

**Institute of Finance
Professionals New
Zealand Incorporated**

Annual report
for the year ended 31 March 2013

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Approval of annual report

The Chairman and Board are pleased to present the annual report, including the financial statements of Institute of Finance Professionals New Zealand Incorporated, for the year ended 31 March 2013.



Chairman

Dated: 5th August 2013



Board Member

Dated: 5th August 2013

Company directory

as at 31 March 2013

Nature of business	Industry Body
Registered office	Shop 3 3 Kitchener Street Martinborough 5711
Location of business	Shop 3 3 Kitchener Street Martinborough 5711
Incorporation number	1210409
IRD number	82-320-482
Accountants	KPMG 10 Customhouse Quay Wellington 6011
Auditors	Grant Thornton Level 15 Grant Thornton House 215 Lambton Quay Wellington 6140
Bankers	Bank of New Zealand 1 Willis Street Wellington 6011
Solicitors	Chapman Tripp 10 Customhouse Quay Wellington 6011

Statement of financial performance

for the year ended 31 March 2013

	Note	2013 \$	2012 \$
Revenue	1	589,636	596,481
Gross surplus		589,636	596,481
Expenses			
Operating	2	311,485	325,065
Administration	3	242,847	194,857
Non cash items	4	3,416	4,899
		557,748	524,821
Operating surplus before tax		31,888	71,660
Tax expense	5	-	7,429
Net surplus		31,888	64,231

These statements are to be read in conjunction with the notes to the financial statements



Statement of movements in equity

for the year ended 31 March 2013

	Note	2013 \$	2012 \$
Net surplus for the year		31,888	64,231
Equity at beginning of year		351,725	287,494
Equity at end of year	6	383,613	351,725

These statements are to be read in conjunction with the notes to the financial statements



Balance sheet

as at 31 March 2013

	Note	2013 \$	2012 \$
Equity	6	383,613	351,725
Current assets			
Cash and bank balances	7	160,924	256,696
Accounts receivable		94,262	109,382
Prepayments		58,047	110,990
Term deposits	8	314,571	182,250
Income tax refund	5	19,265	4,074
		<u>647,069</u>	<u>663,392</u>
Non current assets			
Property, plant and equipment	9	23,309	8,580
Total assets		670,378	671,972
Current liabilities			
Accounts payable	10	66,139	97,912
GST payable		19,551	15,338
Income in advance		201,075	206,997
Total liabilities		286,765	320,247
Net assets		383,613	351,725

These statements are to be read in conjunction with the notes to the financial statements 6



Statement of accounting policies

for the year ended 31 March 2013

Basis of preparation

The financial statements presented are those of the Institute of Finance Professionals New Zealand Incorporated. The financial statements have been prepared in accordance with the requirements of the Incorporated Societies Act 1908 and have been prepared on the basis of historical cost.

Differential reporting

In terms of the framework for differential reporting an entity is exempt from certain requirements of financial reporting standards if it satisfies the criteria laid down in the framework; such an entity is called a qualifying entity.

The Institute of Finance Professionals New Zealand Incorporated is a qualifying entity because it has no public accountability and is not large (as defined in the framework).

All differential reporting exemptions have been adopted except for:

SSAP 12: Income Taxes

Additional details with regard to revenue and expenses have been disclosed.

Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Where an item of property, plant or equipment is disposed of, the gain or loss recognised in the statement of financial performance is calculated as the difference between the sale price and the carrying amount of the asset.

Depreciation

Depreciation is charged to the statement of financial performance at the same rate as allowed by the Income Tax Act 2007. The following rates have been used:

Office equipment 39.6% - 62.6% diminishing value

Furniture & fittings 10% - 48.0% diminishing value

Investments

Investments are stated at cost.

Receivables

Receivables are stated at estimated realisable value after providing against debts where collection is doubtful. Bad debts are written off during the period in which they are identified.

Taxation

The income tax expense recognised in the statement of financial performance is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years.

Goods and services tax

All amounts are shown exclusive of Goods & Services Tax (GST), except for receivables and payables which are shown inclusive of GST.

Changes in accounting policies

The accounting policies adopted are consistent with those of the previous year.



Notes to the financial statements

1 Revenue	2013	2012
Member	\$	\$
Income		
Event Income	88,421	77,213
Membership subscriptions	138,089	136,520
	226,510	213,733
Non Member	\$	\$
Income		
Event Income	140,561	161,942
Sponsorship	185,202	191,000
Publications	22,750	18,368
Interest received	14,613	11,438
	363,126	382,748
Total Revenue		
Event Income - Member	88,421	77,213
Membership subscriptions - Member	138,089	136,520
Event Income - Non Member	140,561	161,942
Sponsorship - Non Member	185,202	191,000
Publications - Non Member	22,750	18,368
Interest received - Non Member	14,613	11,438
Total revenue	589,636	596,481
2 Operating expenses	2013	2012
	\$	\$
Credit Card Commission	3,517	4,881
Institute Events	231,568	235,060
Publication expenses	57,829	40,296
Postage and Courier	2,084	1,465
Printing and Stationery	1,905	2,823
Prizes and Sponsorships	1,000	1,000
Staff recruitment	-	27,936
Telecommunications	5,276	6,771
Travelling	8,306	4,833
	311,485	325,065



