



**TRANSPARENCY  
INTERNATIONAL**  
New Zealand

*Patron- Sir Don McKinnon*  
PO Box 5248  
Lambton Quay  
Wellington 6145  
[www.transparency.org.nz](http://www.transparency.org.nz)

# Transparency International New Zealand Inc.

**2014 – 2015**

## **Annual Report and Financial Statements**

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## AGENDA 2015 TINZ AGM

### 1. Welcome and apologies

Apologies as at 12 November 2015

Julie Read	Stephen Tindall	David Gates	Guy Sayers	Michael Morris
Julian Inch	Diane Edwards	Penny Nelson	Phil O'Reilly	Matthew Palmer
Stephen Town	Trien Steverlynch	James Bushell	Brad Jackson	

### 2. Minutes of the 2014 AGM

### 3. Presentation of the 2015 Annual Report and the adoption of the annual financial statements

### 4. Consideration of the new member applicants

***Motion: The following Temporary Members, as approved by the Board, are granted full membership of the Society;***

#### Individual

Josie Mulhern	Mark Sainsbury	Lynn McKenzie	Sarah Mead	Sir Don McKinnon
David Robie	Dr Anne Hall	Kirsten Patterson	Gordon Davis	Sharmian Firth
Ken Warren	Kavitha Ahmed	Helen Algar	David Brown	Prof Gillian Brock
James Brown	Karen Coutts	Tim Goodrick	Roy Glover	Sally Hett
Kay Jones	Rayoni Keith	Anna Longdill	Lawrie Mead	Caitlin Macdonald
Kat Paton	Ian Perry	Jan Rivers	Rebecca Smith	Ruby McGruddy
Steve Snively	Xavier Serrallach	Charlie Stewart	Greg Taylor	Tracey Paterson
Mark Ternent	Alice Watson	Clara Barkle	Trien Steverlynck	Esther Lees
Sir Stephen Tindall		Saar Cohen-Ronen		

#### Bronze

McDermott Miller	Gus van de Roer
Otago Wellness Youth Trust	Martin Jones (Atradius)

#### Silver

NZ Post

#### Student

George White	Eva Lu	Lida Ayoubi	Simon Gough	Alexandra Mills
Catherine Iorns	Will Terpstra	Juha Kim	Alice Irving	

#### Seniors

Ron Tustin

### 5. Election of Directors

### 6. Appointment of the Auditor and agreement for the TINZ Board to agree to the auditing fee

### 7. Any other business

*The evening will conclude with Lieutenant General Tim Keating speaking on "The benefits of a Transparent Defence force in the Pacific"*

## **2014 AGM Minutes**

**Transparency International New Zealand**

**Annual General Meeting**

**Thursday, 20 November 2014**

**4:00-5.30 p.m.**

**Bowen House**

**The business of the 2014 AGM will be:**

**1. Welcome and apologies**

Apologies: Brian Bell, Liz Brown, Len Cook, Tony Ellis, Paul Harris, Sue Kedgley, Trevor Roberts, Jerry Ball, Christine Stevenson, Teresa Housel, Paul Johnson, Ash Johnstone.

**2. Considering the Minutes of the 2013 AGM**

***Motion:***

***That the Minutes of the 2013 SGM are accepted as a fair and accurate record***

**Moved: David McNeill  
All in favour**

**Seconded: Fuimaono Tuiasau**

***Motion:***

***That the Minutes of the 2013 AGM are accepted as a fair and accurate record***

**Moved: David McNeill  
All in favour**

**Seconded: Fuimaono Tuiasau**

**3. Presentation of the 2014 Annual Report**

***Motion:***

***That the 2014 Annual Report, including the audited financial report, is approved.***

**Moved: Suzanne Carter  
All in favour**

**Seconded: Ian Tuke**

#### 4. Consideration of new member applications

Included in the Annual Report is a complete list of all current members of the Society as at 30 June 2013, and new Members who have been approved by the Board as Temporary Member

***Motion: The following Temporary Members, as approved by the Board, are granted full membership of the Society;***

**Individual**

*Daniel King Josephine Serrallach Janine McGruddy Brendon Wilson Alison Smith Tom Thursby Alexandra Jeffares Kent Huntley Newman Chantal Grut Grant Miller Christine Stevenson Charles Hett.*

**Student**

*Kevin Haunui Frenky Simanjuntak*

**Gold Member**

*ACC*

**Moved: Fiona Tregonning    Seconded: Stephanie Hopkins**

#### 5. Considering Election of Directors

Chair was transferred over to Fiona Tregonning

The Rules require that the number of directors shall be no less than 5 and not more than 12 persons. The elected directors will choose their Chair/s, Deputy Chair/s and the at the first Board meeting following the AGM.

The following Directors are not seeking re-election: Fiona Tregonning, Ian Tuke

The following Director has resigned: Stephanie Hopkins (effective from July 2014)

The following directors have served one year of their three year terms:

Murray Sheard      David McNeill      Suzanne Carter      Fuimaono Tuiasau

The following directors have served two years of their two year term and are seeking re-election:

**Claire Johnstone**

Moved: Suzanne Snively    Seconded: Marion Cowden  
carried

**Suzanne Snively**

Moved: Marion Cowden    Seconded: Christine Stevenson  
Carried

**Dr Bryce Edwards**

Moved: Suzanne Snively    Seconded: Christine Stevenson  
carried

The following directors were co-opted onto the board during the year and are seeking election to the board for the first time:

**Daniel King**

Moved: Suzanne Carter    Seconded: Marion Cowden  
carried

**Christine Stevenson**

Moved: Fiona Tregonning    Seconded: Suzanne Snively  
carried

The following directors are seeking election to the Board for the first time:

**Josephine Serrallach**

Moved: Suzanne Snively    Seconded: Claire Johnstone  
carried

**Janine McGruddy**

Moved: Avon Adams    Seconded: Marion Cowden  
carried

Accompanying this Notice are Statements from each person seeking election or re-election to the Board, which indicate their qualifications and reasons for seeking election.

