



Institute of Finance Professionals New Zealand Incorporated

Annual report
for the year ended 31 March 2007

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Approval of annual report

The Board is pleased to present the annual report of Institute of Finance Professionals New Zealand Incorporated, including the financial statements contained therein, for the year ended 31 March 2007.

Chairman

Board member

Date:

Business directory

as at 31 March 2007

Nature of Business	Industry Body
Registered Office	Shop 3 3 Kitchener Street Martinborough
Location of Business	Shop 3 3 Kitchener Street Martinborough
Incorporation Number	1210409
IRD Number	82-320-482
Paid in Capital	NIL
Accountants	M G Coleman KPMG 10 Customhouse Quay Wellington
Auditors	Grant Thornton Level 13 AXA Centre 80 The Terrace Wellington
Bankers	Bank of New Zealand 1 Willis Street Wellington
Solicitors	Chapman Tripp 1-13 Grey Street Wellington

Statement of financial performance

for the year ended 31 March 2007

	Note	2007 \$	2006 \$
Revenue	2	560,639	651,526
Trading expenses			
Operating	3	321,743	398,576
Administration	4	198,248	199,858
Finance	5	18	8
Non-cash items	6	6,731	3,450
		526,740	601,892
Net surplus		33,899	49,634

Statement of movements in equity

for the year ended 31 March 2007

	2007 \$	2006 \$
Total recognised revenues and expenses		
Net surplus	33,899	49,634
Movements in equity for the year	33,899	49,634
Equity at the beginning of year	65,289	15,655
Equity at the end of year	99,188	65,289

Statement of financial position

as at 31 March 2007

	Note	2007 \$	2006 \$
Total equity	7	99,188	65,289
Current assets			
Cash and bank balances	8	94,646	65,043
Accounts receivable		22,860	55,765
Prepayments		9,299	14,003
Short term investments	9	56,119	52,476
		182,924	187,287
Non-current assets			
Property, plant and equipment	10	6,889	13,620
Total assets		189,813	200,907
Current liabilities			
Accounts payable	12	36,962	29,183
Income in advance		46,108	94,033
GST payable		7,555	12,402
Total liabilities		90,625	135,618
Total net assets		99,188	65,289

This statement is to be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1 Accounting policies

Basis of preparation

The financial statements presented are those of the Institute of Finance Professionals 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.

Changes in accounting policies

There have been no changes in accounting policy. The accounting policies adopted are consistent with those of the previous year.

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 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: Accounting for Income Tax

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

Property, plant and equipment

Property, plant and equipment is stated at cost and depreciated as outlined below.

Where an asset 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 at the same rate as is allowed by the Income Tax Act 2004.

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 net realisable value.

Taxation

Income tax expense is recognised on the surplus before tax adjusted for permanent and timing differences between taxable and accounting income.

Goods and services tax

The financial statements are prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable, which are shown GST inclusive.

2 Revenue

Member

Income

	2007 \$	2006 \$
Event Income	120,004	137,676
Membership Subscriptions	114,437	117,083
Total member income	234,441	254,759

Non Member

Income

	2007 \$	2006 \$
Event Income	127,984	157,506
Sponsorship	140,157	147,950
Publications	53,526	86,528
Interest received	4,531	4,782
Total non-member income	326,198	396,766

Reconciliation to total revenue

Member	234,441	254,760
Non Member	326,198	396,766
	560,639	651,526

Total revenue classified as follows:

	2007 \$	2006 \$
Event Income	247,988	295,182
Membership Subscriptions	114,437	117,084
Sponsorship	140,157	147,950
Publications	53,526	86,528
Interest received	4,531	4,782
	560,639	651,526

3 Operating expenses	2007 \$	2006 \$
Credit Card Commission	7,778	11,042
Equipment hire	-	460
Institute Events	234,102	280,467
Publication expenses	51,641	75,271
Postage & Courier	811	1,176
Printing & Stationery	3,214	6,573
Prizes and Sponsorships	1,000	1,000
Telecommunications	6,418	8,280
Travelling	16,779	14,307
	321,743	398,576

4 Administration	2007 \$	2006 \$
Accident compensation	715	669
Accounting	5,700	7,678
Affiliation Subscriptions	2,979	2,867
Audit fees	4,100	3,500
Bank charges	530	523
Board expenses	2,567	1,699
Computer expenses	2,821	1,191
Entertainment - deductible	1,016	947
Entertainment - non-deductible	1,129	1,052
General expenses	2,551	1,194
Insurance	4,497	4,515
Late payment penalty - non-deductible	81	-
Legal - deductible	650	-
Rent & Electricity	14,222	15,018
Salaries	153,118	157,940
Staff recruitment	678	585
Training and course fees	894	480
	198,248	199,858

5 Finance	2007 \$	2006 \$
Interest	18	8
	18	8

6 Non-cash items	2007 \$	2006 \$
Depreciation	5,192	3,450
Loss on disposal of fixed assets	1,539	-
	6,731	3,450

7 Equity	2007 \$	2006 \$
Retained earnings	99,188	65,289
	99,188	65,289

8 Cash and bank balances	2007 \$	2006 \$
Cash on hand	54	18
BNZ - Current Account	54,529	63,998
BNZ - Savings Account	40,063	1,027
	94,646	65,043

9 Short term investments	2007 \$	2006 \$
Short term deposits		
BNZ Term Deposit	56,119	52,476
Total short term investments	56,119	52,476

The BNZ term deposit earns interest at 7.00% and is due to mature on 31 May 2007.

