



TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.
ANNUAL REPORT TO THE REGISTRAR OF INCORPORATED SOCIETIES
FOR THE PERIOD ENDED 31 MARCH 2018

TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

**ANNUAL REPORT
FOR THE PERIOD ENDED 31 MARCH 2018**

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TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

SOCIETY DIRECTORY AS AT 31 MARCH 2018

Nature of Business	Telecommunications Users Association of NZ Inc. (TUANZ) represents corporate and individual end users of telecommunications in New Zealand. Our purpose is to ensure New Zealand can make the most of the digitally connected world
Address	Level 1, Building C, 14-22 Triton Drive Albany Auckland
Bankers	Westpac Banking Corporation
Auditors	Crowe Horwath Audit New Zealand Partnership PO Box 158 Auckland 1140
Members of TUANZ	Refer to http://tuanz.org.nz/
Chairperson	Liz Gosling
CEO	Craig Young

TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 31 MARCH 2018

	Note	March 2018 12 months \$	March 2017 15 months \$
Income			
Interest Income		617	1,030
Other Revenue		1,730	7,022
Partnership Income		38,750	-
Events and Training		52,088	98,223
Membership		202,196	295,760
Total Income		325,381	402,035
Less Operating Expenses			
Audit Fees		3,750	3,200
Depreciation		364	508
Events and Training Expenses		55,531	85,575
General Expenses		16,368	16,443
Member Relations		2,756	9,436
Management Costs		188,516	236,838
Secretariat		63,617	76,535
Subscriptions		543	1,041
Telephone & Website		6,474	6,217
Travel and Accommodation		19,414	16,736
Total Operating Expenses		357,333	452,529
Net Surplus/(Deficit)		(31,953)	(50,494)

The accompanying notes form part of these financial statements



TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

STATEMENT OF MOVEMENTS IN GENERAL FUNDS FOR THE PERIOD ENDED 31 MARCH 2018

	2018	2017
	\$	\$
Equity at Beginning of the period	(25,966)	24,528
Net Surplus/(Deficit)	<u>(31,953)</u>	<u>(50,494)</u>
Total recognised Revenue and Expenses for the period	(31,953)	(50,494)
EQUITY AT THE END OF THE PERIOD	<u>(57,919)</u>	<u>(25,966)</u>

The accompanying notes form part of these financial statements




TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

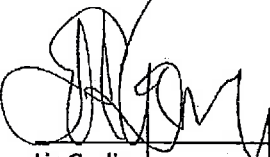
**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

	Note	2018 \$	2017 \$
Assets			
Current Assets			
Cash	6	165,518	126,863
Accounts Receivable and Accruals		51,780	101,941
Prepayments		2,126	11,826
GST Receivable		-	5,273
Total Current Assets		<u>219,424</u>	<u>245,903</u>
Property, Plant and Equipment	5	1,706	102
Total Assets		221,130	246,005
Liabilities			
Current Liabilities			
Accounts Payable and Accruals		33,367	39,466
GST Payable		9,822	-
Income in Advance	4	235,860	232,505
Total Current Liabilities		<u>279,049</u>	<u>271,971</u>
Total Liabilities		279,049	271,971
Net Assets		<u>(57,919)</u>	<u>(25,966)</u>
 EQUITY			
Total Member's Equity	3	<u>(57,919)</u>	<u>(25,966)</u>

For on and behalf of TUANZ by the TUANZ CEO
and TUANZ Board Chair



Craig Young
11th September 2018



Liz Gosling
11th September 2018

The accompanying notes form part of these financial statements



TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 MARCH 2018

1. Statement of Accounting Policies

Reporting entity

Telecommunications Users Association of NZ Inc ["TUANZ"] is incorporated under the Incorporated Societies Act 1908.

Basis of reporting

TUANZ is not required to prepare financial statements that comply with Generally Accepted Accounting practice and as a result TUANZ have elected to prepare special purpose financial statements. The special purpose financial statements have been prepared to assist TUANZ prepare a set of financial statements for management purposes and to report to its members. As a result the special purpose financial statements may not be suitable for another purpose.

Change of balance date

TUANZ has changed its balance date from 31st December to 31st March. The last prepared financial statements were for the 15 months from 1 January 2016 to 31 March 2017.

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 Association.

Specific accounting policies

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

- a) Receivables are stated at their estimated realisable value.
- b) Property, Plant & Equipment:
All Property, Plant and Equipment are recorded at cost less accumulated depreciation.
- c) Depreciation:
Depreciation is provided on a straight-line basis on all fixed assets at rates calculated to allocate their cost against revenue over their estimated useful lives.
Rate: Computer Equipment 36% - 40%
- d) Taxation:
The Association is liable for taxation on interest income and all other non-member income.
- e) Goods & Services Tax:
These financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable, which are shown inclusive of GST.



TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 MARCH 2018 (Continued)

- f) Revenue:
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.

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

Changes in accounting policies

There have been no changes in accounting policies.

2. Taxation

	2018	2017
	\$	\$
Taxable Income (interest and from non members)	(22,485)	(5,750)
Less not for profit exemption	0	0
Taxable Income	(22,485)	(5,750)
Tax at 28%	0	0

There are tax losses of \$790,236 (2017: \$767,751) carried forward to set off against future assessable income.

TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 MARCH 2018 (Continued)

3. Retained Earnings

	2018	2017
	\$	\$
Equity at Beginning of the period	(25,966)	24,528
Net Surplus/(Deficit)	<u>(31,953)</u>	<u>(50,494)</u>
Total recognised Revenue and Expenses for the period	(31,953)	(50,494)
 EQUITY AT THE END OF THE PERIOD	 <u><u>(57,919)</u></u>	 <u><u>(25,966)</u></u>

4. Income in Advance

Income in advance is made up of membership invoices sent out to members in January 2018 which is for membership for the period 1st April 2018 to 31st March 2019.

5. Property, Plant & Equipment

	Cost	Accum Depn	Book Value
As at 31 March 2018			
Computer Equipment	3,097	1,391	1,706
Total Property, Plant and Equipment	<u>3,097</u>	<u>1,391</u>	<u>1,706</u>

	Cost	Accum Depn	Book Value
As at 31 March 2017			
Computer Equipment	1,129	1,027	102
Total Property, Plant and Equipment	<u>1,129</u>	<u>1,027</u>	<u>102</u>

TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 MARCH 2018 (Continued)

6. Cash

Westpac has a general security agreement dated 30 July 2004 over TUANZ's assets, undertakings and uncalled capital. Security over the Term Deposit held by TUANZ of \$10,000 as at 31 March 2018.

There is also a mastercard facility limit of \$30,000 (2017: \$30,000).

7. Related Parties

TUANZ received fees from its members during the year. There are no other related parties to be disclosed for the Association.

8. Capital Commitments and Contingencies

The Association has no capital budget so there are no capital commitments in existence at the end of the period nor any known capital commitments for the following financial year.

There are no contingent liabilities at 31 March 2018 (2017:Nil).

9. Operating Lease Commitments

There were no operating service commitments.

10. Subsequent Events

There were no significant subsequent events noted for the year ended 31 March 2018 (2017:Nil)



TELECOMMUNICATIONS USERS ASSOCIATION OF NZ INC.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 MARCH 2018 (Continued)

11. Going Concern

The Association has incurred a net deficit of \$31,953 for the year ended 31 March 2018 (fifteen months ended 31 March 2017: \$50,494) and had a working capital deficit of \$59,625 at 31 March 2018 (2017: \$26,068). These factors cast doubt upon the going concern assumption upon which these financial statements have been prepared. These financial statements have been prepared on a going concern basis as the Board's view is that the Association has adequate financial resources to enable it to meet its obligations in the ensuing 12 months from the date of these financial statements. The Association's ability to meet its obligations and continue as a going concern is wholly dependent on its ability to meet forecast revenue and expenditure as included in the budget prepared by the Board for the forthcoming financial year. Should the Association be unable to meet forecast revenue and expenditure as included in the budget, and the Association be unable to meet its obligations, then the Association could no longer continue as a going concern, and adjustments would need to be made to the Association's financial statements to provide for any possible loss on realisation of the Association's assets. In addition, the Association would likely be required to provide for further liabilities arising and to reclassify certain non-current assets as current assets.



INDEPENDENT AUDITOR'S REPORT

To the Board of Management of Telecommunication Users Association of NZ Inc

Opinion

We have audited the financial statements of Telecommunication Users Association of NZ Inc ("the Association") on pages 4 to 11, which comprise the statement of financial position as at 31 March 2018, the statement of financial performance and statement of movements in general funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Association for the year ended 31 March 2018 are prepared, in all material respects, in accordance with the basis of accounting as described in Note 1 of the financial statements.

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 Association 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 Association.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared for management purposes and to report to the Association's members. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to parties other than the Association and its members. Our opinion is not modified in respect of this matter.

Material Uncertainty Related to Going Concern

As set out in note 11 to the financial statements, the Association has incurred a net deficit of \$31,953 for the year ended 31 March 2018 (fifteen months ended 31 March 2017: \$50,494) and had a working capital deficit of \$59,625 at 31 March 2018 (2017: \$26,068). These factors cast doubt upon the going concern assumption upon which these financial statements have been prepared. These financial statements have been prepared on a going concern basis as the Board's view is that the Association has adequate financial resources to enable it to meet its obligations in the ensuing 12 months from the date of these financial statements. The Association's ability to meet its obligations and continue as a going concern is wholly dependent on its ability to meet forecast revenue and expenditure as included in the budget prepared by the Board for the forthcoming financial year. Should the Association be unable to meet forecast revenue and expenditure as included in the budget, and the Association be unable to meet its obligations, then the Association could no longer continue as a going concern, and adjustments would need to be made to the Association's financial statements to provide for any possible loss on realisation of the Association's assets. In addition, the Association would likely be required to provide for further liabilities arising and to reclassify certain non-current assets as current assets.

Responsibilities of the Board for the Financial Statements

The Board are responsible on behalf of the Association for the preparation of the financial statements with the basis of accounting as described in Note 1 of the financial statements and for such internal control as the Board 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, the Board are responsible for assessing the Association'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 the Board either intend to liquidate the Association 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 Association's internal control.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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 Association to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with the Board 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.



Crowe Horwath New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

Dated at Auckland this 14th day of September 2018