**6. Appointment of the Auditor**

Appointment of KPMG as the auditor and the TINZ members appoint the TINZ Board to determine the fees for the audit.

Moved: Suzanne Carter    seconded: Ian Tuke  
All in favour

**7. Any other business**

Thank you too all members that attended the meeting. Thanks to Andrew Little and Shona Robb for supporting TINZ and hosting TINZ's AGM.

The evening concluded with a Panel on the topic of Group of Parliamentarians Against Corruption (GOPAC), Chaired by TINZ Patron Sir Anand Satyanand with Brett Hudson (National Party List MP), Chris Hipkins (Labour Party MP, Rimutaka) and James Shaw (Green Party, List MP).

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## 2015 AGM Statement from the Chair

New Zealand sits at the centre of a perfect storm.

Around the world, leaders of governments, businesses, and organizations are waking up to the need to scour out corruption. Major scandals, such as at FIFA and Volkswagen, have further jolted them into taking positive action. They now understand how quickly reputations, and economic well-being, can be destroyed by corrupt practices.

Meanwhile New Zealand is left very exposed as our leaders, directors and organisations obstinately refuse to take seriously measures to protect their reputations. Complacency still abounds.

When issues are raised to address what appear to be corrupt practices, our leadership reacts defensively rather than correctively. Those raising the issues are often painted as playing dirty politics; the wider public is encouraged to shoot the messenger when authors or journalists raise issues - rather than demanding accountability.

The low level of leadership to strengthen integrity systems is undermining the legitimacy of our public institutions, civil society organisations and private businesses. There is a strong likelihood that both New Zealand's score and ranking will drop when the 2015 TI Corruption Perceptions Index is published at the end of January 2016.

There are ridiculous challenges in engaging policy makers (either elected or employed) and business executives to talk openly about their approach to preventing corruption.

For the wider public, the dark place where corruption thrives appears to limit the dialogue about ways to achieve greater openness and public accountability. Corruption is a topic to be avoided- along with politics and religion.

TINZ's working hypothesis is that these behaviours stem from lack of knowledge. Current discussions about corruption are in the place that topics like sex and finances used to be before we became knowledgeable about the right words for things. TINZ solution is to strive to identify and promote key tools and processes that support good governance and transparency.

One tool we are proud of is our on-line anti-corruption training programme ([www.transparency.org.nz/anti-corruptiontraining](http://www.transparency.org.nz/anti-corruptiontraining)), a tool designed to increase knowledge about bribery and what to do when in different circumstances.

### TINZ Activities 2014/15

This Annual Report is for the year to June 2015. Transparency International New Zealand (TINZ) has continued to engage a wider audience promoting actions to prevent corruption and to gain the benefits from strong integrity systems. Over that period, several hundred more people heard directly about the role of integrity systems through attending nearly 50 presentations, meetings and events by TINZ Directors.

Three particular highlights of the year were: (1) the presentation to the Rotarians' 2014 international Conference at the Michael Fowler Centre' (2) the Victoria University of Wellington hosted event to honour Jeremy Pope where speaker Neroni Slade presented a copy of the 2013 National Integrity

Systems Assessment to Jeremy's widow, Diana Pope; (3) TINZ presentation to the Law and Order Select Committee about the omnibus Organised Crime and Anti-Corruption Bill.

TINZ ended the year with a far deeper understanding about the work ahead to strengthen the integrity systems within our institutions, and, the need for systemic change so that our institutions, sectors and social, economic, political, environmental and Treaty foundations can link together in a way that bolsters our communities as well as our productivity and prosperity.

TINZ's presenting to a spectrum of groups throughout the country has reinforced the following:

- The core message of the NIS Assessment is that stronger action to promote and protect integrity in New Zealand, is overdue, has been proven again and again in the nearly two years since the 2013 NIS assessment was published.
- Knowledge about the United Nations Convention Against Corruption, the role of the OECD's exporting corruption convention or the Open Government Partnership is non-existent and there is only limited knowledge about the role of the Ombudsman, the Serious Fraud Office and the Financial Markets Authority.
- Instead of pride there is suspicion about international measures that find New Zealand to have amongst the highest levels of public sector integrity, financial accountability and overall transparency.
- Major surveys, such as the Deloitte 2015 Report and the Chartered Accountants Australia New Zealand have found evidence of increasing corruption while at the same time there are declining processes designed to strengthen the integrity systems that would protect against this.

## TINZ Objectives

***TINZ is committed to ensuring that:***

- *New Zealanders have the knowledge to demonstrate ethical, transparent, and corruption free practices, where strong integrity systems operate as robust antidotes to corruption*
- *New Zealand fully implements international anti-corruption conventions, especially the OECD Convention on Bribery of Foreign Public Officials in International Business Transactions and the United Nations Convention Against Corruption (UNCAC)*
- *New Zealand's public, community, NGO and private institutions have full access to non-partisan information on matters relating to good governance and transparency, key elements of strong integrity systems*
- *There are sound programmes available for the anti-corruption and transparency work in the Pacific*

## Strategic Planning 2014/15

TINZ's strategy further evolved during the year as it explored the factors that showed the greatest potential to address corruption and to harvest the gains from genuine authentic ethical behaviour.

