

**Institute of Finance
Professionals New
Zealand Incorporated**

Annual report
for the year ended 31 March 2012

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APPROVAL OF ANNUAL REPORT

The Chairman and Board are pleased to present the Annual Report of the Institute of Finance Professionals New Zealand Inc. including the financial statements contained therein, for the year ended 31 March 2012.



David Green
Chairman
6th August 2012



Maree Webster
Board Member
10th August 2012

Company directory

as at 31 March 2012

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	Michael Coleman KPMG 10 Customhouse Quay Wellington 6011
Auditors	Grant Thornton Level 13 AXA Centre 80 The Terrace
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 2012

	Note	2012 \$	2011 \$
Revenue	1	596,481	608,371
Expenses			
Operating	2	325,065	329,996
Administration	3	194,858	222,746
Finance	4	-	117
Non cash items	5	4,899	5,175
		524,821	558,034
Operating surplus before tax		71,660	50,336
Tax expense	6	7,429	826
Net surplus		64,231	49,511

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

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Statement of movements in equity

for the year ended 31 March 2012

	Note	2012 \$	2011 \$
Net surplus for the year		64,231	49,511
Equity at beginning of year		287,494	237,983
Equity at end of year	7	351,725	287,494

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



Balance sheet

as at 31 March 2012

	Note	2012 \$	2011 \$
Equity	7	351,725	287,494
Current assets			
Cash and bank balances	8	256,696	275,448
Accounts receivable		109,382	59,152
Prepayments		110,990	75,465
Term deposits	9	182,250	144,747
Income tax refund	6	4,074	2,188
		<u>663,392</u>	<u>557,000</u>
Non current assets			
Property, plant and equipment	10	8,580	10,770
Total assets		671,972	567,770
Current liabilities			
Accounts payable	11	97,912	83,972
GST payable		15,338	18,229
Income in advance		206,997	178,075
Total liabilities		320,247	280,276
Net assets		351,725	287,494

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



Statement of accounting policies

for the year ended 31 March 2012

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:

NZ IAS 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 10.0% - 48.0% diminishing value

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		
	Member	2012	2011
		\$	\$
	Income		
	Event Income	77,213	103,424
	Membership subscriptions	136,520	132,165
		213,733	235,589
	Non Member		
	Income		
	Event Income	161,942	116,678
	Sponsorship	191,000	200,000
	Publications	18,368	43,787
	Interest received	11,438	12,317
		382,748	372,782
	Total Revenue		
	Event Income - Member	77,213	103,424
	Membership subscriptions - Member	136,520	132,165
	Event Income - Non Member	161,942	116,678
	Sponsorship - Non Member	191,000	200,000
	Publications - Non Member	18,368	43,787
	Interest received - Non Member	11,438	12,317
	Total member revenue	596,481	608,371
2	Operating expenses	2012	2011
		\$	\$
	Credit Card Commission	4,881	3,024
	Institute Events	235,060	250,412
	Publication expenses	40,296	45,468
	Postage and Courier	1,465	1,918
	Printing and Stationery	2,823	5,689
	Prizes and Sponsorships	1,000	1,000
	Staff recruitment	27,936	-
	Telecommunications	6,771	6,680
	Travelling	4,833	15,805
		325,065	329,996



Notes to the financial statements

3	Administration expenses	2012	2011
		\$	\$
	Accident compensation	827	703
	Accounting	9,762	7,799
	Advocacy	874	13,602
	Affiliation subscriptions	656	667
	Audit fees	3,891	4,300
	Bank charges	717	2,158
	Board expenses	1,208	659
	Computer expenses	4,881	5,014
	Entertainment - deductible	-	468
	Entertainment - non-deductible	-	652
	General expenses	1,096	1,408
	Insurance	4,330	3,633
	Legal - deductible	15,300	-
	Rent and Electricity	11,343	10,238
	Salaries	121,676	170,151
	Salaries - employment costs	15,000	-
	Staff expenses	136	258
	Subscriptions	413	648
	Training and course fees	2,747	388
		194,858	222,746
<hr/>			
4	Finance	2012	2011
		\$	\$
	Interest	-	117
		-	117
<hr/>			
5	Non-cash items	2012	2011
		\$	\$
	Depreciation - Office equipment	4,357	4,805
	Depreciation - Furniture and fittings	542	370
		4,899	5,175

