

Institute of Finance Professionals New Zealand Incorporated

Annual report
for the year ended 31 March 2010

Report contents

	Page
Approval of annual report	2
Directory	3
Financial statements	
Statement of financial performance	4
Statement of movements in equity	5
Balance sheet	6
Statement of accounting policies	7
Notes to the financial statements	8
Supplementary schedules	
Statement of property, plant and equipment	14
Auditors report	15

Approval of annual report

The Board is pleased to present the annual report, including the financial statements of Institute of Finance Professionals New Zealand Incorporated, for the year ended 31 March 2010.

Chairman

Board Member

Dated:

Company directory

as at 31 March 2010

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
Paid in Capital	NIL
Accountants	KPMG 10 Customhouse Quay Wellington 6011
Auditors	Grant Thornton Level 13 AXA Centre 80 The Terrace Wellington 6011
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 2010

	Note	2010 \$	2009 \$
Revenue	1	550,642	618,857
Expenses			
Operating	2	292,470	343,701
Administration	3	209,601	197,485
Non cash items	4	1,751	3,114
		503,822	544,300
Operating surplus before tax		46,820	74,557
Tax expense	5	4,306	1,720
Net surplus		42,514	72,837

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 2010

	Note	2010 \$	2009 \$
Net surplus		42,514	72,837
Equity at beginning of year		195,469	122,632
Equity at end of year	6	237,983	195,469

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

Balance sheet

as at 31 March 2010

	Note	2010 \$	2009 \$
Equity	6	237,983	195,469
Current assets			
Cash and bank balances	7	204,708	164,597
Accounts receivable	8	26,079	65,954
Prepayments		61,451	74,472
Short term investments	9	139,322	62,449
		431,560	367,472
Non current assets			
Property, plant and equipment	10	5,773	4,928
Total assets		437,333	372,400
Current liabilities			
Accounts payable	11	62,161	47,955
GST payable		10,461	6,861
Income tax payable	5	3,924	1,720
Income in advance		122,804	120,395
Total liabilities		199,350	176,931
Net assets		237,983	195,469

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 2010

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

Property, plant and equipment is 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 income statement 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 11.4% - 48.0% diminishing value

Accounts receivable

Accounts receivable 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 Accounts receivable and Accounts payable 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

	2010 \$	2009 \$
Member		
Event Income	60,219	74,699
Membership Subscriptions	129,495	126,789
Total member revenue	189,714	201,488

	2010 \$	2009 \$
Non Member		
Event Income	122,319	98,443
Sponsorship	179,611	229,800
Publications	40,875	71,575
Interest Received	8,627	13,986
Total non member revenue	351,432	413,804

	2010 \$	2009 \$
Total Revenue		
Event Income	182,538	173,142
Membership Subscriptions	129,495	126,789
Sponsorship	179,611	229,800
Publications	40,875	71,575
Interest Received	8,627	13,986
Gifts Received	9,496	3,565
Total revenue	550,642	618,857

2 Operating expenses

	2010 \$	2009 \$
Credit Card Commission	4,861	4,639
Institute Events	214,494	241,720
Publication expenses	44,191	62,540
Postage & Courier	1,160	2,033
Printing & Stationery	2,012	3,300
Prizes and Sponsorships	1,000	1,025
Telecommunications	5,975	6,210
Travelling	18,777	22,234
	292,470	343,701

Notes to the financial statements

3 Administration expenses	2010 \$	2009 \$
Accident compensation	689	744
Accounting	8,813	10,525
Affiliation Subscriptions	3,476	3,175
Audit fees	3,826	4,289
Bank charges	336	658
Board expenses	970	13,435
Computer expenses	4,988	5,827
Doubtful debts	595	-
Entertainment - deductible	655	972
Entertainment - non-deductible	728	1,081
General expenses	2,969	1,604
Insurance	4,037	4,004
Legal - deductible	3,146	-
Legal - non-deductible	350	-
Rent & Electricity	11,193	9,968
Salaries	149,583	138,594
Staff expenses	7,538	449
Staff recruitment	1,471	-
Subscriptions	2,124	670
Training and course fees	2,114	1,490
	209,601	197,485

4 Non-cash items	2010 \$	2009 \$
Depreciation - Office equipment	1,309	2,595
Depreciation - Furniture and fittings	434	519
	1,743	3,114
Loss on disposal of fixed assets	8	-
	1,751	3,114

Notes to the financial statements

5	Tax	2010 \$	2009 \$
	Operating surplus before tax	46,820	74,557
	Adjustments for differences		
	Timing differences		
	Holiday pay accrued but not taken within 63 days	4,985	1,338
	Change in accounting fees accrual	120	295
	Change in doubtful debts provision	210	-
		5,315	1,633
	Permanent differences		
	Entertainment - non-deductible	256	406
	Legal - non-deductible	123	-
	Income derived from members	(189,714)	(201,488)
	Expenses related to members	162,047	171,026
	Gift received	(9,495)	(3,565)
		(36,782)	(33,621)
	Allowable society deduction	(1,000)	(1,000)
	Losses brought forward	-	(35,834)
	Taxable income	14,353	5,735
	Tax expense	4,306	1,720
	Provisional tax paid	(2,102)	-
	Prior year tax payment/(refund) outstanding	1,720	-
	Income tax payable per balance sheet	3,924	1,720
	Prior year tax paid after balance date	1,720	-
	Provisional tax paid after balance date	1,050	-
	Income tax payable per tax return	1,154	1,720
6	Equity	2010 \$	2009 \$
	Retained earnings	237,983	195,469
	Equity	237,983	195,469
	Movements in retained earnings		
	Balance at beginning of year	195,469	122,632
	Net surplus	42,514	72,837
	Balance at end of year	237,983	195,469

