



NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2005

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NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC**STATEMENT OF FINANCIAL PERFORMANCE
FOR YEAR ENDED 31 DECEMBER 2005**

| | NOTE | 2005 \$ | 2004 \$ |
|-------------------------------------|------|----------------|----------------|
| REVENUE | | | |
| Membership fees | | 58,366 | 53,428 |
| Trade service fees | | 185,083 | 28,726 |
| German trade fair promotion | | 62,186 | 54,686 |
| German trade representative funding | | 70,881 | 70,245 |
| Oktoberfest Income | | 44,009 | 36,676 |
| Interest | | 719 | 269 |
| Exchange fluctuations | | 697 | (5,329) |
| Workshop and seminar income | | 5,462 | - |
| Other income | | 14,418 | 9,136 |
| TOTAL OPERATING REVENUE | | 441,821 | 247,837 |
| EXPENSES | | | |
| ACC levy | | 169 | 220 |
| Accounting fees | | 10,000 | 10,000 |
| Advertising | | 2,198 | 2,928 |
| Association functions | | 7,064 | 4,420 |
| Audit fees | | 4,323 | 2,386 |
| Bad debts | | 2,660 | 638 |
| Bank charges | | 1,331 | 1,409 |
| Depreciation | 2 | 6,537 | 5,482 |
| Directories & Publications | | 2,279 | 1,054 |
| Interest paid | | 16 | - |
| Internet | | 3,750 | 2,016 |
| Mail-out costs | | 1,369 | 1,308 |
| Maintenance - equipment | | 29,172 | 7,166 |
| Oktoberfest Expenses | | 22,964 | 27,321 |
| Photocopying | | 20 | 561 |
| Postage & courier services | | 3,567 | 4,865 |
| Premises - rent & rates | | 16,279 | 6,600 |
| Premises - cleaning & power | | 707 | 2,853 |
| Premises - moving costs | | 1,937 | - |
| Salaries & management fees | | 101,793 | 56,696 |
| Secretarial Fees | | 577 | 2,183 |
| Staff training & education | | 637 | 527 |
| Stationery & refreshments | | 3,681 | 4,401 |
| Subscriptions | | 250 | 450 |
| Sundry expenses | | 1,847 | 1,273 |
| Telecommunications | | 3,123 | 4,643 |
| Trade enquiry expenses | | 113,240 | 3,731 |
| Trade fair promotion expenses | | 62,186 | 54,686 |
| Travel & accommodation | | 6,313 | 7,790 |

NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC
STATEMENT OF FINANCIAL PERFORMANCE (CONTINUED)
FOR YEAR ENDED 31 DECEMBER 2005

| | NOTE | 2005 \$ | 2004 \$ |
|------------------------------------|------|------------------------|------------------------|
| EXPENSES (CONTINUED) | | | |
| Vehicle expenses | | 658 | 609 |
| Website costs | | 3,815 | 1,740 |
| Workshop and seminar expenses | | 10,046 | - |
| TOTAL EXPENSES | | <u>424,508</u> | <u>219,956</u> |
| NET SURPLUS BEFORE TAXATION | | 17,313 | 27,881 |
| Taxation Expense | | - | (10) |
| NET SURPLUS AFTER TAXATION | | <u>17,313</u> ===== | <u>27,891</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 INCSTATEMENT OF MOVEMENTS IN EQUITY
FOR YEAR ENDED 31 DECEMBER 2005

| | 2005 | 2004 |
|---|---------------|---------------|
| | \$ | \$ |
| Accumulated funds at beginning of year | 68,506 | 40,615 |
| Net Surplus for the year | 17,313 | 27,891 |
| Total recognised revenues and expenses for year | 17,313 | 27,891 |
| Accumulated funds at end of year | 85,819 | 68,506 |

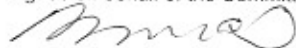
The notes on pages 7 to 8 form part of and are to be read in conjunction with these financial statements.

NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2005

| | NOTE | 2005 | 2004 |
|----------------------------------|------|---------|--------|
| | | \$ | \$ |
| CURRENT ASSETS | | | |
| ASB Bank-Cheque Account | | 6,968 | 11,757 |
| ASB Bank - Call Account | | 7,090 | - |
| ASB Bank- Euro Account | | 71,859 | 46,422 |
| Bank of New Zealand - 01 Account | | 471 | 331 |
| Deutsche bank | | 73,369 | 3,331 |
| Accounts receivable | | 1,594 | 473 |
| GST receivable | | 11,976 | 8,368 |
| Taxation receivable | | 177 | 48 |
| | | ----- | ----- |
| | | 176,504 | 70,730 |
| | | ----- | ----- |
| FIXED ASSETS | 2 | 33,800 | 13,614 |
| | | ----- | ----- |
| TOTAL ASSETS | | 210,304 | 84,344 |
| | | ===== | ===== |
| CURRENT LIABILITIES | | | |
| Accounts payable | | 116,520 | 11,660 |
| Holiday pay | | 231 | 200 |
| PAYE clearing account | | 3,694 | - |
| Accrued trade fair commission | | 4,040 | 3,978 |
| | | ----- | ----- |
| TOTAL CURRENT LIABILITIES | | 124,485 | 15,838 |
| | | ----- | ----- |
| ACCUMULATED FUNDS | | 85,819 | 68,506 |
| | | ----- | ----- |
| | | 210,304 | 84,344 |
| | | ===== | ===== |

Signed on behalf of the Committee



Treasurer - Robert Knox

15.08.06

Date



President - Erich Bachmann

15.08.06

Date

The notes on pages 7 to 8 form part of and are to be read in conjunction

NEW ZEALAND GERMAN BUSINESS ASSOCIATION INCNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**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. Expenses are shown net of recoveries and revenues are shown net of appropriate 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

NEW ZEALAND GERMAN BUSINESS ASSOCIATION INC**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR 31 DECEMBER 2005****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

| | 2005 | 2004 |
|---------------------------------|---------------|---------------|
| | \$ | \$ |
| Office equipment – at cost | 67,294 | 67,894 |
| Less: Accumulated depreciation | 61,986 | 55,786 |
| Written down value | <u>5,308</u> | <u>12,108</u> |
| | | |
| Furniture & fittings – at cost | 19,571 | 12,360 |
| Less: Accumulated depreciation | 12,178 | 12,058 |
| Written down value | <u>7,393</u> | <u>302</u> |
| | | |
| Computer equipment – at cost | 23,006 | 2,895 |
| Less: Accumulated depreciation | 1,907 | 1,691 |
| Written down value | <u>21,099</u> | <u>1,204</u> |
| | | |
| Total Written Down Value | <u>33,800</u> | <u>13,614</u> |
| | ===== | ===== |
| | | |
| Depreciation | | |
| Office equipment | 5,088 | 4,827 |
| Furniture & fittings | 120 | 76 |
| Computer equipment | 1,329 | 579 |
| Total Depreciation | <u>6,537</u> | <u>5,482</u> |
| | ===== | ===== |

3.0 OPERATING LEASE COMMITMENTS

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

| | 2005 | 2004 |
|-------------|---------------|-------------|
| Current | 15,167 | - |
| Non-current | 2,528 | - |
| | <u>17,695</u> | <u>-</u> |
| | ===== | ===== |
| | = | |