In August 2014, with the generous hosting of Bell Gully's Wellington Office, the TINZ Board met to review its vision and strategic goals in light of its experience from presenting the results of the National Integrity System. Thanks also to Juliette McKee who facilitated the strategy session.

TINZ developed its vision premised on the shared belief that New Zealand had an opportunity, once it seriously addressed the gaps in its own integrity systems, to be an exemplar to other parts of the world.

**Vision: A world with trusted integrity system in which government, politics, business, civil society and the daily lives of people are free of corruption.**

**Transparency International New Zealand Goals:**

- 1) Strong sustainable chapter –increasing membership, strategies
- 2) Authoritative voice – (thought leadership, research)
- 3) Strong integrity system with the public and private sector (implementing NIS recommendations)
- 4) Successful PACCSI\*

\*Pacific Program

Appendix 1 at the end of this report sets out the strategic actions adopted to address these goals. It shows progress as at June 2015 as preparation for Service Performance Reporting as required for next year's Annual Report.

## **Open Government Partnership National Action Plan**

To date, the OGP has been an abject failure at engaging New Zealanders, their government, their employers and businesses, to develop a challenging national action plan. TINZ worked throughout the year to change this, working with other civil society organisations, supporting central and local government officials. Traction has been increased through the SSC facilitated Stakeholder Advisory Group led by TINZ Director, Fuimaono Tuiasau. Professor Michael Macaulay, who has TINZ delegated authority for the OGP, is also a Stakeholder Advisory Group member.

## **Implementation of the 2013 NIS Recommendations**

It is important to acknowledge that it is through the support of TINZ by the SSC that assisted progress in the implementation of the 2013 NIS recommendations during 2014/15. Yet, there is still much work to do to define the specific attributes that ensure New Zealand's integrity systems become an effective antidote to corruption.

Another ambition pursued by TINZ was to engage businesses to develop anti-corruption strategies that enable them to increase productivity and profitability. In this way, strong integrity systems will also make a contribution in support of greater economic prosperity for New Zealand.

## **Government Defence Anti-corruption Index**

A major initiative which took up much time during 2014/15 was the UK Special Defence Project (UKSPD) 2015 Government Defence Anti-corruption Index. This comprehensive index has 76 questions. Once the initial research was done by an independent expert, the answers were subject to considerable review including a thorough review by the TINZ Board, led by Director, Janine McGruddy.

## **Membership**

The TINZ Board has actively encouraged more people to join TINZ as members during the past year. My Board knows how delighted I am that there are a record number of new members to be approved at the 2015 AGM. While this is a record number, however, it is below the current goal of 1 new member per Board member per month. With the 12 Directors, this would result in 144 new members a year. Given the present momentum, this target is within sight for 2015/16.

Affiliation initiatives have shown that membership can be grown through developing partnerships with other organisations in a way that does not lead to cannibalizing their members.

For those of you who have taken out a year's free membership, let us know during the year about what things will keep you actively engaged and make you feel good about becoming a long-term



paying member. Individual memberships are welcome as they help to address TINZ's resource constraints and sustainability. More importantly, though, they contribute to TINZ's first objective which is to engage a wide audience in the discussion of strong integrity systems. Members' views about ways to of growing both the data base and the membership base are *welcome*.

Remember that there is a \$20 membership available to students and those over 65. Note too that the Rules provide for a new Emeritus membership classification and nominations for this role are sought.

## Patron: Sir Don McKinnon

The rules specify that the TINZ Patron is elected by the TINZ Board for a 3 year term, following consultation with members. At last year's AGM, Members' suggestions for a new Patron were sought. Based on these suggestions, former Deputy Prime Minister and Commonwealth Secretariat Head, Sir Don McKinnon agreed to become the TINZ Patron from 1 March 2015 until 28 February 2018. Sir Don has made a major contribution, especially in the development of relationships with Auckland-based private sector leaders. His engagement with the Auckland Board, as its members seek to build a stronger TINZ presence there, is particularly appreciated.

## Rules, Ethics Committee

The Rules specify that the TINZ Board may elect an Integrity & Compliance Officer from within the existing board members. For the 2014/15 year, an Ethics Committee was selected from the Board. Thanks to Murray Sheard as the Chair and Daniel King and David McNeill for their contribution as members. Other policies that can be found on the TINZ website ([www.transparency.org.nz](http://www.transparency.org.nz)) include Governance Guidelines, a conflict management policy and an ethics policy.

## TINZ Directors

TINZ Rules require that the number of Directors shall be no less than 5 and not more than 12 persons with terms of 3 years (compared with 2 years prior to that). The elected directors will choose their Chair, Deputy Chair and the Treasurer at the first Board meeting following the AGM. They will also formally consider whether to have an annual election for an Integrity and Compliance Officer or whether to appoint a semi-permanent Ethics Committee.

Two Directors who are not seeking re-election are TINZ Deputy Chair, Claire Johnstone and Murray Sheard. They are both strong examples of the combination of intellectual commitment, focused effort and time that volunteer members of the TINZ Board contribute.

I want to specially single out Claire, however, as she has been involved with Transparency International since its inception in New Zealand around 16 years ago and was Deputy Chair for the last two years. Claire served as a member of the Board for much of the time she's been involved with TINZ and has strong knowledge and interest in the Pacific and Melanesia where she worked alongside the Transparency International chapters in Fiji, Papua New Guinea, Solomon Islands and Vanuatu.

