

**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC**

**FINANCIAL STATEMENTS**

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**FOR THE YEAR ENDED 31 DECEMBER 2013**

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**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC****STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR YEAR ENDED 31 DECEMBER 2013**

	NOTE	2013 \$	2012 \$
<b>REVENUE</b>			
Membership fees		73,042	68,020
Trade service fees		203,171	152,173
German trade fair promotion		48,207	63,841
German trade representative funding		137,060	106,906
Oktoberfest income		49,459	47,545
Interest		461	2,569
Other income		53,618	116,975
Association Functions Income		8,244	1,918
Business guide		20,051	19,313
<b>TOTAL OPERATING REVENUE</b>		<b>593,313</b>	<b>579,260</b>
<b>EXPENSES</b>			
Association functions		5,124	3,525
Audit fees		3,991	6,306
Bad debts		816	-
Bank charges		3,242	2,812
Depreciation	2	17,687	11,317
Exchange fluctuations		(9,022)	(2,300)
Maintenance - equipment		2,333	2,735
Maintenance H/W and S/W		23,908	25,461
Oktoberfest expenses		66,572	44,528
Other administration expenses		37,464	66,531
Premises – rent & rates		29,768	19,920
Trade enquiry expenses		178,057	132,737
Salaries & management fees		171,722	179,628
Trade fair promotion expenses		48,207	63,767
Business guide expenses		17,696	23,417
<b>TOTAL EXPENSES</b>		<b>597,564</b>	<b>580,384</b>
<b>NET DEFICIT BEFORE TAXATION</b>		<b>(4,251)</b>	<b>(1,124)</b>
Taxation expense		-	440
<b>NET DEFICIT AFTER TAXATION</b>		<b>(4,251)</b>	<b>(1,564)</b>

The notes on pages 6 to 8 form part of and are to be read in conjunction with these financial statements.

**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC****STATEMENT OF MOVEMENTS IN EQUITY**  
**FOR YEAR ENDED 31 DECEMBER 2013**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Accumulated funds at beginning of year	56,304	57,868
	-----	-----
Net Profit (Deficit) for the year	(4,251)	(1,564)
	-----	-----
Total recognised revenues and expenses for year	(4,251)	(1,564)
	-----	-----
<b>Accumulated funds at end of year</b>	<b>52,053</b>	<b>56,304</b>
	=====	=====

The notes on pages 6 to 8 form part of and are to be read in conjunction with these financial statements.

**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC****STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2013**

	NOTE	2013	2012
		\$	\$
<b>CURRENT ASSETS</b>			
ASB Bank – Cheque account		12,438	12,323
ASB Bank – Call account		23,000	50,287
ASB Bank – Euro account		2,003	2,003
Deutsche bank		10,166	15,508
Accounts receivable		27,695	35,203
GST receivable		-	10,834
Taxation receivable		95	15
Cash on hand		410	410
Prepayments and accrued revenue		2,412	16,694
		78,219	143,277
<b>FIXED ASSETS</b>	2	32,913	30,794
<b>TOTAL ASSETS</b>		111,132	174,071
		=====	=====
<b>CURRENT LIABILITIES</b>			
Accounts payable		20,478	45,883
Deferred income and other payables		-	26,400
Accruals		36,692	34,254
PAYE clearing account		6,153	2,666
GST payable		1,256	-
Accrued trade fair commission		(5,500)	8,564
<b>TOTAL CURRENT LIABILITIES</b>		59,079	117,767
<b>ACCUMULATED FUNDS</b>		52,053	56,304
		111,132	174,071
		=====	=====

Signed on behalf of the Committee

  
 .....  
 President, Mr. Erich Bachmann

28/03/2014

Date, 28/03/2014



The notes on pages 6 to 8 form part of and are to be read in conjunction with these financial statements.

**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**1. STATEMENT OF ACCOUNTING POLICIES**

**1.1 Reporting Entity**

New Zealand German Business Association Inc. (Association) is incorporated under the Incorporated Societies Act 1908.

**1.2 Measurement Base**

These financial statements are prepared in accordance with the generally accepted accounting practices as outlined in New Zealand Financial Reporting Standards.

