(2,762)	(2,634)
Total Other Fixed Assets	10,508	10,636
Total Property, Plant and Equipment	10,508	10,636
	2022	2021
6. Accumulated Funds		
Accumulated Funds		
Opening Balance	159,592	204,267
Accumulated surpluses or (deficits)	(8,587)	(44,674)
Total Accumulated Funds	151,006	159,592



Statement of Accounting Policies

Brewers Guild of New Zealand Incorporated
For the year ended 31 March 2022

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Reporting Entity

These are the financial statements of Brewers Guild of New Zealand Incorporated. Brewers Guild of New Zealand Incorporated is an incorporated society registered under the Incorporated Societies Act 1908 and is engaged in the business of brewers social club. These financial statements are special-purpose reports and have been prepared in accordance with the Financial Reporting Act 2013.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis has been used, with the exception of certain items for which specific accounting policies have been identified.

Presentation Currency

The financial statements are presented in New Zealand Dollars (NZD).

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Property Plant and Equipment

Property, plant and equipment and investment property are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment or investment property is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Upon derecognition, the asset revaluation reserve relating to the asset disposed shall be transferred to retained earnings.



Statement of Accounting Policies

Brewers Guild of New Zealand Incorporated
For the year ended 31 March 2022

Depreciation

Account	Method	Rate
Software	Diminishing Value (100%)	0%
Computer Equipment	Diminishing Value (100%)	50%
Software	Full Depreciation at Purchase	%

Receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

Audit

These financial statements have not been audited.

	2022	2021
1. Income Tax Expense		
Net Profit (Loss) Before Tax	4,367	(44,674)
Deductions from Taxable Profit		
Losses Carried Forward	49,713	-
Total Deductions from Taxable Profit	49,713	-
Taxable Profit (Loss)	(45,346)	(44,674)
Tax Payable at 28%	-	-
Deductions from Tax Payable		
Opening Balance	414	1,805
Prior period tax paid (refunded)	(49)	(1,391)
Total Deductions from Tax Payable	365	414