



**RISKNZ (INC)**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

To be presented at the RISKNZ Annual General Meeting.



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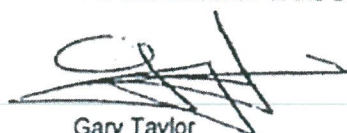


**RISKNZ (INC)**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021**

	Note	2021 \$	2020 \$
<b>Current Assets</b>			
<b>Cash &amp; Cash Equivalents</b>			
RiskNZ Bank Account		42,839	64,054
<b>Total Bank</b>		<b>42,839</b>	<b>64,054</b>
<b>Current Assets</b>			
Accounts Receivable		12,516	4,270
Prepayments		1,081	0
GST Refundable		2,699	1,175
<b>Total Current Assets</b>		<b>16,296</b>	<b>5,445</b>
<b>Fixed Assets</b>			
<b>Total Fixed Assets</b>	8	<b>3,491</b>	<b>6,982</b>
<b>Total Assets</b>		<b>\$62,626</b>	<b>\$76,481</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade & Other Payables		9,620	21,769
Income received in advance		30,327	3,104
<b>Total Current Liabilities</b>		<b>39,910</b>	<b>24,873</b>
<b>Total Liabilities</b>		<b>\$39,947</b>	<b>\$24,873</b>
<b>Net Assets</b>		<b>\$22,716</b>	<b>\$51,608</b>
<b>Equity</b>			
<b>Total Equity</b>		<b>\$22,679</b>	<b>\$51,608</b>

For and on behalf of the Board, which authorised the issue of the financial report on 30 June 2021.



Gary Taylor  
Treasurer  
Date: 30 June 2021



Jane Rollin  
Chair  
Date: 30 June 2021

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 2021**

	Note	2021 \$	BUDGET \$	2020 \$
<b>Income</b>				
<b>Subscriptions</b>				
Corporate		32,666	35,700	34,615
Individual		26,651	29,000	27,441
<b>Total Subscriptions</b>		<b>59,317</b>	<b>64,700</b>	<b>62,056</b>
<b>Plus Other Income</b>				
Advertising Income		1,560	1,600	1,860
Conference registration income		-	35,000	27,290
Consultant Income		240	420	420
Interest Income		126	400	612
Sponsorship Conference		-	-	7,000
Sponsorship Income		22,757	24,730	28,023
Seminars		2,779	24,190	32,774
<b>Total Other Income</b>		<b>27,462</b>	<b>86,340</b>	<b>97,979</b>
<b>Total Income</b>		<b>\$86,779</b>	<b>\$151,040</b>	<b>\$160,035</b>
<b>Less Operating Expenses</b>				
<b>Promote the principles and theory of best practice in risk management</b>				
OB7 Committee Representation		-	3,000	1,758
RiskNZ Awards of Excellence		-	1,200	1,024
<b>Total Strategic Initiatives</b>		<b>-</b>	<b>4,200</b>	<b>2,782</b>
<b>Training &amp; Education</b>				
Conference Expenses		3,051	22,500	19,002
Seminars		-	14,200	19,134
<b>Total Training &amp; Education</b>		<b>3,051</b>	<b>36,700</b>	<b>38,136</b>
<b>Communication &amp; Promotion</b>				
Design work and printing costs		3,282	4,600	3,054
Software License		539	730	717
Website maintenance		1,700	1,700	1,814
<b>Total Communication &amp; Promotion</b>		<b>5,521</b>	<b>7,030</b>	<b>5,585</b>
<b>Business Operations &amp; Management</b>				
Depreciation		3,491	3,990	3,990
Legal Fees		-	-	9,665
Rentals & Subscriptions		2,247	2,539	1,888
Administration Officer		36,913	37,440	36,612
AGM		10	250	73
Audit Fee		2,400	2,400	2,300
Managing Director/ Executive Officer		51,624	50,500	62,531
Printing, Postage & Stationery		-	60	9
Bank Charges		2,099	2,388	2,276



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General Expenses	1,820	735	540
Insurance	2,308	2,400	2,258
Management Committee Expenses	3,695	3,500	1,135
Travel	529	1,720	731
<b>Total Business Operations &amp; Management</b>	<b>107,136</b>	<b>107,722</b>	<b>124,207</b>
<b>Total Operating Expenses</b>	<b>115,708</b>	<b>155,652</b>	<b>170,510</b>
<b>Net surplus/deficit before tax</b>	<b>(\$28,929)</b>	<b>(\$4,612)</b>	<b>(\$10,475)</b>
Tax	0	0	0
<b>Net surplus/deficit after tax</b>	<b>(\$28,929)</b>	<b>(\$ 4,612)</b>	<b>(\$10,475)</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 2021**

	2021 \$	BUDGET \$	2020 \$
Balance at beginning of year	51,608	51,608	62,083
Net surplus/(deficit) after tax	(28,929)	(4,612)	(10,475)
Balance at end of year	<u>22,679</u>	<u>\$46,996</u>	<u>\$51,608</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	33%

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 (2020 none) nor were there any contingent assets (2020 none).

## 7 INCOME TAX

Income tax is payable on interest received.

## 8. SOFTWARE

	Cost Price	Current Year Depreciation	Accumulated Depreciation	Carrying Amount
	\$	\$	\$	\$
<b>2021</b>				
Website	10,972	3,491	7,481	3,491
	<b>10,972</b>	<b>3,491</b>	<b>7,481</b>	<b>3,491</b>
<b>2020</b>				
Website	10,972	3,990	3,990	6,982
	<b>10,972</b>	<b>3,990</b>	<b>3,990</b>	<b>6,982</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 2021 (2020 none).

## 10. RELATED PARTY TRANSACTIONS

During the 2020/21 financial year the Executive Officer resigned. The Board appointed the Deputy Chair as the Managing Director in August 2020. The Board agreed the rate taking into account the increased responsibilities and the previous rates. A total of \$40,000 was paid to the Managing Director during 2020/21. There were no other related party transactions.

## 11. CAPITAL COMMITMENTS

There were no capital commitments as at 31 March 2021 (2020: None).

## 12. GOING CONCERN

RiskNZ has incurred losses over the past three financial years and these losses have increased significantly each year. At year end the RiskNZ only had net cash reserves of approximately \$20,000. This means that any further significant losses would put pressure on the RiskNZ's cash flows which creates a material uncertainty relating to the going concern assumption. Management is confident that with the events they have planned for next year they will be able to reverse the trend of previous years and generate a break-even result. The financials have accordingly been prepared on the basis that the e will continue to operate as a going concern.





**INDEPENDENT AUDITOR'S REPORT****to the Members of RISKNZ INCORPORATED****Report on Audit of the Special Purpose Financial Statements****Opinion**

We have audited the Financial Statements of **RiskNZ Incorporated ("the Entity")** on pages **3** to **8** which comprise the Statement of Financial Position as at **31 March 2021**, the Statement of Financial Performance, Statement of Movement in Equity for the year then ended **31 March 2021** 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 2021** 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.

### **Material Uncertainty Related to Going Concern**

Without modifying this audit report we refer the reader to Note 12 which refers to the material uncertainty which arises as a result of significant operating losses in recent years.

*Signature:*



*30 June 2021*

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