

**RISKNZ (INC)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2019**

To be presented at the RISKNZ Annual General Meeting.



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**RISKNZ (INC)**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019**

	Note	2019 \$	2018 \$
<b>Current Assets</b>			
Cash & Cash Equivalents			
RiskNZ Bank Account		47,093	30,780
Term Deposit		15,000	40,000
<b>Total Bank</b>		<b>62,093</b>	<b>70,780</b>
<b>Current Assets</b>			
Accounts Receivable		2,127	263
Prepayments		1,083	135
GST Refundable		3,555	3,025
<b>Total Current Assets</b>		<b>6,765</b>	<b>3,423</b>
<b>Fixed Assets</b>			
<b>Total Fixed Assets</b>	8	<b>8,977</b>	<b>957</b>
<b>Total Assets</b>		<b>\$77,835</b>	<b>\$75,160</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade & Other Payables		12,876	7,982
Income received in advance		2,876	736
<b>Total Current Liabilities</b>		<b>15,752</b>	<b>8,718</b>
<b>Total Liabilities</b>		<b>\$15,752</b>	<b>\$8,718</b>
<b>Net Assets</b>		<b>\$62,083</b>	<b>\$66,442</b>
<b>Equity</b>			
<b>Total Equity</b>		<b>\$62,083</b>	<b>\$66,442</b>

For and on behalf of the Board, which authorised the issue of the financial report on 13 May 2019.

Gary Taylor  
Treasurer  
Date: 13 May 2019

Stephen Hunt  
Chair  
Date: 13 May 2019

The accompanying notes form an integral part of these financial statements. These financial statements have been audited, please refer to the attached audit report



**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 \$	BUDGET \$	2018 \$
<b>Income</b>				
<b>Subscriptions</b>				
Corporate		34,570	35,000	35,547
Individual		24,765	25,000	24,772
<b>Total Subscriptions</b>		<b>59,335</b>	<b>60,000</b>	<b>60,319</b>
<b>Plus Other Income</b>				
Advertising Income		1,500	1,500	1,792
Conference registration income		14,650	25,000	81,463
Consultant Income		300	360	360
Interest Income		697	350	399
Sponsorship Conference		5,094	-	14,061
Sponsorship Income		21,000	14,000	14,000
Seminars		7,133	990	587
<b>Total Other Income</b>		<b>50,375</b>	<b>42,200</b>	<b>112,662</b>
<b>Total Income</b>		<b>\$109,710</b>	<b>\$102,200</b>	<b>\$172,981</b>
<b>Less Operating Expenses</b>				
<b>Strategic Initiatives:</b>				
<b>Promote the principles and theory of best practice in risk management</b>				
OB7 Committee Representation		1,958	2,000	603
RiskNZ Awards of Excellence		1,605	-	4,312
<b>Total Strategic Initiatives</b>		<b>3,563</b>	<b>2,000</b>	<b>4,914</b>
<b>Training &amp; Education</b>				
Conference Expenses		8,878	25,500	84,359
Seminars		2,763	360	-
<b>Total Training &amp; Education</b>		<b>11,641</b>	<b>28,860</b>	<b>84,359</b>
<b>Communication &amp; Promotion</b>				
Design work and printing costs		2,295	2,200	2,871
Software License		683	-	-
Website maintenance		1,129	1,700	949
<b>Total Communication &amp; Promotion</b>		<b>4,107</b>	<b>3,900</b>	<b>3,820</b>
<b>Total Strategic Initiatives</b>		<b>19,311</b>	<b>34,760</b>	<b>93,093</b>
<b>Business Operations &amp; Management</b>				
Provision for Bad Debts		30	500	731
Depreciation		957	2,850	862
Legal Fees		3,889	5,000	-
Rentals & Subscriptions		1,372	640	1,358
Administration Officer		34,006	25,000	14,415



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AGM	308	1,500	6,877
Audit Fee	2,350	2,300	2,300
Recruitment	1,070	-	-
Executive Officer	38,874	35,000	10,452
Printing, Postage & Stationery	138	240	81
Bank Charges	1,859	1,308	1,378
General Expenses	1,123	3,300	1,758
Insurance	2,097	2,100	1,950
Management Committee Expenses	3,411	5,420	5,159
Travel	3,120	5,000	1,201
<b>Total Business Operations &amp; Management</b>	<b>94,604</b>	<b>83,368</b>	<b>48,522</b>
<b>Total Operating Expenses</b>	<b>113,915</b>	<b>124,118</b>	<b>141,615</b>
<b>Net surplus/deficit before tax</b>	<b>(\$4,205)</b>	<b>( \$21,918)</b>	<b>\$31,366</b>
Tax	154	320	120
<b>Net surplus/deficit after tax</b>	<b>( \$4,359)</b>	<b>( \$ 22,238)</b>	<b>\$31,246</b>

The accompanying notes form an integral part of these financial statements. These financial statements have been audited. Please refer to the attached audit report.



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	2019 \$	BUDGET \$	2018 \$
Balance at beginning of year	66,442	66,442	34,915
Net surplus/(deficit) after tax	(4,359)	(22,238)	31,246
Balance at end of year	<u>\$62,083</u>	<u>\$44,204</u>	<u>\$66,442</u>

The accompanying notes form an integral part of these financial statements. These financial statements have been audited. Please refer to the attached audit report.





