



HQ Infoline
A Service From
New Zealand Association of
Radio Transmitters



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Infoline Editor

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Reviewed NZART Accounts

Please find the NZART accounts for last year. The reviewer took a lot of time reviewing the accounts, hence the delay in publishing them. This Infoline special is to allow members to view the accounts hopefully before their branch remit meeting and certainly before the AGM.

Treasurer's Report

The 2016 Financial Year has again returned a surplus for your association due to the support of its members and the containment of the operating costs. This allows the Association to continue to provide ongoing services and communications to its membership. The surplus after operating costs and taxes of \$18,006 (\$17,287 in 2015) ensures that the interests of members can continue to be supported, even fought for if necessary. Sixty nine percent of the Association's total assets are deposits in the New Zealand Banking Industry. This is a slight reduction from last year but this can be attributed to the continuing upgrade of the AREC communications infrastructure.

As in previous years the low interest rates have produced modest returns on the funds on deposit which is in sharp contrast to those rates that were available when I first became involved with this role nearly twenty years ago. While the forecasted interest returns look to improve that is in no way guaranteed given the state of the world's economy.

As your treasurer, I am comfortable with the current financial position of your Association, however, I'm also well aware of the challenges that the Association faces.

I would also like to place on record my thanks to your President and Executive Council for their support. The challenges continue but with the support of both your council and members the Association can continue its work in a positive way for the betterment of all.

Once again, I congratulate those members who generously carry out services for members in a voluntary (unpaid) capacity. These members keep your Association alive and viable from a financial perspective.

Evan T Sayer

Treasurer

17 March 2017

NEW ZEALAND ASSOCIATION OF RADIO TRANSMITTERS Inc						
Income and Expenditure for the Year Ended 31 December 2016						
<u>2015</u>				<u>Not</u>		<u>2016</u>
		Income		e		
120,184		Subscriptions		1		118,493
12,955		Interest and Investment Income				11,031
8,664		Donations Received				8,952
10,243		SMART Processing				10,300
		Examinations		3		126
646		Publications		2		671
152,692		Total Income				149,573
		Less Operating Expenses				
57,061		HQ Operating Costs		4	59,946	
1,375		Audit Fee			1,100	
-		Beacon & National System Costs			364	
49,098		Break-In and Call Book		5	53,038	
8,838		Conference			6,712	
119		Contests, Grants and Gifts			36	
-		Council Expenses			-	
-		Election's			-	
1,396		IARU Region 3 Contribution			1,551	
7,632		Legal Expenses			1,079	
1,957		Repeater Licence Costs			2,000	
-		Membership Promotion			730	
-		Officers Expenses not covered elsewhere			418	
2,584		Overseas Travel			(933)	
2,057		QSL Bureau Costs			2,765	
303		Website & Internet			261	
132,420		Total Expenses				129,067
20,272		Excess INCOME over Expenditure for the Year ended 31 December 2016				20,506
2,985		Taxation Expense				2,500

\$ 17,287	Excess INCOME over Expenditure transferred to Accumulated Funds					\$ 18,006
The attached notes form part of, and are to be read in conjunction with, these financial statements.						

NEW ZEALAND ASSOCIATION OF RADIO TRANSMITTERS Inc						
Statement of Financial Position as at 31 December 2016						
<u>2015</u>				<u>Not</u>		<u>2016</u>
				<u>e</u>		
	Members Funds					
249,820		Balance as at 1 January 2016				267,107
17,287		Add movements in reserves		13		18,006
267,107						285,113
4,647		Conference Expense Fund				4,647
1,131		Non Sponsored Awards Fund				1,131
\$ 272,885		Total Members Accumulated Funds as at 31 December 2016				\$ 290,891
	These Funds are Represented by :					
	Current Assets					
46,436		Bank of New Zealand - Current Account			35,912	
327,561		Bank of New Zealand - Deposit Accounts		6	364,328	
14,351		Westpac Trust - AREC Imprest Accounts			2,749	
-		GST Refund Due			1,732	
5,364		Accounts Receivable		7	1,168	
-		Bookshop Stock		9	-	
1,371		Provision for Tax		8	3,054	
323		Prepayments			-	
395,406		Total Current Assets				408,943
	Less Current Liabilities					
13,330		Accounts Payable			6,516	
150,762		AREC Balance held		10	178,781	
-		Provision for WARC2015 Travel			-	
108,054		Subscriptions received in Advance		11	115,435	
272,146		Total Current Liabilities				300,732

123,260	Working Capital						108,211
149,625	Fixed Assets (as per Asset Schedule)			12			182,680
\$ 272,885	Net Assets						\$ 290,891
	The attached notes form part of, and are to be read in conjunction with, these financial statements.						

