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Annual report for the year ended 31 March 2005

Statement of financial performance

As at 31 March 2005

| | Note | 2005 | 2004 |
|-----------------------|------|----------------|-----------------|
| | | \$ | \$ |
| Revenue | 3 | 536,488 | 478,912 |
| Trading expenses | | | |
| Operating | 4 | 294,842 | 275,253 |
| Administration | 5 | 213,373 | 213,586 |
| Finance | 6 | | 1,003 |
| Non-cash items | 7 | 3,801 | 6,399 |
| | | 512,076 | 496,241 |
| Net surplus/(deficit) | | 24,392 | (17,299) |

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



Statement of movements in equity

Wong & Partners Chartered Accountants & Tax Consultants

| | 2005 \$ | 2004 \$ |
|-----------------------------------------|----------------|-----------------|
| Totals recognised revenues and expenses | | |
| Net surplus/(deficit) | 24,392 | (17,299) |
| Movements in equity for the year | 24,392 | (17,299) |
| Equity at the beginning of year | (8,737) | 8,562 |
| Equity at the end of year | 15,655 | (8,737) |

Statement of financial position

As at March 31, 2005 and 2004

| | Note | 2005 \$ | 2004 \$ |
|---------------------------------------|------|---------------|----------------|
| Total equity | 8 | 15,655 | (8,737) |
| <i>Current assets</i> | | | |
| Cash and bank balances | 9 | 16,276 | 26,022 |
| Accounts receivable | | 1,874 | 1,202 |
| Prepayments | | 1,214 | 1,881 |
| Gas refund due | | 1,246 | - |
| Tax refund due | 11 | 6,676 | 6,676 |
| | | 37,286 | 35,781 |
| <i>Non-current assets</i> | | | |
| Property, plant and equipment | 10 | 9,442 | 13,303 |
| Total assets | | 46,728 | 49,084 |
| <i>Current liabilities</i> | | | |
| Accounts payable | | 30,364 | 23,693 |
| Income in advance | | 689 | 30,798 |
| CST payable | | - | 3,500 |
| Total liabilities | | 31,053 | 57,991 |
| Total net assets (liabilities) | | 15,655 | (8,737) |

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 comply with the Financial Reporting Act, in terms of which the society is an exempt entity. The financial statements 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.

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 1994. The following rates have been used:

Office equipment 39.6% - 48.0% 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. Trading statement

| | 2005 | 2004 |
|----------------------------|----------------|----------------|
| Member | \$ | \$ |
| Income | | |
| Event Income | 119,454 | 111,361 |
| Membership Subscriptions | 113,648 | 86,580 |
| Net trading surplus | 233,102 | 197,941 |

| | 2005 | 2004 |
|----------------------------|----------------|----------------|
| Non-Member | € | € |
| Income | | |
| Event Income | 124,457 | 97,928 |
| Sponsorship | 138,222 | 128,532 |
| Publications | 13,563 | - |
| Interest received | 124 | 541 |
| Net trading surplus | 276,366 | 227,001 |

Reconciliation to total gross trading surplus

Gross surplus/(deficit)

| | | |
|------------------------------------|----------------|----------------|
| Member | 233,102 | 197,941 |
| Non-Member | 276,366 | 227,001 |
| Gifts received | 27,000 | 54,000 |
| Total gross trading surplus | 536,468 | 478,942 |

3. Revenue

| | 2005 | 2004 |
|--------------------------|----------------|----------------|
| € | € | € |
| Event Income | 276,366 | 200,288 |
| Membership Subscriptions | 113,648 | 86,581 |
| Gifts Received | 27,000 | 54,000 |
| Sponsorship | 138,222 | 128,532 |
| Publications | 13,563 | - |
| Interest received | 124 | 541 |
| Total | 536,468 | 478,942 |





| 4 | Operating expenses | 2005 | 2004 |
|---|-------------------------|----------------|----------------|
| | | \$ | \$ |
| | Credit Card Commission | 8,713 | 7,766 |
| | Equipment hire | 789 | 789 |
| | Institute Events | 239,441 | 225,230 |
| | Publication expenses | 15,150 | - |
| | Marketing and promotion | 666 | 4,125 |
| | Postage & Courier | 2,005 | 5,777 |
| | Printing & Stationery | 10,040 | 8,484 |
| | Telecommunications | 4,834 | 3,165 |
| | Travelling | 10,542 | 14,897 |
| | | 294,842 | 275,253 |

| 5 | Administration | 2005 | 2004 |
|---|--------------------------------|----------------|----------------|
| | | \$ | \$ |
| | Accident compensation | 792 | 876 |
| | Accounting | 3,175 | 3,330 |
| | Affiliation Subscriptions | 10,144 | 4,302 |
| | Aud't fees | 4,130 | 4,220 |
| | Bank charges | 364 | 322 |
| | Board expenses | 455 | 2,007 |
| | Computer expenses | 7,214 | 2,124 |
| | Entertainment - deductible | 829 | 1,055 |
| | Entertainment - non-deductible | 921 | 1,172 |
| | General expenses | 1,558 | 2,892 |
| | Insurance | 3,000 | 3,007 |
| | Legal - deductible | 1,000 | 7,900 |
| | Professional Fees | 1,000 | 1,874 |
| | Rent & Electricity | 14,908 | 13,887 |
| | Salaries | 51,363 | 158,711 |
| | Staff recruitment | 4,725 | - |
| | Temporary staff | 6,099 | - |
| | Training and course fees | 678 | 687 |
| | | 213,373 | 213,586 |

| 6 | Interest | 2005 | 2004 |
|---|----------|------|--------------|
| | | \$ | \$ |
| | | | 1,003 |
| | | | 1,003 |