The general accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the Association. Accrual accounting has been used to match revenue and expenses.

These accounts are presented in New Zealand dollars, which is the functional and presentation currency of the Association.

**1.3 Specific Accounting Policies**

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

- i) Foreign Currencies  
Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. At balance date foreign monetary assets and liabilities are translated at the closing rate and variations arising from these translations are included in the Statement of Financial Performance.
- ii) Accounts Receivable  
Accounts receivable are stated at their estimated realisable value.
- iii) Taxation  
The Association is liable for taxation on all interest earnings in excess of \$1,000.
- iv) Fixed Assets  
Fixed assets acquired are stated at cost. Depreciation has been calculated using the diminishing value or straight line methods using the following rates:
 

Furniture & fittings	20% DV
Software	48% DV
Computer equipment	48% DV
Leasehold improvements	33% SL
- v) Goods and Services Tax  
The financial statements have been prepared on a GST exclusive basis except for accounts receivable and accounts payable which are stated GST inclusive.
- vi) Differential Reporting  
As the Association is not publicly accountable and is not large, it qualifies for differential reporting. The Association has chosen to take advantage of all exemptions available under differential reporting.
- vii) Leases  
Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus in equal instalments over the lease term.



**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR 31 DECEMBER 2013****1.3 Specific Accounting Policies (continue)****viii) Income Recognition**

Operating revenue is recognised when the goods and services are provided. Membership income is recorded as deferred income when received, and is recognised as income on a straight line basis over the duration of the membership. Grant with conditions attached is recognised when the requirements of the conditions are satisfied. Grants that do not meet specific conditions are recognised as a deferred income at balance date until the conditions are met.

**1.4 Changes In Accounting Policies**

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in the previous year.

**2. FIXED ASSETS**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Software – at cost	26,048	24,728
Less: Accumulated depreciation	24,874	24,400
	-----	-----
Written down value	1,174	328
	-----	-----
Furniture & fittings – at cost	14,982	26,328
Less: Accumulated depreciation	2,967	21,482
	-----	-----
Written down value	12,015	4,846
	-----	-----
Computer equipment – at cost	55,514	49,684
Less: Accumulated depreciation	45,790	39,064
	-----	-----
Written down value	9,724	10,620
	-----	-----
Leasehold improvement – at cost	15,000	15,000
Less: Accumulated depreciation	5,000	-
	-----	-----
Written down value	10,000	15,000
	-----	-----
<b>Total Written Down Value</b>	<b>32,913</b>	<b>30,794</b>
	=====	=====
<b>Depreciation</b>		
Software	474	303
Furniture & fittings	2,409	1,212
Computer equipment	6,726	9,802
Leasehold improvements	5,000	-
Loss on disposal of assets	3,078	-
	-----	-----
<b>Total Depreciation</b>	<b>17,687</b>	<b>11,317</b>
	=====	=====

**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR 31 DECEMBER 2013**

**3. OPERATING LEASE COMMITMENTS**

At balance date the Association had the following operating lease commitments:

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Current	20,948	6,000
Non-current	27,379	-
	<u>48,327</u>	<u>6,000</u>
	=====	=====

During the year ended 31 December 2013, \$26,660 (2012: \$14,584) was recognised as an expense in the Statement of Financial Performance in respect of operating leases.

**4. CONTINGENT LIABILITIES**

There are no contingent liabilities as at 31 December 2013 (2012:\$Nil).

**5. CAPITAL COMMITMENTS**

The Association has no capital commitments at 31 December 2013 (2012:\$Nil).

**6. OTHER COMMITMENTS**

The Association has a hedging contract with Western Union for the following amounts, with an expiration date of 6 August 2014:

- Sell EUR30,000 at a rate of NZD1 : EUR0.6025
- Buy EUR15,000 at a rate of NZD1 : EUR0.6025

**7. RELATED PARTIES**

Monique Surges is the CEO of the Association and is defined by SSAP 22 as key management personnel. During the year, the CEO:

- Provided sponsorship to the Association; and
- Was contracted to provide services to the Association.