

TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

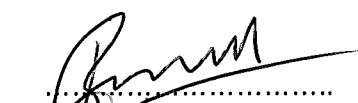
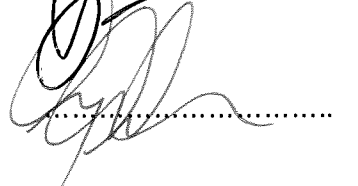
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TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Note	2015	2014
EQUITY			
Total Member's Equity		<u>24,528</u>	<u>57,397</u>
Represented by:			
FIXED ASSETS	6	610	1,016
CURRENT ASSETS			
Cash	5	87,803	122,507
Accounts Receivable and Accruals		17,684	7,199
Prepayments		2,650	-
GST Receivable		<u>8,059</u>	<u>7,973</u>
		116,196	137,679
TOTAL ASSETS		<u>116,806</u>	<u>138,695</u>
CURRENT LIABILITIES			
Accounts Payable and Accruals		31,817	29,653
Income in Advance		60,461	51,645
TOTAL LIABILITIES		<u>92,278</u>	<u>81,298</u>
NET ASSETS		<u>24,528</u>	<u>57,397</u>


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Chairman 29 June 2016

Treasurer 29 June 2016

The accompanying notes form part of these financial statements

TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

STATEMENT OF MOVEMENTS IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
Equity at Beginning of the year	57,397	70,323
Net Surplus/(Deficit)	<u>(32,869)</u>	<u>(12,926)</u>
Total Recognised Revenue and Expenses for the year	(32,869)	(12,926)
EQUITY AT THE END OF THE YEAR	<u>24,528</u>	<u>57,397</u>

The accompanying notes form part of these financial statements

TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015	2014
Operating Revenue	2	308,549	255,785
Operating Expenses	3	341,418	268,711
NET SURPLUS/(DEFICIT)		<u>(32,869)</u>	<u>(12,926)</u>

The accompanying notes form part of these financial statements

TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

Telecommunications Users Association of New Zealand Inc. is incorporated under the Incorporated Societies Act 1908.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand applying Financial Reporting Standards (FRS) and applicable Statements of Standard Accounting Practice (SSAPs).

The Association qualifies for differential reporting as it is not publicly accountable and is not considered a large entity in terms of the Framework for Differential Reporting. The entity has taken advantage of all available differential reporting exemptions.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the society.

Specific Accounting Policies

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

Revenue Recognition

Subscriptions are recognised in the year to which the subscription relates. Subscriptions are billed on an annual basis. Any portion of the subscription falling outside the income year is treated as unearned income and transferred to Income in Advance in the Statement of Financial Position.

Sponsorship and registrations for Conferences and Seminars are recognised when the event or function takes place.

Advertising revenue from Communications is recognised on publication.

Interest and all other income is recognised when it is earned.

Employee Entitlements

Employee entitlements to salaries and wages, annual leave and other benefits are recognised when they accrue to employees. The liability for employee entitlements is equal to the present value of the estimated future cash flows as a result of employee services provided at balance date.

Cash and Cash Equivalents

Cash and cash equivalents comprise deposits with banks and bank and cash balances.

Accounts Receivable

Accounts receivable are stated at their expected realisable value after providing for or writing off any debts considered uncollectable.

The accompanying notes form part of these financial statements

TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Fixed Assets

Fixed assets are stated at cost or fair value if donated. The cost of purchased fixed assets is the value of the consideration given to acquire the assets and the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended use.

Depreciation is calculated so as to write off the cost of the asset on a straight-line basis over its estimated useful life, commencing from the time the asset is held ready for use, as follows:

Computer Equipment	28.8% to 36%
Office Equipment	6.5% to 50.0%
Exhibition Equipment	25.0%

Goods & Services Tax

The financial statements are prepared on a GST exclusive basis. All amounts are shown exclusive of GST except for Accounts Receivable and Accounts Payable. Any GST payable or receivable from the Inland Revenue Department at balance date is shown in the Statement of Financial Position.

Taxation

Income tax is calculated on business income derived outside of the Association membership. Expenses are allocated proportionately to non members based on the ratio of non member to member income. The Association qualifies for an exemption from income tax of \$1,000 allowed to a non-profit organisation for income which is derived from outside the circle of membership.

