

**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2006**

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**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC****STATEMENT OF FINANCIAL PERFORMANCE  
FOR YEAR ENDED 31 DECEMBER 2006**

	NOTE	2006 \$	2005 \$
<b>REVENUE</b>			
Membership fees		42,743	58,366
Trade service fees		145,271	185,083
German trade fair promotion		56,053	62,186
German trade representative funding		73,889	70,881
Oktoberfest income		50,094	44,009
Interest		1,738	719
Exchange fluctuations		4,748	697
Workshop and seminar income		627	5,462
Other income		11,594	14,418
Business Guide		41,868	-
<b>TOTAL OPERATING REVENUE</b>		<b>428,625</b>	<b>441,821</b>
<b>EXPENSES</b>			
ACC levy		727	169
Accounting fees		5,000	10,000
Advertising		1,400	2,198
Association functions		3,072	7,064
Audit fees		3,514	4,323
Bad debts		440	2,660
Bank charges		1,771	1,331
Business Guide Expenses		68,148	-
Depreciation	2	16,293	6,537
Directories & Publications		4,753	2,279
Interest paid		18	16
Internet		1,764	3,750
Mail-out costs		-	1,369
Maintenance - equipment		9,455	29,172
Oktoberfest Expenses		39,056	22,964
Photocopying & Printing		2,418	20
Postage & courier services		1,800	3,567
Premises - rent & rates		18,718	16,279
Premises - cleaning & power		-	707
Premises - moving costs		-	1,937
Salaries & management fees		92,003	101,793
Secretarial Fees		-	577
Staff training & education		1,812	637
Stationery & refreshments		2,524	3,681
Subscriptions		550	250
Sundry expenses		2,097	1,847
Telecommunications		2,429	3,123
Trade enquiry expenses		78,317	113,240
Trade fair promotion expenses		56,053	62,186
Travel & accommodation		22,062	6,313

Vehicle expenses	643	658
Website costs	1,315	3,815
Workshop and seminar expenses	8,242	10,046
<b>TOTAL EXPENSES</b>	<u>446,394</u>	<u>424,508</u>
<b>NET (DEFICIT) SURPLUS/ BEFORE TAXATION</b>	(17,769)	17,313
Taxation Expense	-	-
<b>NET (DEFICIT) SURPLUS/ AFTER TAXATION</b>	<u>(17,769)</u>	<u>17,313</u>

The notes on pages 7 to 8 form part of and are to be read in conjunction with these financial statements.

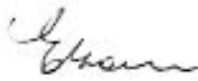
**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC****STATEMENT OF MOVEMENTS IN EQUITY**  
**FOR YEAR ENDED 31 DECEMBER 2006**

	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
Accumulated funds at beginning of year	85,819	68,506
	-----	-----
Net Surplus for the year	(17,769)	17,313
	-----	-----
Total recognised revenues and expenses for year	(17,769)	17,313
	-----	-----
<b>Accumulated funds at end of year</b>	<b>68,050</b>	<b>85,819</b>
	=====	=====

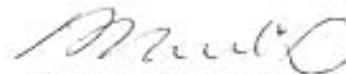
The notes on pages 7 to 8 form part of and are to be read in conjunction with these financial statements.

**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC****STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2006**

	NOTE	2006	2005
		\$	\$
<b>CURRENT ASSETS</b>			
ASB Bank-Cheque Account		7,501	6,968
ASB Bank - Call Account		102	7,090
ASB Bank- Euro Account		30,161	71,859
Bank of New Zealand - 01 Account		-	471
Deutsche bank		90,720	73,369
Accounts receivable		8,618	1,594
GST receivable		5,604	11,976
Taxation receivable		334	177
Cash on hand		410	-
		-----	-----
		143,450	176,504
		-----	-----
<b>FIXED ASSETS</b>	2	23,303	33,800
		-----	-----
<b>TOTAL ASSETS</b>		166,753	210,304
		=====	=====
<b>CURRENT LIABILITIES</b>			
Accounts payable		84,702	116,520
Holiday pay		3,657	231
PAYE clearing account		2,313	3,694
Accrued trade fair commission		8031	4,040
		-----	-----
<b>TOTAL CURRENT LIABILITIES</b>		98,703	124,485
		-----	-----
<b>ACCUMULATED FUNDS</b>		68,050	85,819
		-----	-----
		166,753	210,304
		=====	=====



Erich Bachmann  
President NZGBA



Robert Knox  
Treasurer NZGBA

31 July 2007  
Date

The notes on pages 7 to 8 form part of and are to be read in conjunction with these financial statements.

**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2006****1.0 STATEMENT OF ACCOUNTING POLICIES****1.1 Reporting Entity**

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

**1.2 Measurement Base**

The general accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the Association. Accrual accounting has been used to match revenue and expenses.

**1.3 Specific Accounting Policies**

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

- i) Foreign Currencies  
Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. At balance date foreign monetary assets and liabilities are translated at the closing rate and variations arising from these translations are included in the Statement of Financial Performance.
- ii) Accounts Receivable  
Accounts receivable are stated at their estimated realisable value.
- iii) Taxation  
The Association is liable for taxation on all interest earnings in excess of \$1,000
- iv) Fixed Assets  
Fixed assets transferred from the German Trade Office are stated at book value per the financial records of the German Trade Office at September 1983 less depreciation. Fixed assets acquired since are stated at cost. Depreciation has been calculated using the diminishing value method using the following rates:
 

Fixtures & fittings	14% - 20% DV
Office equipment	14.4% - 48% DV
Computer Equipment	40% - 48% DV
- v) Goods and Services Tax  
The financial statements have been prepared on a GST exclusive basis.
- vi) Differential Reporting  
As the Association is not publicly accountable and is not large, it qualifies for differential reporting. The Association has chosen to take advantage of all exemptions available under differential reporting.
- vii) Leases  
Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus in equal instalments over the lease term.

**NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR 31 DECEMBER 2006****1.4 Changes In Accounting Policies**

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

**2.0 FIXED ASSETS**

	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
Office equipment – at cost	73,089	67,294
Less: Accumulated depreciation	66,672	61,986
Written down value	<u>6,417</u>	<u>5,308</u>
Furniture & fittings – at cost	19,571	19,571
Less: Accumulated depreciation	13,657	12,178
Written down value	<u>5,914</u>	<u>7,393</u>
Computer equipment – at cost	23,006	23,006
Less: Accumulated depreciation	12,035	1,907
Written down value	<u>10,971</u>	<u>21,099</u>
<b>Total Written Down Value</b>	<u>23,302</u>	<u>33,800</u>
<b>Depreciation</b>		
Office equipment	4686	5,088
Furniture & fittings	1479	120
Computer equipment	10,128	1,329
<b>Total Depreciation</b>	<u>16,293</u>	<u>6,537</u>

**3.0 OPERATING LEASE COMMITMENTS**

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

	<b>2006</b>	<b>2005</b>
Current	4,081	15,167
Non-current	2,977	2,528
	<u>7,058</u>	<u>17,695</u>
	<u>=====</u>	<u>=====</u>