Notes to the financial statements

3	Administration	2013	2012
		\$	\$
	Accident compensation	427	827
	Accounting	8,376	9,762
	Advocacy	2,233	874
	Affiliation subscriptions	313	656
	Audit fees	4,317	3,891
	Bank charges	296	717
	Board expenses	261	1,208
	Computer expenses	5,320	4,881
	General expenses	2,315	1,096
	Insurance	8,558	4,330
	Legal - deductible	-	15,300
	Rent and Electricity	13,433	11,343
	Salaries	160,783	121,676
	Salaries - employment costs	-	15,000
	Staff expenses	-	136
	Sub-contractors	31,587	-
	Subscriptions	2,858	413
	Training and course fees	1,770	2,747
		242,847	194,857
4	Non-cash items	2013	2012
		\$	\$
	Depreciation - Office equipment	2,855	4,357
	Depreciation - Furniture and fittings	517	542
		3,372	4,899
	Loss on disposal of fixed assets	44	-
		3,416	4,899



Notes to the financial statements

5	Tax	2013 \$	2012 \$
	Operating surplus before tax	31,888	71,660
	Adjustments for differences		
	Timing differences		
	Movement in holiday pay accrued but not taken within 63 days	1,202	1,901
	Change in accounting fees accrual	-	59
		<u>1,202</u>	<u>1,960</u>
	Permanent differences		
	Income derived from members	(226,510)	(213,732)
	Expenses related to members	184,698	167,645
		<u>(41,812)</u>	<u>(46,087)</u>
	Total adjustments	(40,610)	(44,127)
	Allowable society deduction	-	(1,000)
		<u>(8,722)</u>	<u>26,533</u>
	Adjusted net surplus/(deficit) before tax	(8,722)	26,533
	Tax expense	-	7,429
	Resident withholding tax paid	(4,412)	(2,503)
	Prior year refund outstanding	(13,074)	-
	Use of money interest received	(55)	-
	Provisional tax paid	(1,724)	(9,000)
	Income tax refund	(19,265)	(4,074)
	Made up as follows:		
	Provisional tax paid after balance date	-	9,000
	Terminal tax refund due	(19,265)	(13,074)
	Income tax refund	(19,265)	(4,074)
		<u>(8,722)</u>	<u>26,533</u>
	Adjusted net surplus/(deficit) after tax	(8,722)	26,533
	6		
	Equity	2013 \$	2012 \$
	Retained earnings	383,613	351,725
	Equity	383,613	351,725
	Movements in retained earnings		
	Balance at beginning of year	351,725	287,494
	Net surplus	31,888	64,231
	Balance at end of year	383,613	351,725



Notes to the financial statements

7	Cash and bank balances	2013	2012
		\$	\$
	Cash on hand	22	65
	BNZ - Current Account	98,478	140,833
	BNZ - Savings Account	62,424	115,798
		160,924	256,696
	Total cash and bank balances classified as follows:		
	Current assets	160,924	256,696
		160,924	256,696
8	Term deposits	2013	2012
		\$	\$
	BNZ Term Deposit - 00006	103,876	101,212
	BNZ Term Deposit - 00007	83,837	81,038
	BNZ Term Deposit - 00008	126,858	-
		314,571	182,250

The BNZ Term Deposit - 00006 earns interest at 4.10% and is due to mature on 17 July 2013.

The BNZ Term Deposit - 00007 earns interest at 4.00% and is due to mature on 23 July 2013.

The BNZ Term Deposit - 00008 earns interest at 4.00% and is due to mature on 7 May 2013.

9	Property, plant and equipment	Cost	Depreciation	Acc depn	Carrying value
		\$	\$	\$	\$
	Office equipment	47,801	2,854	28,431	19,370
	Furniture and fittings	10,829	518	6,891	3,939
	Balance as at 31 March 2013	58,630	3,372	35,322	23,309
		Cost	Depreciation	Acc depn	Carrying value
		\$	\$	\$	\$
	Office equipment	37,525	4,357	33,401	4,124
	Furniture and fittings	10,829	542	6,374	4,456
	Balance as at 31 March 2012	48,354	4,899	39,775	8,580

Further information can be found in the supplementary summary Statement of property, plant and equipment included at the back of this financial report.

Notes to the financial statements

10 Accounts payable	2013	2012
	\$	\$
Trade creditors	45,853	80,733
Accruals	14,659	13,537
Employee entitlements	5,627	3,642
	66,139	97,912

11 Operating Lease Commitment

INFINZ lease shop 3 Petit Hotel Martinborough. The lease renewal date is 1 September 2014.

	2013	2012
	\$	\$
Within 1 year	9,828	4,097
Within 2 - 5 years	4,095	-
	13,923	4,097

12 Commitments and contingent liabilities

There are no known commitments or contingent liabilities at balance date. (2012 : Nil)