There is a strong relationship between those countries and New Zealand. It provides a basis for observing the effect that corruption has on Pasifika people and their fragile economies. Claire is concerned to gain acknowledgement that corruption in areas such as fishing, forestry and extractive industries were of particular concern.

Claire brought a background of senior management roles in both the public and private sector as well as achieving a Masters of Public Policy and a Winston Churchill Fellowship. Claire's role as the

General Manager Resources (Australasia) for a private sector company with offices in New Zealand and Australia has kept her busy during the past year and as a result she is stepping down from the Board to a role of delegated authority to provide advice on the Pacific Integrity Initiative.

Thanks very much to Claire for all she's done to build the New Zealand Chapter and work with the Pacific Chapters to build theirs.

Murray Sheard's major contribution during his short time as a Director has been his deep knowledge of ethics and the civil society sector. His calm leadership of TINZ ethics committee meant we could achieve accreditation from TI for another 3 years. Murray's approach to TINZ's ethic's policy and commitment to supporting transparency values is very much appreciated.

### TINZ Board Areas of Work

To maximize the achievements of TINZ Board, each Board member (Director and Delegated Authority) volunteers to lead one key activity and to be accountable for at least two others. This means the Board was able to cover over 60 transparency topics and activities during 2014/15.

- Suzanne Snively, Chair (TINZ Sustainability/ viability, TINZ National Networking, TI Preventative Strategy)
- Claire Johnstone, Deputy Chair (Pacific Integrity Initiative, Legal Processes)
- Lynn McKenzie, Executive Officer (Wellington Events, Pacific Integrity Initiative)
- Dr Bryce Edwards, Director Political Parties (Media, Electoral Commission)
- Charles Hett, Director Legal Processes (TINZ Governance, Contracting)
- Daniel King, Director Business Integrity (Organised Crime Legislation, Business Media, OECD Exporting Corruption)
- Janine McGruddy, Director State Sector (UKSDP Government Defence Anti-corruption Index, Parliamentarians, Leadership Integrity Forum)
- David McNeill, Director IT Systems (Whistle Blower Process, Auckland Events)
- Mark Sainsbury, Director Communication (Journalist Network, Media Releases)
- Josephine Serrallach, Director Sporting Integrity (TINZ Affiliates, TINZ contribution to TI Strategy)
- Murray Sheard, Director Ethics (NGO Affiliations, Human Trafficking)
- Christine Stevenson, Director Treasurer (Chair Admin & Finance, Public Sector Network)
- Fuimaono Tuiasau, Director, OGP (TPPA, NZ Pacific Networks)

#### Paid Staff

- Helen Bewley, Finance Officer/ Membership Officer/ Invoices
- Eva Lu, Admin Assistant/ Board Secretary/ Database (for 2014, Alexandra Mills)
- Steve Snively, Webmaster/ Media Manager/ Newsletter

#### Delegated Authority

- Sefton Darby, Extractive Industries/ Sustainable Fisheries / Good Governance
- Gordon Davis, Public Sector/ Legal Systems/ OIA
- Tim Goodrick, Anti-money laundering/ OECD Exporting Corruption/ Organised Crime Legislation
- Grace Liang, TINZ Board Legal Secretary/ NZ Corruption Profile/ Organised Crime)
- Michael Macaulay, OGP / Organised Crime legislation/ Wellington Events
- Sarah Mead, Auckland Events/ Organised Crime/ TPPA
- Fiona Tregonning, Legal Processes/ Organised Crime Legislation, OECD Exporting Corruption
- Brendon Wilson, Fundraising including Philanthropy/ Business Media/ TINZ Values
- James Bushell, OGP National Action Plan/ Social Networking/ SMEs

#### Newsletter Working Bee

- Avon Adams
- Shelly Biswell
- Will Terpstra

## Election of Directors

This AGM, the staggering of Directors' terms under TINZ Rules means that there is a quarter (3 positions) of the 12 Director positions up for election.

Charles Hett was co-opted onto the Board during the year and is seeking formal election to the Board for the first time at this AGM. Charles has led the TINZ response to legal processes and has generously organised Board meeting venues, video and telephone conferencing through his firm, Deloitte.

I am delighted to announce, that there are two directors seeking formal election to the Board for the first time: James Brown and Gus van de Roer. James brings a large banking network and Gus comes to TINZ with extensive marketing and promotion skills gained through his previous business which had clients from throughout New Zealand and parts of the world.

Three of the current Directors will come up for election again in 2016. Two have served two years of their three year terms: David McNeill and Fuimaono Tuiasau. During the year, Mark Sainsbury stepped into previous Director, Suzanne Carter's, role and according to TINZ rules, his term ends the same time as hers in 2016.

Half of the Directors, Bryce Edwards, Daniel King, Janine McGruddy, Josephine Serrallach, myself, Suzanne Snively and Christine Stevenson have terms until 2017.

The way that the TINZ financial year falls, other Directors who served for part of the 2014/15 year include Suzanne Carter until February 2015, Fiona Tregonning and Ian Tuke until November 19, 2014.

## Thanks to those who have supported TINZ this Year

Thanks to those of you here who make up the membership base—it is the heart of TINZ and my Board and I salute you. Thanks for being there for our country and our world. We value hearing from you about what TINZ can do to ensure New Zealand maintains strong integrity and through this again greater prosperity shared fairly by all citizens.

Welcome to new Silver Partner, New Zealand Post.

Thanks for Inland Revenue for its generous contribution for 2014-15 and to the others of you who have continued to provide ongoing financial support as Bronze, Silver and Integrity Roadmap supporters..