Financial Statements of the year 2005
Annual report for the year ended 31 March 2005

| | 2005 | 2004 |
|-----------------|--------------|--------------|
| | \$ | \$ |
| 3000 Cash items | | |
| Depreciation | 3,861 | 6,399 |
| | 3,861 | 6,399 |

| | 2005 | 2004 |
|------------------------|---------------|----------------|
| | \$ | \$ |
| 5000 Retained earnings | 15,655 | (8,737) |
| | 15,655 | (8,737) |

| | 2005 | 2004 |
|-----------------------|---------------|---------------|
| | \$ | \$ |
| 6000 Cash on hand | 100 | 49 |
| BNZ - Current Account | 9,181 | 24,999 |
| BNZ - Savings Account | 3,591 | 971 |
| | 12,872 | 26,022 |

| | Cost | Current deprn chg | Accum deprn | Carrying value |
|------------------------|---------------|----------------------|----------------|-------------------|
| | 2005 | 2005 | 2005 | 2005 |
| | \$ | \$ | \$ | \$ |
| Office equipment | 13,574 | 2,800 | 10,916 | 2,659 |
| Furniture and fittings | 10,265 | 1,261 | 3,482 | 6,783 |
| Total | 23,839 | 3,861 | 14,397 | 8,442 |

| | Cost | Current deprn chg | Accum deprn | Carrying value |
|------------------------|---------------|----------------------|----------------|-------------------|
| | 2004 | 2004 | 2004 | 2004 |
| | \$ | \$ | \$ | \$ |
| Office equipment | 13,574 | 5,016 | 8,315 | 5,259 |
| Furniture and fittings | 10,265 | 1,283 | 2,231 | 3,011 |
| Total | 23,839 | 6,399 | 10,536 | 13,303 |





| | 2005 | 2004 |
|-----------------------------------------------|-----------------|-----------------|
| | \$ | \$ |
| Operating surplus/(deficit) before tax | 24,392 | (17,299) |
| Adjustments for permanent differences | | |
| <i>Non deductible expenditure</i> | | |
| Entertainment | 921 | 1,172 |
| Expenses related to members | 201,517 | 203,713 |
| | <u>202,438</u> | <u>204,885</u> |
| <i>Non assessable income</i> | | |
| income derived from members | 233,102 | 197,942 |
| Gifts | 27,000 | 54,000 |
| | <u>260,102</u> | <u>251,942</u> |
| Permanent differences | (57,684) | (47,057) |
| Taxable loss | (33,272) | (64,356) |
| Losses brought forward | (66,528) | |
| Tax loss carried forward | (98,800) | (64,356) |
| Provisional tax paid | | (6,676) |
| Pr or year payment/(refund) outstanding | (6,676) | |
| Income tax refund | (6,676) | (6,676) |

13 Contingent liabilities and commitments

There are no known contingent liabilities or commitments at balance date. [2004 : 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

| | 2005 | 2004 |
|---------------------------------------------|---------------|---------------|
| | \$ | \$ |
| Significant related party transactions are: | | |
| Gift received from NZSIA | 27,000 | 27,000 |
| Gift received from NZSCT | | 27,000 |
| | <u>27,000</u> | <u>54,000</u> |

14 Operating Lease Commitments

INFINZ lease part of level 6 at 2 Woodward Street, Wellington. The lease has been renewed for three years from 13 May 2005 to 13 May 2008.

The lease commitments is as follows

| | 2005 | 2004 |
|-------------|--------|--------|
| | \$ | \$ |
| With 1 year | 13,000 | 13,000 |
| 1-2 years | 13,000 | 2,167 |
| 2-5 years | 10,167 | - |