Notes to the financial statements

7	Cash and bank balances	2010 \$	2009 \$
	Cash on hand	10	70
	BNZ - Current Account	21,193	29,231
	BNZ - Savings Account	183,505	135,296
		204,708	164,597
	Total cash and bank balances classified as follows:		
	Current assets	204,709	164,597
		204,709	164,597

8	Accounts receivable	2010 \$	2009 \$
	Accounts receivable	26,674	65,954
	Provision for doubtful debts	(595)	-
		26,079	65,954

9	Short term investments	2010 \$	2009 \$
	BNZ Term Deposit - 00006	64,322	62,449
	BNZ Term Deposit - 00007	75,000	-
	Total short term investments	139,322	62,449

The BNZ Term Deposit - 00006 earns interest at 3.00% and is due to mature on 4 April 2010.

The BNZ Term Deposit - 00007 earns interest at 4.88% and is due to mature on 18 August 2010.

Notes to the financial statements

10 Property, plant and equipment

	Cost \$	Depn charge \$	Acc depn \$	Carrying value \$
Office equipment	27,352	1,309	24,238	3,114
Furniture and fittings	8,120	434	5,462	2,658
Balance as at 31 March 2010	35,473	1,743	29,700	5,773

	Cost \$	Depn charge \$	Acc depn \$	Carrying value \$
Office equipment	25,368	2,595	23,556	1,812
Furniture and fittings	8,205	519	5,090	3,115
Balance as at 31 March 2009	33,574	3,114	28,646	4,928

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

	2010 \$	2009 \$
Trade creditors	40,293	31,277
Accruals	10,700	11,742
Employee entitlements	11,168	4,936
	62,161	47,955

12 Operating Lease Commitment

INFINZ lease shop 3 Petit Hotel Martinborough. The lease renewal date is 1 September 2010.

	2010 \$	2009 \$
With 1 year	4,013	3,858
1-2 years	-	-
2-5 years	-	-
	4,013	3,858

Notes to the financial statements

13 Commitments and contingent liabilities

There are no known commitments or contingent liabilities at balance date. [2009 : 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.

Statement of property, plant and equipment

for the year ended 31 March 2010

	Date	Private Use	Original cost	Opening WDV	Additions	Sale Price	Profit/(loss) on sale	Capital Gain/(loss)	Depn method	Depn	Accum Depn	Closing WDV	
Office equipment													
Toshiba Laptop			4,748	56						48.0D	27	4,719	29
MS Office XP, Norton Anti Virus Software	Mar 10		635	8			(8)			48.0D	-	-	-
Cash Manager - Software			360	5						48.0D	2	357	3
MS Windows, MS Windows XP & Adobe Software			960	12						48.0D	6	954	6
Website Development			3,150	9						62.6D	6	3,147	3
Brother HL 1430 Laser Printer			335	21						39.6D	8	322	13
Brother MFC 9660 Laser Printer			1,165	72						39.6D	29	1,122	43
Website development			7,628	416						60.0D	249	7,461	167
Desktop Computer with Microsoft Office Basic 2007			3,120	560						60.0D	336	2,896	224
Website Upgrade			3,267	653						60.0D	392	3,006	261
Events Manager - New Computer	Feb 10		2,619	-	2,619					60.0D	254	254	2,365
			27,987	1,812	2,619		(8)				1,309	24,238	3,114
Furniture and fittings													
Office Desks			226	79						14.4D	11	158	68
Boardroom Office and Chairs			1,441	380		22	(0)			18.0D	64	1,125	293
Audio Conferencing			699	58						31.2D	18	659	40
Uniden Speaker Phone			116	15						31.2D	5	106	10
Precision Smartstore Cabinet			1,370	501						14.4D	72	941	429
Uniden Speaker Phone			116	11						31.2D	3	108	8
Uniden Speaker Phone			116	11						31.2D	3	108	8
Precision Storage Cupboard			514	235						11.4D	27	306	208
Monitor Stand x 2			85	2						48.0D	1	84	1
6 Level Smart Store Unit			1,528	627						14.4D	90	991	537
Portable Bannerstand Frame and Fabric Panel			1,107	571						11.4D	65	601	506
Mobile Draws 2nd Hand			199	93						12.0D	11	117	82
Stand and Roll Up Banner			690	534						12.0D	64	220	470
			8,205	3,115		22	(0)				434	5,524	2,658
			36,193	4,928	2,619	22	(8)						
Less items sold			720	380									
Total property, plant and equipment			35,473	4,548	2,619		(8)				1,743	29,762	5,773

This supplementary schedule does not form part of the financial statements and is subject to the compilation report on page 2 of this report

Auditors report