

**Transparency International
(New Zealand)
Incorporated**

Financial Statements

For the year ended 30 June 2013

Transparency International (New Zealand) Incorporated

Statement of Financial Performance
For the year ended 30 June 2013

	Note	2013 \$	2012 \$
REVENUE			
Project Income	6	216,396	-
Grants	2	34,841	25,406
Donations	3	15,050	4,952
Subscriptions		12,726	4,696
Interest		3,481	2,276
Other		-	1,599
Total Revenue		282,494	38,929
EXPENSES			
Project Expenses	6	174,320	-
Other Expenses	7	95,107	39,329
Depreciation	5	120	120
Total Expenses		269,547	39,449
NET SURPLUS (DEFICIT) FOR YEAR		12,947	(520)

Statement of Movements in Equity
For the year ended 30 June 2013


	2013 \$	2012 \$
Accumulated Funds at Beginning of Year	71,711	72,231
<i>Total Recognised Revenues & Expenses</i>		
Net Surplus / (Deficit)	12,947	(520)
Accumulated Funds at End of Year	84,658	71,711


These financial statements should be read in conjunction with the attached accounting policies and notes to the financial statements.

Transparency International (New Zealand) Incorporated

Statement of Financial Position
As at 30 June 2013

	Note	2013 \$	2012 \$
ACCUMULATED FUNDS		84,658	71,191
<i>Represented by:</i>			
CURRENT ASSETS			
Cash & Cash Equivalents	4	109,485	78,253
Accounts Receivable		38,122	19,214
Prepayments		-	0
Total Current Assets		147,607	97,467
NON-CURRENT ASSETS			
Property Plant and Equipment	5	108	228
TOTAL ASSETS		147,715	97,695
Less			
CURRENT LIABILITIES			
Income in Advance		1,556	15,070
Accounts Payable		62,173	8,893
GST Liability		-672	2,021
Total Current Liabilities		63,056	25,984
Net Assets		84,658	71,711


Suzanne Snively
Chair
Date: 8/10/13


Claire Johnstone
Director
Date: 8/10/13

These financial statements should be read in conjunction with the attached accounting policies and notes to the financial statements.



Transparency International (New Zealand) Incorporated

Notes to the Financial Statements For the year ended 30 June 2013

1. ACCOUNTING POLICIES

Reporting Entity

Transparency International (New Zealand) Incorporated ('the Society') was incorporated under the Incorporated Societies Act 1908 (as last amended in 1993) on 4 April 2001.

The Society is a not for profit organisation that promotes transparency, good governance and ethical practices in the private and public sectors of New Zealand and the Pacific.

The financial statements comprise statements of the following: financial performance; movements in equity; financial position; accounting policies; as well as the notes to these financial statements.

The financial statements have been prepared according to generally accepted accounting practice in New Zealand and the Charities Act 2005.

The Society has taken advantage of the exemption recorded within External Reporting Board Standard A1, not to adopt NZ IFRS because it is not publically accountable and it is not large.

The financial statements have been prepared on the basis of historical cost. All accounting policies have been applied consistently by the Society.

The financial statements have been prepared on a going concern basis, which reflects the continuity of normal business activities and the realisation of assets and liabilities in the ordinary course of business.

Specific Accounting Policies

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

Differential Reporting

The Society qualifies for differential reporting as it has no public accountability and it complies with the size criteria. The Society has taken advantage of all available differential reporting exemptions.

Income

Subscription income is recognised in the statement of financial performance as it accrues. Grants received are recognised as Revenue, unless specific conditions are attached to a grant and repayment of the grant is required where these conditions are not met. In such cases the grant is treated as a liability until the conditions are met.

Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis, except for payables and receivables which are stated inclusive of GST.

Taxation

The Society is registered as a charitable entity under the Charities Act 2005 and is therefore exempt from income tax under the income tax legislation.

Property, Plant and Equipment

The cost of purchases of fixed assets is the value of the consideration given up to acquire the assets and the value of other directly attributable costs incurred in bringing the assets to the location and condition necessary for their intended use.

Transparency International (New Zealand) Incorporated

Notes to the Financial Statements (continued)
For the year ended 30 June 2013

Depreciation

Depreciation is calculated on a straightline basis to allocate the cost of an asset, less any residual value, over its useful life.