Just as the Board members provide voluntary support, a further major contribution to TINZ has been in-kind contributions of venues, coffee/tea and advice by Bell Gully, Deloitte and KPMG. An outstanding contributor over 2014/15 was Chapman Tripp.

## AUDITORS

For many years, TINZ accounts have been audited by KPMG. This year is the first year that KPMG have charged a fee for service.

TINZ very much values KPMG's advice and approach. We value that they can supply advice based on experience gained from other entities. This all contributes to TINZ knowledge about how to stay as good as we are perceived.

## Thanks to the TINZ Board

Throughout its history, TINZ has been able to carry out its activities because of the non-cash contributions of its supporters and the pro-bono contribution of its Board members.

Over 2014/15, the TINZ Board's operating power has grown because of the commitment and competency of all its 12 Directors and because of the additional intellectual energy and commitment brought to the Board table by those appointed with delegated authority (see Appendices 2 and 3).

You can see why the TINZ Board is so special and merits strong appreciation. Each of its members works hard and the collaboration and team work means that a lot gets done. TINZ working Patron adds further to this.

As well as thanking the volunteer Directors and Patron, I would like to thank the TINZ paid Board members too. Helen Bewley, TINZ Finance Officer, whose calm organisational skills have kept us on top of the financials accepting each new challenge. Thanks also to Web Administrator, Steve Snively, who seems to know more about things that happen in New Zealand from working offshore than we do here. Administrative Assistants, Lexi Mills and Eva Lu play a tremendous role connecting up all the Board members and all their projects.

In the 2014/15 year, TINZ's capacity has been further strengthened, because of the experience and commitment of our interim volunteer Executive Officer, Lynn McKenzie. Lynn has brought her experience as Zonta's International Chair to enhance TINZ's systems and processes in a way that supports greater effectiveness of the Board. Lynn has taken on the mantle of the Pacific Programme and is guiding the MFAT process in a manner most likely to result in long-term viability for the committed staff and governance of the TI Chapters in Fiji, PNG, the Solomons and Vanuatu.

## Sustainable Chapter

The contribution of the committed Patron, volunteers including TINZ's 12 Board Members, 10 members with delegated authority and its Executive Officer, plus the part-time paid Finance Officer, WebMaster and Administrative Assistant, adds up to a very powerful team.

Such a team, however, would be even stronger if backed up with a professional office led by an experienced, paid Executive Officer, an Executive Assistant, Research Project Manager, Partnership /Membership Manager and Communications Manager. In addition, with resources to develop tools to prevent corruption, protect integrity and harvest the gains from reputation in a manner that generates prosperity.

In 2014/15, the groundwork was put in place to develop ongoing sustainable investment resources for TINZ's role to prevent, protect and generate prosperity. It is important that this materialises into resources for TINZ during 2015/16 so that the results of the long-term unified plan it has for New Zealand are achieved so that then sustainable TINZ Chapter can ensure a sustainable and legitimate New Zealand society.

Suzanne Snively, ONZM  
Chair, Transparency International New Zealand Inc  
11 November 2015

## Statements from Directors

### TINZ Director Election Statements

#### **James Brown**

The reason I would like to be a part of the TINZ family is to help shape/change the standards in which business operates. Many people look to the Government to change and set out principles in which business should operate, I think it is time that we take up the mantle and drive the change from within.

Having worked in Financial Services for many years it is not about the products it is about our core values and behaviours which should drive us to do more and be better tomorrow than we were today.

I moved to New Zealand to create an opportunity and live a lifestyle that wasn't available to me in other countries.

Being recognised on the Global stage for our Governance, standards and above all Transparency is something that I want to be a part of.

We live in a fast moving digital world and it is our duty to protect those that sometimes can't protect themselves.

I am currently working on a number of Projects within the Not for Profit sector dealing with Government and a number of strategic partners to raise the professionalism in the sector as well as working on the Magnet Cities project which I think is very exciting for New Zealand.

The consistent theme here is I feel the need to do more and get involved to create a platform of trust, integrity and above all collaboration in order to achieve great things.

I do hope you look on my application favourably as we have a great opportunity and we should seize it.

#### **Charles Hett**

I believe sunlight and transparency are critical features of all social, public and private-sector business environments; I will apply my energy and effort to TINZ to help maintain New Zealand's relatively positive position and use it to help other parts of the world change and improve. The benefits of a low-corruption society can so easily be lost (like reputation) and are very hard to re-gain - so focus, energy and effort are continuously needed.

I come from a finance background as an actuary with a longer-term perspective on society and can help TINZ with the financial aspects to its work; I have been a co-opted board member since December 2014 taking on various roles and I bring a wide-ranging, essentially private-sector perspective to the board.

I would be honoured to be elected to the TINZ board.

**Gus van de Roer**

I believe that transparency and integrity should stand at the centre of promoting and protecting the image of New Zealand while increasing awareness for its many business and governance interests. New Zealand is a small player in the international scene but has gained a big reputation for its independence and ethics in the public and private sectors. This reputation should be used stronger to advance its many involvements nationally and internationally while motivating participation by a great number of key players who would benefit from this distinction.

I have a strong background in marketing, branding and communications and therefore hope to bring these areas of expertise to improve the role, recognition, and objectives of TINZ to its many target audiences. My company, which I sold to a big international advertising group in the year 2000, was involved in the analysis, strategy development and execution of the different marketing, branding and communication disciplines to improve many of New Zealand's leading companies' market performance.

By joining TINZ I look forward to achieving a greater understanding of TINZ's role and a stronger engagement with the different sectors of New Zealand society.