Property, plant and equipment schedule

As at 31 March 2005

| Particulars | Date | Private Use | Original cost | Opening accumulated Depn | Opening WDV | Additions | Disposals | Carrying amount | Depn method | Depn | Closing WDV |
|--------------------------------------------|----------|-------------|---------------|--------------------------|-------------|-----------|-----------|-----------------|-------------|-------|-------------|
| Desktop Laptop | 6/ 6/02 | | 4,743 | 3,266 | 1,482 | | | | 48.0% | 712 | 770 |
| Office Printer: Anti-Virus Software | 6/ 6/02 | | 603 | 137 | 198 | | | | 48.0% | 95 | 103 |
| Cash Management Software | 19/ 7/02 | | 361 | 240 | 120 | | | | 48.0% | 58 | 62 |
| Desktop Computer: Windows (F & S) Software | 29/ 8/02 | | 2,221 | 1,135 | 785 | | | | 48.0% | 377 | 408 |
| Job Software | 29/ 8/02 | | 961 | 321 | 339 | | | | 48.0% | 163 | 176 |
| Website Development | 16/ 9/02 | | 3,151 | 1,171 | 1,179 | | | | 62.6% | 738 | 441 |
| Photocopier: Laser Printer | 9/ 9/03 | | 300 | 77 | 258 | | | | 39.6% | 102 | 156 |
| Other: MF 3960 Laser Printer | 9/ 9/03 | | 1,160 | 268 | 897 | | | | 39.6% | 355 | 542 |
| | | | 13,570 | 8,315 | 5,259 | | | | | 2,600 | 2,659 |
| Office Desks | 1/ 7/02 | | 220 | 54 | 172 | | | | 14.4% | 25 | 147 |
| Office Partition: Document Cabinet | 15/ 7/02 | | 275 | 350 | 2,100 | | | | 14.4% | 302 | 1,798 |
| Boardroom Office: Ant Chairs | 19/ 7/02 | | 1,144 | 18 | 1,023 | | | | 18.0% | 184 | 839 |
| Audio Conferencing Telephone | 30/ 3/02 | | 690 | 118 | 381 | | | | 31.2% | 119 | 262 |
| Mobile Speakerphone | 16/ 3/02 | | 110 | 21 | 95 | | | | 31.2% | 28 | 66 |
| Partition: Storage Cabinet | 15/ 3/02 | | 1,370 | 81 | 1,089 | | | | 14.4% | 157 | 932 |
| Mobile Speakerphone | 28/ 1/02 | | 110 | 46 | 70 | | | | 31.2% | 22 | 48 |
| Mobile Speakerphone | 30/ 1/02 | | 110 | 46 | 70 | | | | 31.2% | 22 | 48 |



Государственный учет имущества, приобретенного до 1 января 2005 года, в том числе приобретенного до 1 января 2005 года, в том числе приобретенного до 1 января 2005 года

Годовой отчет за 2005 год

| Дата | Private use | Original cost | Opening accum depre | Opening W.D.V | Additional | Sale price | Profit/(loss) on sale | Capital gain (loss) | Defn method | Begin W.D.V | Closing W.D.V |
|---------|-------------|---------------|---------------------|---------------|------------|------------|-----------------------|---------------------|-------------|--------------|---------------|
| 15/1/00 | | 14 | 84 | 430 | | | | | 11 ID | 430 | 430 |
| 15/1/00 | | 35 | 51 | 34 | | | | | 48 ID | 34 | 34 |
| 1/0/00 | | 1,128 | 165 | 1,333 | | | | | 14 ID | 1,333 | 1,333 |
| 3/1/00 | | 1,07 | 63 | 1,014 | | | | | 11 ID | 1,014 | 1,014 |
| 1/0/00 | | 39 | 24 | 175 | | | | | 12 ID | 175 | 175 |
| | | 10,135 | 2,221 | 3,014 | | | | | | 1,261 | 6,783 |
| | | 23,639 | 10,536 | 11,813 | | | | | | 6,061 | 9,442 |

Итого: 23,639 / 10,536 / 11,813

**AUDIT REPORT
TO THE MEMBERS OF THE
INSTITUTE OF FINANCE PROFESSIONALS NEW ZEALAND INCORPORATED**

We have audited the financial report on pages 4 to 11. The financial report provides information about the past financial performance of the Institute of Finance Professionals New Zealand Incorporated (INFINZ) and its financial position as at 31 March 2005. This information is stated in accordance with the accounting policies set out on page 7.

Board's Responsibilities

The Board is responsible for the preparation of a financial report which fairly reflects the financial position of INFINZ as at 31 March 2005 and the results of its operations for the year ended on that date.

Auditors' Responsibilities

It is our responsibility to express to you an independent opinion on the financial report presented by the Board.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Board in the preparation of the financial report, and
- whether the accounting policies are appropriate to INFINZ's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than as auditors Grant Thornton has no other relationship with or interest in INFINZ.

Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion the financial report on pages 4 to 11 fairly reflects the financial position of INFINZ as at 31 March 2005 and the results of its operations for the year ended on that date.

Our audit was completed on 1 June 2005 and our unqualified opinion is expressed as of that date.



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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 2005.



Roger J Kerr
Chairman

Date: 1 June 2005



Board member

Date: 1 JUNE 2005

Business directory

as at 31 March 2005

| | |
|-----------------------------|-------------------------------------------------------------------------|
| Nature of Business | Industry Body |
| Registered Office | Level 6 2 Woodward Street Wellington |
| Location of Business | Level 6 2 Woodward Street Wellington |
| Incorporation Number | WN/1210409 |
| IRD Number | 82-320-482 |
| Accountants | M G Coleman KPMG KPMG Centre 135 Victoria Street 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 |