

# NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC**

**DIRECTORY  
AS AT 31 DECEMBER 2015**

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Date of Incorporation:	4-Aug-1983
Incorporation Number:	446158
IRD Number:	43-729-756
Registered Office:	Level 14 188 Quay Street Auckland
Nature of Business:	Fostering bilateral trade between Germany and New Zealand
Business Address:	Level 14 188 Quay Street Auckland
Bankers:	ASB
Auditors:	Crowe Horwath New Zealand Audit Partnership Level 29 188 Quay Street Auckland

**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 \$	2014 \$
<b>REVENUE</b>			
Membership Fees		73,845	70,144
Trade Service Fees		224,447	186,745
German Trade Fair Promotion		98,669	76,689
German Trade Representative Funding		160,581	175,332
Oktoberfest Income		100,369	58,208
Interest		614	280
Other Income		57,458	67,766
Association Functions Income		12,522	9,655
Business Guide		22,200	18,662
<b>TOTAL OPERATING INCOME</b>		<b>750,705</b>	<b>663,481</b>
<b>EXPENSES</b>			
Association Functions		6,169	4,042
Audit Fees		5,000	5,513
Bad Debts		1,500	3,298
Bank Charges		2,991	3,045
Depreciation	1	16,490	14,468
Exchange Fluctuations		(7,555)	8,257
Maintenance - equipment		2,048	2,048
Maintenance H/W and S/W		23,535	26,339
Oktoberfest Expenses		107,294	54,628
Other Administration Expenses		43,532	36,030
Premises – rent & rates		42,610	32,671
Trade Enquiry Expenses		178,761	176,238
Salaries & Management Fees		197,711	160,385
Trade Fair Promotion Expenses		98,669	77,193
Business Guide Expenses		27,295	13,617
Chancellor Visit		-	41,966
<b>TOTAL EXPENSES</b>		<b>746,050</b>	<b>659,738</b>
<b>NET PROFIT BEFORE TAXATION</b>		4,655	3,743
Taxation Expense		-	(548)
<b>NET PROFIT AFTER TAXATION</b>		<b>4,655</b>	<b>4,291</b>

The accompanying notes form part of, and should be read in conjunction with, these financial statements

NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC

STATEMENT OF MOVEMENTS IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015

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	2015	2014
	\$	\$
Accumulated funds at beginning of year	56,344	52,053
Net Profit/(Deficit) for the year	4,655	4,291
Accumulated funds at year end	<u>60,999</u>	<u>56,344</u>

The accompanying notes form part of, and should be read in conjunction with, these financial statements

NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2015

	Note	2015 \$	2014 \$
<b>CURRENT ASSETS</b>			
Cash on Hand		410	410
ASB Bank - Cheque Account		58,572	19,087
ASB Bank - Call Account		52,228	5,221
ASB Bank - Euro Account		29	(283)
Deutsche Bank		5,419	94,419
Accounts Receivable		60,127	21,551
Taxation Receivable		255	98
Prepayments and Accrued Revenue		33,331	(233)
<b>TOTAL CURRENT ASSETS</b>		<b>210,371</b>	<b>140,270</b>
<b>NON CURRENT ASSETS</b>			
Intangible Assets	1	3,320	6,384
Fixed Assets	1	17,904	24,434
<b>TOTAL NON-CURRENT ASSETS</b>		<b>21,224</b>	<b>30,818</b>
<b>TOTAL ASSETS</b>		<b>231,595</b>	<b>171,088</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable		79,515	40,934
Deferred Income and Other Payables		-	3,383
Accruals		67,626	66,549
PAYE Clearing Account		4,833	1,830
Kiwi Saver & Student Loan		1,397	-
Holiday Pay Provision		4,832	-
Income in Advance		460	-
GST Payable		10,063	741
Accrued Fair Trade Commission		1,870	1,307
<b>TOTAL CURRENT LIABILITIES</b>		<b>170,596</b>	<b>114,744</b>
<b>ACCUMULATED FUNDS</b>		<b>60,999</b>	<b>56,344</b>
		<b>231,595</b>	<b>171,088</b>

On Behalf of the Committee

President

Date

Committee Member

The accompanying notes form part of, and should be read in conjunction with, these financial statements

## NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC

### SIGNIFICANT ACCOUNTING POLICIES

#### Reporting entity

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

#### 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.

#### 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
Intangible assets	48% DV

##### 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.

##### 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. Grants with conditions attached are 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.

#### Changes in Accounting Policies

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



NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

1 Fixed Assets	2015 \$	2014 \$
Software - at cost	30,030	27,738
Less: Accumulated Depreciation	27,590	25,811
Written down value	2,440	1,927
Furniture & Fittings - at cost	17,332	17,332
Less: Accumulated Depreciation	7,888	5,527
Written down value	9,444	11,805
Computer equipment - at cost	60,092	56,248
Less: Accumulated Depreciation	54,073	50,546
Written down value	6,019	5,702
Leasehold improvement - at cost	15,000	15,000
Less: Accumulated Depreciation	15,000	10,000
Written down value	-	5,000
<b>Total Written Down Value</b>	<b>17,904</b>	<b>24,434</b>
<b>Intangible Assets</b>		
Website Costs - at cost	7,600	7,600
Less: Accumulated Depreciation	4,280	1,216
Total written down value	3,320	6,384
<b>Depreciation</b>		
Software	1,779	937
Furniture & Fittings	2,361	2,559
Computer equipment	4,300	4,756
Leasehold improvements	5,000	5,000
(Gain)/Loss on disposal of assets	(14)	-
Amortisation of intangible assets	3,064	1,216
<b>Total Depreciation</b>	<b>16,490</b>	<b>14,468</b>

# NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

<b>2 Operating Lease Commitments</b>	<b>2015</b>	<b>2014</b>
At balance date the Association had the following operating lease commitments:	\$	\$
Current	33,974	20,948
Non-Current	78,626	6,431
	<u>112,600</u>	<u>27,379</u>

During the year end 31 December 2015 \$32,290 (2014: \$27,452) was recognised as an expense in the Statement of Financial Performance in respect of operating leases.

### 3 Contingent Liabilities

There are no contingent liabilities as at 31 December 2015 (2014:\$Nil).

### 4 Capital Commitments

The Association has no capital commitments at 31 December 2015 (2014:\$Nil)

### 5 Other Commitments

The Association has a hedging contract with Western Union for the following amounts, with an expiration date of 29 March 2016:

- Sell EUR 40,000 at a rate of NZD 1.6129 : EUR 1.0000
- Buy EUR 20,000 at a rate of NZD 1.6129 : EUR 1.0000
- Buy EUR 20,000 at a rate of NZD 1.6878 : EUR 1.0000

### 6 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.