

AUDITORS' REPORT
TO THE READERS OF THE FINANCIAL STATEMENTS OF
NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC

We have audited the financial statements on pages 3 to 7. The financial statements provide information about the past financial performance of the association and its financial position as at 31 December 2009. This information is stated in accordance with the accounting policies set out on pages 6 and 7.

Executive's Responsibilities

The Executive are responsible for the preparation of the financial statements which give a true and fair view of the financial position of the association as at 31 December 2009 and the results of operations for the year ended on that date.

Auditors' Responsibilities

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

Basis of Opinion

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

- * the significant estimates and judgements made by the Executive in the preparation of the financial statements, and
- * whether the accounting policies are appropriate to the association'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 statements are 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 statements.

Other than in our capacity as auditor we have no relationship with or interests in the association.

Unqualified Opinion

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

In our opinion the financial statements on pages 3 to 7 fairly reflect the financial position of the association as at 31 December 2009 and the results of its operations for the year ended on that date.

Our audit was completed on 26 March 2010 and our unqualified opinion is expressed as at that date.

WPK Auckland

Auckland, New Zealand

CHARTERED ACCOUNTANTS

NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

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NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC**STATEMENT OF FINANCIAL PERFORMANCE**
FOR YEAR ENDED 31 DECEMBER 2009

	NOTE	2009 \$	2008 \$
REVENUE			
Membership fees		49,513	58,876
Trade service fees		158,847	94,279
German trade fair promotion		99,350	94,720
German trade representative funding		72,404	97,837
Oktoberfest income		55,227	66,198
Interest		385	2,614
Other income		13,766	4,410
Association Functions Income		8,940	1,770
Exchange fluctuations		-	27,950
Business guide		19,889	43,256
		-----	-----
TOTAL OPERATING REVENUE		478,321	491,909
		-----	-----
EXPENSES			
Accounting fees		3,200	-
Association Functions		13,147	2,115
Audit fees		2,900	2,562
Bad debts		-	2,098
Bank charges		1,959	1,729
Depreciation	2	9,525	9,319
Exchange fluctuations		16,364	-
Loss on disposal		-	530
Maintenance - equipment		2,067	2,347
Maintenance H/W and S/W		16,680	22,182
Moving Expenses		-	6,052
Oktoberfest Expenses		48,026	54,368
Other Admin expenses		38,191	30,136
Premises – rent & rates		18,665	17,655
Trade Enquiry Expenses		92,527	38,076
Salaries & management fees		112,565	113,579
Trade fair promotion expenses		99,350	94,720
Business Guide Expenses		16,322	43,402
		-----	-----
TOTAL EXPENSES		491,488	440,869
		-----	-----
NET SURPLUS / (DEFICIT) BEFORE TAXATION		(13,167)	51,040
Taxation Expense		-	-
		-----	-----
NET SURPLUS / (DEFICIT) AFTER TAXATION		(13,167)	51,040
		=====	=====

The notes on pages 6 to 7 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 2009

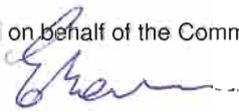
	2009	2008
	\$	\$
Accumulated funds at beginning of year	80,058	29,018
	-----	-----
Net Surplus / (Deficit) for the year	(13,167)	51,040
	-----	-----
Total recognised revenues and expenses for year	(13,167)	51,040
	-----	-----
Accumulated funds at end of year	66,891	80,058
	=====	=====

The notes on pages 6 to 7 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 2009

	NOTE	2009	2008
		\$	\$
CURRENT ASSETS			
ASB Bank – Cheque Account		28,383	11,481
ASB Bank – Call Account		15,594	45
ASB Bank – Euro Account		52,923	13,805
Deutsche Bank		33,640	39,997
Accounts Receivable		8,145	39,883
GST Receivable		13,239	14,779
Taxation Receivable		75	509
Cash on Hand		410	410
Prepayments		428	-
		-----	-----
		152,837	120,909
		-----	-----
FIXED ASSETS	2	14,832	24,357
		-----	-----
TOTAL ASSETS		167,669	145,266
		=====	=====
CURRENT LIABILITIES			
Accounts Payable		63,576	20,244
Accruals		12,906	12,724
PAYE Clearing Account		911	761
Accrued Trade Fair Commission		17,867	31,479
Other Accrued Income		5,518	-
		-----	-----
TOTAL CURRENT LIABILITIES		100,778	65,208
		-----	-----
ACCUMULATED FUNDS		66,891	80,058
		-----	-----
		167,669	145,266
		=====	=====

Signed on behalf of the Committee



 President

 Date

The notes on pages 6 to 7 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 2009

1.0 STATEMENT OF ACCOUNTING POLICIES

1.1 Reporting Entity

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

1.2 Measurement Base

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.

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 method using the following rates:

Furniture & fittings	20% DV
Office equipment	48% DV
Computer Equipment	48% DV
- v) Goods and Services Tax
The financial statements have been prepared on a GST exclusive basis.
- 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 2009**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.

2.0 FIXED ASSETS

	2009	2008
	\$	\$
Office equipment – at cost	24,728	86,662
Less: Accumulated depreciation	22,563	74,204
	-----	-----
Written down value	2,165	12,458
	-----	-----
Furniture & fittings – at cost	23,988	23,988
Less: Accumulated depreciation	17,798	16,250
	-----	-----
Written down value	6,190	7,738
	-----	-----
Computer equipment – at cost	86,661	24,727
Less: Accumulated depreciation	80,184	20,566
	-----	-----
Written down value	6,477	4,161
	-----	-----
Total Written Down Value	14,832	24,357
	=====	=====
Depreciation		
Office equipment	5,980	4,644
Furniture & fittings	1,548	1,410
Computer equipment	1,997	3,265
	-----	-----
Total Depreciation	9,525	9,319
	=====	=====

3.0 OPERATING LEASE COMMITMENTS

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

	2009	2008
Current	6,000	6,000
Non-current	-	-
	-----	-----
	6,000	6,000
	=====	=====

During the year ended 31 December 2009, \$12,000 was recognised as an expense in the income statement in respect of operating leases (2008: \$6,000).

4.0 CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 December 2009 (2008:\$Nil).

5.0 CAPITAL COMMITMENTS

The Association has no capital commitments at 31 December 2009 (2008:\$Nil).