# NOTES TO THE FINANCIAL STATEMENTS

## 1 REPORTING ENTITY

RiskNZ Inc ('RiskNZ') is an incorporated Society registered under the Incorporated Societies Act 1908 and domiciled in New Zealand. RiskNZ's purpose is to improve the knowledge and practice of risk management in New Zealand.

## 2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

RiskNZ is not a reporting entity under the Financial Reporting Act 1993. These special purpose financial statements have been prepared in accordance with the stated accounting policies.

All disclosures are consistent with the prior year and while these are not all required they are considered relevant and have therefore been included.

## 3 MEASUREMENT BASE

The financial statements are prepared on the historical cost basis and are presented in New Zealand dollars.

## 4 SPECIFIC ACCOUNTING POLICIES

### 1. Accrual Accounting

Accrual accounting is used to recognise expenses and revenues when they occur.

### 2. Goods & Services Tax

The Statement of Comprehensive Income has been prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST.

### 3. Trade and Other Payables

Trade and Other Payables are non-interest bearing.

### 4. Software

All software is stated at cost, less accumulated depreciation and impairment losses. The cost of the software is the purchase cost, together with any incidental costs of acquisition.

#### Depreciation

Depreciation is calculated so as to write off the cost of software, less any assigned residual value, on a diminishing value basis. Depreciation has been calculated using the maximum rates permitted by the Inland Revenue Department and these are as follows:

Software	Depreciation rates
Website	50%

The residual value of the assets is reassessed annually.

## 5. Revenue

### i. Subscription Income

Membership subscriptions are recognised as income in the year to which they relate. Subscriptions are accounted for to the extent of actual and expected receipts.

### ii. Revenue from providing services

Recognised at the time services are delivered to members or third parties.

### iii. Interest income

Interest is recognised in the Statement of Comprehensive Income as it accrues.

### iv. Sponsorship income

Sponsorship income is recognised as income when it becomes receivable.



## 5 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 previous years.

## 6 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

At the date of this report there are no known contingent liabilities for which RiskNZ may be liable (2018 none) nor were there any contingent assets (2018 none).

## 7 INCOME TAX

Income tax is payable on interest received and non-member income, such as seminar and conference attendance fees.

## 8. SOFTWARE

	Cost Price	Current Year Depreciation	Accumulated Depreciation	Carrying Amount
	\$	\$	\$	\$
<b>2019</b>				
Website	9,141	957	9,141	-
New website – work in progress	8,977	-	-	8,977
	<b>18,118</b>	<b>957</b>	<b>9,141</b>	<b>8,977</b>
<b>2018</b>				
Website	9,141	847	8,184	957
I.A.S. Software	5,234	7	5,234	-
Contribute Software	1,300	-	1,300	-
MS Office Pro 2010 Software	621	8	621	-
Adobe XI Pro Software	703	-	703	-
	<b>16,999</b>	<b>862</b>	<b>16,147</b>	<b>957</b>

## 9. SIGNIFICANT EVENTS AFTER BALANCE DATE

There were no known subsequent events impacting on the financial statements reported for the year ended 31 March 2019 (2018 None).

## 10. RELATED PARTY TRANSACTIONS

During the year the Board paid \$7,687 to Lawton Cross for executive officer and administration officer services. Lawton Cross is a consultancy firm owned and operated by Jim Hackett (Board Secretary). This was an interim arrangement agreed by the Board to provide executive and administration services before the new Executive and Administration Officers commenced. The rate was consistent with that applied by the previous and current external provider (2018 None).

## 11. CAPITAL COMMITMENTS

There were no capital commitments as at 31 March 2019 (2018: Nil)





**INDEPENDENT AUDITOR'S REPORT****to the Members of RISKNZ INCORPORATED****Opinion**

We have audited the Financial Statements of **RiskNZ Incorporated** ("the Entity") on pages **1** to **7** which comprise the Statement of Financial Position as at **31 March 2019**, the Statement of Financial Performance, Statement of Movement in Equity for the year then ended **31 March 2019** and the Notes to the Financial Statements. Our opinion does not cover the budgeted figures.

In our opinion the accompanying financial statements of the Entity present fairly in all material respects, the financial position of the Entity as at **31 March 2019** and its financial performance for the year then ended in accordance with the stated accounting policies.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

**Responsibilities of Those Charged with Governance of the Organisation**

Those charged with governance are responsible on behalf of the Entity for the preparation and fair presentation of the financial statements in accordance with the stated accounting policies, and for ensuring that this is the most appropriate reporting framework to use and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



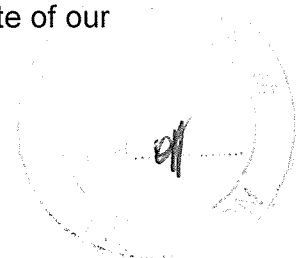
In preparing the financial statements, those charged with governance are responsible on behalf of the Entity for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our



auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Emphasis of Matter – Basis of Accounting**

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are special purpose financial statements which have been prepared in accordance with the accounting policies. As a result, the financial statements may not be suitable for another purpose.

Signature:

A handwritten signature in black ink, appearing to be 'J. Smith' or similar, written over a horizontal line.

Date: 13 May 2019

***T F S Chartered Accountants*** 214 Main Rd, Tawa, Wellington