## Appendix 1: TINZ Goals and Strategies as Per Its Strategy Planning, August 2014

(Refreshed November 2014)

Goals	Strategies	Update June 2015
<b>Sustainable NZ Chapter</b>	<ul style="list-style-type: none"> <li>Strong Board</li> <li>Operational capacity                             <ul style="list-style-type: none"> <li>Staffing</li> </ul> </li> <li>Website</li> <li>Robust and viable finances</li> </ul>	<ul style="list-style-type: none"> <li>12 Member Board/New Patron/Delegated Authority</li> <li>Volunteer Exec Officer part-time paid finance officer, administrative assistance, webmaster</li> <li>Website content enhanced with video interviews</li> <li>Investment strategy designed to engage support from central &amp; local government, private sector &amp; individual members</li> </ul>
<b>Ongoing governance strengthening programme for the Public and Private sectors</b>	<ul style="list-style-type: none"> <li>Code of conduct implemented</li> <li>High penetration of the anti-corruption training</li> <li>Changing patterns of corruption practices addressed</li> <li>NIS recommendations Implemented</li> </ul>	<ul style="list-style-type: none"> <li>Code of conduct implemented and self-evaluation for accreditation completed</li> <li>Disappointing take up of on-line training with evidence that penetration grow when combined with face-to-face training</li> <li>2014/15 saw the start of collaborations aimed at addressing corruption practices using TI tools</li> <li>A process led by the SSC working with TINZ sorted and prioritised the detailed recommendations in Chapter 6 of the 2013 NIS and began to specify how they would be progressed and who by – priorities were ratification of UNCAC and the OGP National Action Plan</li> </ul>
<b>Thought leadership</b>	<ul style="list-style-type: none"> <li>Research</li> <li>NIS Consultations</li> <li>Symposiums</li> <li>Publications</li> </ul>	<ul style="list-style-type: none"> <li>High level research included about anti-money laundering, facilitation payments and work on the 2<sup>nd</sup> edition of the 2013 NIS</li> <li>Auckland, Christchurch, Wellington</li> <li>VUW IGPS</li> <li>Newsletters, Media Releases, Papers, Radio</li> </ul>
<b>Effective in the Pacific</b>	<ul style="list-style-type: none"> <li>TINZ strong stewardship of Pacific Programme</li> <li>TINZ engagement with other donors to support Pacific Chapters</li> </ul>	<ul style="list-style-type: none"> <li>September 2014 Wellington meeting of Pacific Advisory Group 6 TI Chapters</li> <li>Engagement with UNDP, VSA, Oxfam, corporates targeted, big 4 firms in Pacific</li> </ul>

Goals	Strategies	Update June 2015
High public profile	<ul style="list-style-type: none"> <li>Press statements</li> <li>Social media strategy</li> <li>Website</li> <li>Partnerships</li> <li>Influencing stronger media attention to the effectiveness of strong integrity systems.</li> </ul>	<ul style="list-style-type: none"> <li>Number of media releases increased going to a growing list of media contacts</li> <li>Development of process to record video interviews for website and circulation by social media</li> <li>Investment partnerships with government/ Advice from Law Society on Affiliation Agreements to Partnerships</li> <li>Working to engage with key journalists to influence stronger media attention</li> </ul>



## Appendix 2: TINZ Directors' Terms and Membership as at 30 June 2015

### TINZ Directors 2015/16: Election Schedule

Name	Date Elected	Existing Term
Suzanne Snively	2014	3 years to 2017
Claire Johnstone	<i>Moving to delegated authority position</i>	
Bryce Edwards	2014	3 years to 2017
Fuimaono Tuiasau	2013	3 years to 2016
David McNeill	2013	3 years to 2016
Murray Sheard	<i>Moving to delegated authority position</i>	
Daniel King	2014	3 years to 2017
Mark Sainsbury (Replacing Suzanne Carter)	2015	3 years to 2016
Christine Stevenson	2014	3 years to 2017
Janine McGruddy	2014	3 years to 2017
Josephine Serrallach	2014	3 years to 2017
Charles Hett	Interim 2015	Seeking election - 3 years to 2018
James Brown		Seeking election - 3 years to 2018
Gus van de Roer		Seeking election - 3 years to 2018

### Transparency International New Zealand Membership list as at 30 June 2015

#### TINZ Members 2015

##### Life Members

Hon. Hugh Templeton      Michael Morris

##### Individual

Avon Adams	Paul Baines	Dan Zirker	Rachel Baskerville	Gordon Beattie
Margaret Bedggood	Brian Bell	Jenny Brash	Liz Brown	David Butcher
Suzanne Carter	Mai Chen	Keric Chin	Tim Clarke	Len Cook
Sarah Cotgreave	Gaye Cox	Stephen Drain	Gerard Dunne	Diane Edwards
Dr Bryce Edwards	Chris Eichbaum	Tony Ellis	Elizabeth Eppel	Claudia Geiringer
Robert Gregory	Chantal Grut	Bernard Harris	Charles Hett	Paul Harris
Stephanie Hopkins	Adam Hunt	Julian Inch	Alexandra Jeffares	Simon Jenkins
Ash Johnstone	Claire Johnstone	Sue Kedgley	David Macdonald	Daniel King
Todd Krieble	Aaron Lloyd	Juliet McKee	Janine McGruddy	Hon. John Luxton
Tim McKinnel	David McNeill	Grant Miller	Howard Moore	Gwynneth Narraway
Kent Newman	Peter Perry	Murray Petrie	Michael Reid	William Paterson
Trevor Roberts	Guy Sayers	Murray Sheard	Sir Anand Satyanand	Kevin Simpkins
Alison Smith	David Smyth	Suzanne Snively	Rodger Spiller	Josephine Serrallach
Christine Stevenson	Helen Sutch	Ian Tuke	Fuimaono Tuiasau	Michael Wearne
Judy Whitcombe	Chris Wikaira	Brendon Wilson	Fiona Tregonning	

##### Students

Hassan Haji Ibrahim      Kevin Huanui      Frenky Simanjuntak      Deborah Te Kawa

##### Seniors

Marion Cowden

##### Bronze

Ideas Shop      Entity Group Limited      Sefton Darby Ltd  
 Earthquake Commission      NZ Public Service Association      Society for Promotion of Community Standards Inc.