10 Property, plant and equipment

	Cost 2007 \$	Current depn chg 2007 \$	Accum depn 2007 \$	Carrying value 2007 \$
Office equipment (cost)	21,202	4,548	17,874	3,328
Furniture and fittings (cost)	7,515	644	3,954	3,561
Total	28,717	5,192	21,828	6,889

	Cost 2006 \$	Current depn chg 2006 \$	Accum depn 2006 \$	Carrying value 2006 \$
Office equipment (cost)	21,202	2,411	13,326	7,876
Furniture and fittings (cost)	10,265	1,039	4,521	5,744
Total	31,467	3,450	17,847	13,620

11 Tax

	2007 \$	2006 \$
Operating surplus before tax	33,899	49,634
Adjustments for timing differences		
Closing adjustments		
Current holiday pay accrued but not taken within 63 days	2,544	2,284
Adjustments for permanent differences		
<i>Non deductible expenditure</i>		
Entertainment	587	1,052
Expenses related to members	224,858	243,024
Late payment penalty	42	-
Increase in audit accrual	300	-
	225,787	244,076
<i>Non assessable income</i>		
Income derived from members	234,441	254,759
Permanent differences	(8,653)	(10,684)
Taxable income	27,789	41,234
Losses brought forward	(57,567)	(98,800)
Tax loss carried forward	(29,778)	(57,567)
Income tax payable	-	-

12 Accounts payable

	2007 \$	2006 \$
Trade creditors	11,808	4,035
Accruals	9,575	9,275
Employee entitlements	15,579	15,873
	36,962	29,183

14 Capital commitments

There are no known contingent liabilities or commitments at balance date. [2006 : Nil]

15 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.

16 Operating Lease Commitment

INFINZ lease shop 3 Petit Hotel Martinborough. The lease renewal date is 01 September 2008.

	2007 \$	2006 \$
With 1 year	4,290	13,000
1-2 years	-	13,000
2-5 years	-	2,167
	4,290	28,167

17 International Financial Reporting Standards

The Institute of Finance Professionals of New Zealand Incorporated will adopt International Financial Reporting Standards for the year ended 31 March 2008. It is expected that the change to the International Financial Reporting Standards will not have a significant impact on the financial statements.

Property, plant and equipment schedule

for the year ended 31 March 2007

	Date	Private Use	Original cost	Opening accum depn	Opening WDV	Additions	Sale Price	Profit/(loss) on sale	Capital Gain/(loss)	Depn method	Depn	Closing WDV
Office equipment												
Toshiba Laptop	6/06/02		4,748	4,348	400					48.0D	192	208
MS Office XP, Norton Anti Virus Software	6/06/02		635	581	54					48.0D	26	28
Cash Manager - Software	19/07/02		360	328	32					48.0D	15	17
Desktop Computer	29/08/02		2,220	2,008	212					48.0D	102	110
MS Windows, MS Windows XP & Adobe Software	29/08/02		960	869	91					48.0D	44	47
Website Development	16/09/02		3,150	2,985	165					62.6D	103	62
Brother HL 1430 Laser Printer	9/09/03		335	241	94					39.6D	37	57
Brother MFC 9660 Laser Printer	9/09/03		1,165	838	327					39.6D	129	198
Website development	20/11/05		7,628	1,128	6,500					60.0D	3,900	2,600
			21,201	13,326	7,875						4,548	3,328
Furniture and fittings												
Office Desks	1/07/02		226	100	126					14.4D	18	108
Office Partitioning - Demountable	15/07/02		2,750	1,211	1,539		(1,539)			14.4D	-	-
Boardroom Office and Chairs	19/07/02		1,441	753	688					18.0D	124	564
Audio Conferencing Telephone	30/08/02		699	519	180					31.2D	56	124
Uniden Speaker Phone	16/09/02		116	70	46					31.2D	14	32
Precision Smartstore Cabinet	15/10/02		1,370	572	798					14.4D	115	683
Uniden Speaker Phone	28/11/02		116	83	33					31.2D	10	23

	Date	Private use	Original cost	Opening accum depn	Opening WDV	Additions	Sale price	Profit/(loss) on sale	Capital gain/(loss)	Depn method	Depn	Closing WDV
Uniden Speaker Phone	30/11/02		116	83	33					31.2D	10	23
Precision Storage Cupboard	15/10/02		514	176	338					11.4D	39	299
Monitor Stand x 2	15/10/02		85	75	10					48.0D	5	5
6 Level Smart Store Unit	11/07/03		1,528	529	999					14.4D	144	855
Portable Bannerstand Frame and Fabric Panel	6/10/03		1,107	287	820					11.4D	93	727
Mobile Draws 2nd Hand	11/04/03		199	63	136					12.0D	16	120
			10,265	4,521	5,744			(1,539)			644	3,561
Total property, plant and equipment			31,467	17,847	13,620			(1,539)			5,192	6,889