NEW ZEALAND ASSOCIATION OF RADIO TRANSMITTERS Inc.

Association Assets as at 31 December 2016

	Cost	Additions	Total Cost	Depreciated Value	Additions	Current Year Depreciation	Depreciated Value
	1/01/2016		31/12/2016	1/01/2016			31/12/2016
Head Quarters							
Furniture, Fittings & Equipment	2,423		2,423	6		-	6
Computer Hardware	2,922	2,983	5,905	29	2,983	145	2,867
Computer Software	4,445		4,445	1		-	1
Leasehold Improvements	1,212		1,212	1		-	1
	11,002		13,985	37		145	2,875

Radio Equipment	294,953	79,153	374,106	148,101	79,153	48,211	179,043
Computer Equipment	3,626		3,626	1,487		725	762
	298,579	79,153	377,732	149,588	79,153	48,936	179,805
Total Association Assets	\$ 309,581	\$ 79,153	\$ 391,717	\$ 149,625	\$ 79,153	\$ 49,081	\$ 182,680

NEW ZEALAND ASSOCIATION OF RADIO TRANSMITTERS Inc

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2016

Financial

1 Reporting

The Association qualifies for certain disclosure exemptions under the New Zealand Institute of Chartered Accountants Framework for Differential Reporting because it is not publicly accountable and size (as defined in the Framework). The New Zealand Association of Radio Transmitters Inc has taken advantage of all financial reporting exemptions.

2 Measurement Base

The Accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis have been followed by the Association with the exception of subscription income. Subscription Income is accounted for on a cash basis relative to the year they belong to.

3 GST Basis

These financial statements have been prepared on a GST exclusive basis.

Changes in Accounting

4 Policy

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

NEW ZEALAND ASSOCIATION OF RADIO TRANSMITTERS Inc

Financial Notes for the Year Ended 31 December 2016

Note

1 Subscriptions

<u>2015</u>		<u>2016</u>	
128,221	Gross Subscription Received	127,733	
(8,037)	Less rebates taken	(9,240)	
<u>\$ 120,184</u>	Net Income from Subscriptions	<u>\$ 118,493</u>	

2 Publications / Bookshop

<u>2015</u>		<u>2016</u>
1,205	Total Sales	3,037

(559)	Less Purchases	(2,366)
\$ 646	Excess Income over Expenditure	\$ 671

3 Donations

<u>2015</u>		<u>2016</u>
4,664	Members Donations	4,406
3,000	Local Body Fighting Fund	4,546
1,000	Hamilton Conference Committee	-
\$ 8,664		\$ 8,952

4 Head Quarters Operating Costs

<u>2015</u>		<u>2016</u>
219	ACC Levy	92
1,057	Bank Charges	891
30	Business Managers Expenses	406
108	Depreciation	145
-	General Expenses	-
4,839	Insurance	4,094
-	Kiwisaver - Employers Contribution	732
479	Office Expenses	335
3,612	Photocopying	3,684
2,458	Postages & Couriers	1,652
592	Printing & Stationery	833
7,067	Rent	6,572
233	Repairs & Maintenance	-
34,490	Salaries	38,502
411	Security	311
1,466	Telephone & Fax	1,697
\$ 57,061		\$ 59,946

NEW ZEALAND ASSOCIATION OF RADIO TRANSMITTERS Inc

Financial Notes for the Year Ended 31 December 2016

Note

5 Break-In and Call Book

<u>2015</u>	Expenses	<u>2016</u>
3,983	Editorial Fees and Expenses	4,798
31,787	Typesetting, Printing and Distribution	33,159
12,838	Postage & Distribution	15,633
7,368	Callbook	4,118
55,976		57,708
	Less Recoveries	
6,878	Advertising & Sales	4,670
\$ 49,098	Net Cost of Providing Break-In and Call Book	\$ 53,038

6 Bank Deposits

	<u>Term</u>	<u>Matures</u>	<u>Interest Rate</u>	<u>Deposit Amount</u>
BNZ - Achiever Savings Account	On Call		0.00%	\$ 75,840
BNZ - Deposit Account - 3009	180 days	5-Mar-17	3.50%	\$ 51,509
BNZ - Deposit Account - 3012	180 days	8-Feb-17	3.15%	\$ 50,171
BNZ - Deposit Account - 3018	270 days	27-Apr-17	3.25%	\$ 54,149
BNZ - Deposit Account - 3019	180 days	9-Apr-17	3.50%	\$ 54,245
BNZ - Deposit Account - 3021	180 days	1-Feb-17	3.15%	\$ 50,000
BNZ - Deposit Account - 3022	90 days	20-Mar-17	2.75%	\$ 25,747
BNZ - Interest Accrued on Deposits at 31 December 2016				\$ 2,667
				\$ 364,328

7 Accounts Receivable

The Balance of the Accounts Receivable is considered to be totally collectable.