##### Silver

Department of Corrections      Ministry of Pacific Island Affairs      Dept of Prime Minister and Cabinet  
 Office of the Ombudsmen      School of Government      Serious Fraud Office  
 Office of the Auditor General

##### State Sector Integrity Road Map Contributors

Te Puni Kokiri      NZ Defence Force      Inland Revenue Department      DIA      State Services Commission

### Appendix 3: TINZ Board Delegated Authority Positions as at 2015 AGM

Who	What	Term
<b>Dr Michael Macaulay</b>	OGP	9 Feb 2015- 9 Feb 2016
<b>Fiona Tregonning</b>	Legal processes	9 Feb 2015- 9 Feb 2016
<b>Brendon Wilson</b>	grant applications/ fundraising support (subject to him attending regular Board members).	9 Feb 2015- 9 Feb 2016
<b>Sarah Mead</b>	Assistant Auckland Events and Membership	15 June 2015 – 14 June 2016
<b>Sefton Darby</b>	Extractive Industries/Fisheries	1 August 2015- 31 July 2016
<b>Tim Goodrick</b>	AML	1 August 2015- 31 July 2016
<b>James Bushell</b>	Fundraising Strategy	21 Sept 2015 – 20 Sept 2016
<b>Gordon Davis</b>	Public Sector Integrity Strategy	19 Oct 2015- 18 Oct 2016
<b>Claire Johnstone</b>	Pacific Integrity Initiative including identification of investors	16 Nov 2015- 15 Nov 2016
<b>Murray Sheard</b>	Chair Ethics Committee, Human Trafficking, Affiliation with NGOs	16 Nov 2015- 15 Nov 2016



## Independent auditor's report

### To the Board of Trustees 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 2015, 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.

This report is made solely to the Board of Trustees ("board") as a body. Our audit work has been undertaken so that we might state to the board those matters we are required to state to them in the auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the board as a body, for our audit work, this report or any of the opinions we have formed.

#### *Board of Trustee's responsibility for the financial statements*

The board is responsible on behalf of the incorporated society for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand (being Financial Reporting Standards and Statements of Standard Accounting Practice) 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 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.

The firm has no other relationship with, or interest in, the incorporated society.

#### *Opinion*

In our opinion, the financial statements on pages 1 to 5 comply with generally accepted accounting practice in New Zealand and present fairly, in all material respects, the financial position of Transparency International (New Zealand) Incorporated as at 30 June 2015 and its financial performance for the year then ended in accordance with Financial Reporting Standards and Statements of Standard Accounting Practice.

A handwritten signature in blue ink that reads 'KPMG'.

2 November 2015  
Wellington

*Financial Statements Year Ended 30 June 2015*

**Transparency International  
(New Zealand)  
Incorporated**

**Financial Statements**

**For the year ended 30 June 2015**

Transparency International (New Zealand) Incorporated

**Statement of Financial Performance**  
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>REVENUE</b>			
Project Income	6	-	113,000
Grants	2	74,807	14,554
Donations	3	84,240	21,130
Fundraising	8	38,044	-
Subscriptions		21,903	44,777
Interest		2,053	2,368
<b>Total Revenue</b>		<b>221,047</b>	<b>195,829</b>
<b>EXPENSES</b>			
Project Expenses	6	62,245	137,569
Other Expenses	7	118,896	88,634
Depreciation	5	-	108
<b>Total Expenses</b>		<b>181,141</b>	<b>226,311</b>
<b>NET SURPLUS (DEFICIT) FOR YEAR</b>		<b>39,906</b>	<b>(30,482)</b>

**Statement of Movements in Equity**  
For the year ended 30 June 2015

	2015 \$	2014 \$
Accumulated Funds at Beginning of Year	54,176	84,658
<i>Total Recognised Revenues &amp; Expenses</i>		
Net Surplus / (Deficit)	39,906	-30,482
<b>Accumulated Funds at End of Year</b>	<b>94,082</b>	<b>54,176</b>

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 2015

	Note	2015 \$	2014 \$
<b>ACCUMULATED FUNDS</b>		<b>94,082</b>	<b>54,176</b>
<i>Represented by:</i>			
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	4	104,872	52,501
Accounts Receivable		4,010	56,691
GST Receivable		963	-
Interest Earned		739	445
<b>Total Current Assets</b>		<b>110,584</b>	<b>109,637</b>
<b>NON-CURRENT ASSETS</b>			
Property Plant and Equipment	5	-	-
<b>TOTAL ASSETS</b>		<b>110,584</b>	<b>109,637</b>
<b>Less</b>			
<b>CURRENT LIABILITIES</b>			
Income in Advance		9,950	829
Accounts Payable		6,552	52,139
GST Liability		-	2,493
<b>Total Current Liabilities</b>		<b>16,502</b>	<b>55,461</b>
<b>Net Assets</b>		<b>94,082</b>	<b>54,176</b>



Suzanne Snively  
Chair

Date: 2/11/15



Christine Stevenson  
Board Member - Finance

Date: 2/11/15

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

**Notes to the Financial Statements**  
**For the year ended 30 June 2015**

**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 and is a registered charity.

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 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.