The income tax expense charged to the Statement of Financial Performance includes both the current year's provision and the income tax effect of timing differences calculated using the liability method.

Tax effect accounting is applied on a comprehensive basis on all timing differences. A debit balance in the deferred tax account, arising from timing differences or income tax benefits from tax losses, is only recognised if there is a virtual certainty of realisation.

Change in Accounting Policies

All policies have been applied on bases consistent with those used in previous years.

The accompanying notes form part of these financial statements

TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

2 <u>OPERATING REVENUE</u>	2015	2014
Subscriptions	233,026	231,258
Conferences & Seminars	45,026	17,507
Interest	2,745	5,235
Other	<u>27,752</u>	<u>1,785</u>
	<u>308,549</u>	<u>255,785</u>

3 OPERATING EXPENSES

The Net Surplus/(Deficit) is after charging:

Audit Fees	4,218	3,500
Depreciation	406	113

4 INCOME TAX

Net Surplus/(Deficit)	(32,869)	(12,926)
Prima Facie Income Tax at 28%	(9,203)	(3,619)
<u>Add/(deduct Tax Effect of Permanent Differences</u>		
Non taxable Income on Member Activities	8,162	4,488
Non deductible expenses	308	(1,051)
Tax Losses not recognised	733	182
Taxation Expense	<u>0</u>	<u>0</u>

There are tax losses of \$762,001 (2014: \$759,384) carried forward to set off against future assessable income

5 CASH

Bank	77,803	112,507
Deposits	<u>10,000</u>	<u>10,000</u>
	<u>87,803</u>	<u>122,507</u>

A deposit of \$10,000 (2014: \$10,000) is held as security by the bank for credit card balances.

The accompanying notes form part of these financial statements

TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

6 FIXED ASSETS

As at 31 December 2015	Cost	Accum Depn	Book Value
Exhibition Equipment	20,635	20,635	-
Computer Equipment	2,789	2,179	610
Office Equipment	480	480	-
Total Fixed Assets	23,904	23,294	610

As at 31 December 2014	Cost	Accum Depn	Book Value
Exhibition Equipment	20,635	20,635	-
Computer Equipment	2,789	1,773	1,016
Office Equipment	480	480	-
Total Fixed Assets	23,904	22,888	1,016

7 DEPRECIATION

	2015	2014
Computer Equipment	406	113
	<u>406</u>	<u>113</u>

8. TRANSACTIONS WITH RELATED PARTIES

There have been no related party transactions during the year (2014: \$NIL)

9. CONTINGENT LIABILITIES

There are no known contingent liabilities at balance date (2014: \$NIL)

10. CAPITAL COMMITMENTS

There were no capital commitments at balance date (2014: \$NIL)

11. GOING CONCERN BASIS

The economic climate that the Association is operating in continues to be challenging.

The validity of the going concern assumption on which the financial statements are prepared depends on the ongoing support of its members through membership renewals. The Board, at the date of these financial statements, is uncertain as to this outcome.

The accompanying notes form part of these financial statements

INDEPENDENT AUDITOR'S REPORT

To the Members of the Telecommunications Users Association of New Zealand Inc.

We have audited the financial statements of the Telecommunications Users Association of New Zealand Inc. on pages 1 to 7. The financial statements comprise the Statement of Financial Position as at 31 December 2015, the Statement of Financial Performance and Statement of Movements in Equity for the year then ended, and the Notes to the Financial Statements.

Board's Responsibility for the Financial Statements

The Board is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand 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 standards 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 entity'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 entity'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 overall 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.

Other than in our capacity as auditor we have no relationship with, or interest in, the Telecommunications Users Association of New Zealand Inc.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 11 in the financial statements which indicates the existence of a material uncertainty that may cast doubt about the Association's ability to continue as a going concern.

In our opinion, the financial statements on pages 1 to 7 present fairly, in all material aspects, the financial position of the Telecommunications Users Association of New Zealand Inc. as at 31 December 2015, and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.

Tyler & Associates Ltd.

Tyler & Associates Ltd
Chartered Accountants
Glenfield

29 June 2016