Depreciation Rates:

Furniture and Fittings	20%
Computer Equipment	48%

Change in Accounting Policies

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

2. GRANTS

	2013	2012
	\$	\$
Transparency International - Secretariat:		
Pacific Institutional and Network Strengthening Programme	7,754	8,569
Pacific Conference	21,796	
Innovation Grant received	-	4,641
Innovation Grant accrued	-	1,000
Reimbursements for Travel	6,490	10,996
Reimbursements for Travel accrued	-	200
Office of the Auditor General		
Contribution to the National Integrity Survey 2012/13	-	15,000
	36,041	40,406
Less transfer to Income in advance	1,200	15,000
Total grants	34,841	25,406

3. DONATIONS

	2013	2012
	\$	\$
KPMG - Audit Fee	4,000	3,500
Bell Gully - Legal Services	10,000	-
Other	1,050	1,452
	\$15,050	\$4,952

Services donated to the Society have been recognised as donation revenue and as an expense at the amount agreed as the fair value for these services. Time donated to the entity by board members and research contractors have not been included as it is not possible to appropriately quantify the value of these donations.

4. CASH & CASH EQUIVALENTS

	2013	2012
	\$	\$
ANZ National Bank account	17,751	20,597
ANZ National Bank account	35,048	3,925
ANZ National Bank Term Deposit	55,482	53,360
Petty Cash	150	150
Pay Pal	1,054	221
	109,485	78,253

5. PROPERTY, PLANT & EQUIPMENT

Property, Plant and Equipment comprise the following:

	Cost	Accum Depn	Carrying Value
	\$	\$	\$
2013			
Furniture & Fittings	600	492	108
Computer Equipment	2,933	2,933	-
	3,533	3,425	108
2012			
Furniture & Fittings	600	372	228
Computer Equipment	2,933	2,933	-
	3,533	3,305	228
		2013	2012
		\$	\$
Depreciation Expense for the Year is as follows:			
Depreciation		120	120
		120	120

Transparency International (New Zealand) Incorporated

Notes to the Financial Statements (continued)
For the year ended 30 June 2013

6. PROJECT INCOME AND EXPENSES

	2013	2012
	\$	\$
Income		
National Integrity Systems Assessment		
Donation: Gama Foundation	15,000	-
Office of the Auditor General	30,000	-
The Treasury	30,000	-
Ministry of Justice	30,000	-
Statistics New Zealand	15,000	-
States Services Commission	10,000	-
Ministry of Social Development	10,000	-
Other	55,200	-
Total National Integrity Systems Assessment	195,200	-
Online-Training	21,196	-
	216,396	-
Expenses		
National Integrity Systems Assessment	174,320	-

7. OTHER EXPENSES

	2013	2012
	\$	\$
KPMG - Audit Fee	4,000	3,500
Events, conferences, travel	37,280	24,019
Other expenses	43,827	11,810
Bell Gully - Legal Services	10,000	-
	95,107	39,329

8. RELATED PARTIES

Transparency International New Zealand is affiliated as a chapter of Transparency International, which has its headquarters in Berlin. The Transparency International Secretariat provides financial assistance for attendees from New Zealand at some regional meetings. Refer to Note 2 for the transactions with the TI Secretariat.

9. COMMITMENTS AND CONTINGENT LIABILITIES

There are no commitments or contingent liabilities at balance date (2012: nil).

10. EVENTS AFTER BALANCE DATE

No events occurred subsequent to balance date that affect the 30 June 2013 financial statements (2012: nil).



Independent auditor's report

To the readers of the financial report of Transparency International (New Zealand) Incorporated

We have audited the accompanying financial statements of Transparency International New Zealand Incorporated ("the incorporated society") on pages 1 to 5. The financial statements comprise the statement of financial position as at 30 June 2013, the statements of financial performance and movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board's responsibility for the financial statements

The Board is responsible for the preparation of financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the incorporated society's preparation and fair presentation of the financial statements that give a true and fair view of the matters to which they relate in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the incorporated society's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Opinion

In our opinion the financial statements on pages 1 to 5 give a true and fair view of the financial position of the incorporated society as at 30 June 2013 and of its financial performance for the year then ended, in accordance with generally accepted accounting practice in New Zealand.

A handwritten signature of the KPMG firm, written in blue ink.

8 October 2013
Wellington