**Financial Reporting Act 2013**

From 1 April 2014, the new Financial Reporting Act 2013 ("FRA 2013") has come into force replacing the Financial Reporting Act 1993, this is effective for entities reporting under the Charities Act 2005 with reporting periods beginning on or after 1 April 2015. This will be effective for the Society's 30 June 2016 year end. It is expected that the change in legislation will have no material impact on the Society's obligation to prepare general purpose financial statements.

In addition to the change in legislation the External Reporting Board of New Zealand ("XRB") has released a new accounting standards framework which establishes the financial standards to be applied to entities with statutory financial reporting obligations. The Society is currently reporting under Old GAAP. Under the new XRB framework, management expects that the Society will be reporting under PBE Simple Format Reporting - Accrual (Tier 3) as applicable for not-for-profit entities. Management expects that this will not materially impact the preparation and disclosures included in the financial statements. This will be applicable for the Society's 30 June 2016 year end.

**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 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 is accrued. Memberships are recognised on a rolling basis to give a more accurate view of income earned within the period.

Grants received are recognised as Revenue, unless specific conditions attach 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.

**Notes to the Financial Statements (continued)**  
For the year ended 30 June 2015

**Depreciation**

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

**Change in Accounting Policies**

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

**2. GRANTS**

	2015 \$	2014 \$
<b>Transparency International - Secretariat:</b>		
Pacific Institutional Initiative	38,000	9,321
Pacific Conference	30,702	2,025
Reimbursements for Travel	12,233	3,208
	<u>80,935</u>	<u>14,554</u>
Less transfer to Income in advance	6,128	-
<b>Total Grants</b>	<b>74,807</b>	<b>14,554</b>

**3. DONATIONS**

Audit Fee	-	4,500
Legal Services	70,000	10,000
Other	14,240	6,630
	<u>84,240</u>	<u>21,130</u>

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 by the Board members and the pro-bono Executive Officer have not been included as it is not possible to appropriately quantify the value of these donations.

**4. CASH & CASH EQUIVALENTS**

	2015 \$	2014 \$
ANZ National Bank account 0.00	18,218	17,323
ANZ National Bank account 0.03	350	340
ANZ National Bank account 0.06	14,843	1
ANZ National Bank Term Deposit	71,005	34,636
Petty Cash	150	150
Pay Pal	305	51
	<u>104,871</u>	<u>52,501</u>

**5. PROPERTY, PLANT & EQUIPMENT**

*Property, Plant and Equipment comprise the following:*

	Cost \$	Accum Depn \$	Carrying Value \$
<b>2014</b>			
Furniture & Fittings	600	600	-
Computer Equipment	2,933	2,933	-
	<u>3,533</u>	<u>3,533</u>	<u>-</u>
<b>2015</b>			
Furniture & Fittings	600	600	-
Computer Equipment	2,933	2,933	-
	<u>3,533</u>	<u>3,533</u>	<u>-</u>



Transparency International (New Zealand) Incorporated

Notes to the Financial Statements (continued)  
For the year ended 30 June 2015

6. PROJECT INCOME AND EXPENSES

	2015 \$	2014 \$
<b>Income</b>		
<b>National Integrity Systems Assessment</b>		
The Gama Foundation	-	10,000
Office of the Auditor General	-	30,000
Ministry of Justice	-	18,000
Statistics New Zealand	-	5,000
State Services Commission	-	5,000
Other	-	45,000
<b>Total National Integrity Systems Assessment</b>	<b>-</b>	<b>113,000</b>
<b>Online-Training</b>	<b>-</b>	<b>-</b>
<b>Expenses</b>		
National Integrity Systems Assessment	-	135,325
Online-Training	57	842
Pacific Institutional Initiative (PII) Expenses	60,968	-
Seminars	1,220	1,402
	<b>62,245</b>	<b>137,569</b>

7. OTHER EXPENSES

	2015 \$	2014 \$
Audit fee	4,000	4,500
Events, conferences, travel	11,237	9,049
Other expenses (excludes depreciation)	33,659	65,085
Legal Services	70,000	10,000
	<b>118,896</b>	<b>88,634</b>

Legal services have been undertaken on a pro bono basis and accordingly they have been recognised as expenses and donations received.

8. FUNDRAISING INCOME

	2015 \$	2014 \$
<b>Income</b>		
<b>State Sector Fundraising</b>		
NZ Defence Force	5,000	-
Department of Internal Affairs	5,000	-
Inland Revenue	18,043	-
Te Puni Kokiri	10,000	-
<b>Total State Sector Fundraising</b>	<b>38,043</b>	<b>-</b>

9. 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.

Transparency International New Zealand entered into several transactions with MoreMedia, \$3,500 in 2015 (\$28,500 in 2014). These transactions related to executive assistant services and they were transacted in the normal course of business.

In 2014 payments were made to MoreMedia for the role of Executive Officer as well as for administrative services.

10. COMMITMENTS AND CONTINGENT LIABILITIES

There are no commitments or contingent liabilities at balance date (2014: nil).

11. EVENTS AFTER BALANCE DATE

No events occurred subsequent to balance date that affect the 30 June 2015 financial statements (2014: nil).