There is no Provision for Doubtful Debts

8 Provision for Taxation

Taxation was provided on Interest and Dividend Income.

<u>2015</u>		<u>2016</u>
10,659	Income Assessable for Taxation	8,928
2,984	Taxation at \$0.28	2,500
-	Less Taxation overprovided in Previous Years	-
2,984	Tax Expense	2,500
(4,673)	Less Resident withholding Tax Already Deducted	(4,184)
(318)	Add Provision for Previous Year	(1,369)
\$ (2,007)	Provision for Taxation at 31 December 2016 (- Refund)	\$ (3,054)

NEW ZEALAND ASSOCIATION OF RADIO TRANSMITTERS Inc

Financial Notes for the Year Ended 31 December 2016

Note

9 Bookshop Stock

Stock on hand as at 31 December 2016 was valued at cost.

10 AREC

<u>2015</u>		<u>2016</u>
73,152	Balance as at 1 January 2016	150,762
135,000	NZART AREC Emergency Funds Trust	90,000
-	Sales to Branches	3,488
208,152	Total Resources	244,250
	Less AREC Expenses	

1,000	Administration	1,000
3,937	Conference	1,768
	Communications & Internet	1,093
36,624	Depreciation	48,936
5,702	Equipment Subsidies	2,070
1,425	Insurance Subsidies	1,139
1,497	Other Costs	107
-	Radio Licences	1,200
400	Training Costs	3,367
3,470	Travel	1,763
3,335	Vehicle Registration Subsidies	3,026
<u>57,390</u>		<u>65,469</u>
<u>\$150,762</u>	Balance as at 31 December 2016	<u>\$ 178,781</u>

The AREC Balance as at 31 December 2016 represents the accumulated surplus of Income exceeding expense, calculated using conventional accounting methodology, over a number of years. It does not take into account the net book value of the AREC assets (\$179,807) held at the end of the Associations financial year. When the assets are taken into account the net liability is \$927

11 Subscriptions in Advance

1564 of the 1878 members had paid their subscriptions for 2017 prior to 31 December 2016

The amount of Subscriptions in Advance is made up as follows :

<u>2015</u>		<u>2016</u>
110,899	Gross Subscription for the 2017 Financial Year	117,983
(9,232)	Less rebate	(8,826)
<u>101,667</u>		<u>109,157</u>
\$ 6,387	Members Credit Balances as at 31 Dec 2016	\$ 6,279
<u>\$108,054</u>	Total Subscriptions received in advance	<u>\$ 115,435</u>

NB. These figures are exclusive of GST.

At the end of the 2016 financial year 83 percent of members had renewed there subscription for the ensuing year. We have budgetted to receive a further \$12,000 (8% of members) worth of the 2017 subscription income in the new year.

Financial Notes for the Year Ended 31 December 2016

Note

12 Fixed Assets and Depreciation

The Inland Revenue Department now allows for the purchase of assets with a value of less than \$500.00 to be expensed in the year of purchase.

The Association has taken advantage of this concession but reduces the value of the asset to \$1.00 while that asset is utilised within the Association.

Depreciation has been charges at the rate approved by The Inland Revenue Department for Taxation purposes. The straight-line method based on the assessed remaining economic life of all the items estimated at:

Printers

10 years

Office Chairs	10 years
Brother Printer	10 years
Fascimile	5 years
Computer Hardware	5 years
Computer Software	3 years
Leasehold Improvements	10 years
Radios (AREC)	5.7 years

See schedule of Assets and Depreciation for specific details.

13 Movement in Members Funds

<u>2015</u>		<u>2016</u>
249,820	Balance as at 1 January 2016	267,107
<u>17,287</u>	Add Excess Income over Expenditure	<u>18,006</u>
267,107	Total Member Resources	285,113
-	Less Allocated to Specific Funds	-
<u><u>\$</u></u>		<u><u>\$</u></u>
<u>267,107</u>	Balance as at 31 December 2016	<u>285,113</u>

End of Infoline special 54

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