Notes to the financial statements

6	Tax	2012 \$	2011 \$
	Operating surplus before tax	71,660	50,337
	Adjustments for differences		
	Timing differences		
	Holiday pay accrued but not taken within 63 days	1,901	1,366
	Change in accounting fees accrual	59	358
	Change in doubtful debts provision	-	(595)
		1,960	1,129
	Permanent differences		
	Entertainment - non-deductible	-	314
	Income derived from members	(213,732)	(235,588)
	Expenses related to members	167,645	187,563
		(46,087)	(47,711)
	Total adjustments	(44,127)	(46,582)
	Allowable society deduction	(1,000)	(1,000)
	Taxable income	26,533	2,755
	Tax expense	7,429	826
	Resident withholding tax paid	(2,504)	-
	Provisional tax paid	(9,000)	(3,014)
	Income tax refund	(4,074)	(2,188)
	Made up as follows:		
	Provisional tax paid after balance date	9,000	1,507
	Terminal tax refund due	(13,074)	(3,695)
		(4,074)	(2,188)



Notes to the financial statements

7	Equity	2012 \$	2011 \$
	Retained earnings	351,725	287,494
	Equity	351,725	287,494
Movements in retained earnings			
	Balance at beginning of year	287,494	237,983
	Net surplus	64,231	49,511
	Balance at end of year	351,725	287,494
8	Cash and bank balances	2012 \$	2011 \$
	Cash on hand	65	100
	BNZ - Current Account	140,833	141,526
	BNZ - Savings Account	115,798	133,822
	Total cash and bank balances classified as follows:		
	Current assets	256,696	275,448
	Total cash and bank balances	256,696	275,448
9	Term deposits	2012 \$	2011 \$
	BNZ Term Deposit - 00006	101,212	66,332
	BNZ Term Deposit - 00007	81,038	78,415
	Total term deposits	182,250	144,747

The BNZ Term Deposit - 00006 earns interest at 4.50% and is due to mature on 30 September 2012.

The BNZ Term Deposit - 00007 earns interest at 4.40% and is due to mature on 29 April 2012.



Notes to the financial statements

10 Property, plant and equipment

	Cost \$	Depn charge \$	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

	Cost \$	Depn charge \$	Acc depn \$	Carrying value \$
Office equipment	37,525	4,806	29,044	8,481
Furniture and fittings	8,120	370	5,832	2,289
Balance as at 31 March 2011	45,645	5,176	34,876	10,770

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

11	Accounts payable	2012 \$	2011 \$
	Trade creditors	80,733	58,624
	Accruals	13,537	14,121
	Employee entitlements	3,642	11,227
		97,912	83,972

12 Operating Lease Commitment

INFNZ lease shop 3 Petit Hotel Martinborough. The lease renewal date is 1 September 2012. INFNZ are currently in the process of extending the lease.

	2012 \$	2011 \$
Within 1 year	4,097	9,833
Within 2 - 5 years	-	4,097
	4,097	13,930



Notes to the financial statements

13 Commitments and contingent liabilities

There are no known commitments or contingent liabilities at balance date. (2011: Nil)

14 Related parties

The Institute of Finance Professionals of New Zealand Incorporated (INFINZ) is a member of the New Zealand Society of Investment Analysts Incorporated (NZSIA) and the New Zealand Society of Corporate Treasurers. INFINZ is an incorporated society with a number of members throughout the country. Accordingly, INFINZ will be related to any transactions with these members.

