



**Auckland Regional Chamber of  
Commerce & Industry Incorporated**

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**Financial Statements**

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**For the year ended 31 December 2014**

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**Auckland Regional Chamber of Commerce & Industry Incorporated**  
**Financial Statements**  
For the year ended 31 December 2014

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# Auckland Regional Chamber of Commerce & Industry Incorporated

## Directory

For the year ended 31 December 2014

<b>Board of Directors</b>	D L Nathan (Chairman) C W Carr (Treasurer) F Hellaby M F Barnett E K van Arkel J C Lindsay K F Daly M X Franklin P R Gulliver
<b>Life Members</b>	T N Johnston W Wilson D R K Truscott
<b>Chief Executive</b>	M F Barnett
<b>Bankers</b>	Westpac ASB Bank
<b>Solicitor</b>	Hesketh Henry
<b>Auditor</b>	Ernst & Young
<b>Registered Office</b>	Third Floor Chamber of Commerce Building P O Box 47 100 Mayoral Drive Auckland 1140 New Zealand
<b>Telephone</b>	(09) 309 6100
<b>Fax</b>	(09) 309 0081

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# Auckland Regional Chamber of Commerce & Industry Incorporated

## CHAIRMAN'S REPORT 2014

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It is my pleasure to report on the main activities for the Auckland Chamber of Commerce in the Year 31 December 2014.

The consolidated result is \$2.5 million in profit which includes the gains from the sale of its building of \$2.8 million.

Given the significant distortion the sale of the Chambers building impacts on the accounts its worth reflecting on our standard operational activity.

Our activity in the employment area is an important one for the Chamber. It brings the need for skills and talent by our members and the special relationship we have with Work and Income and their need to place people into employment together. This area of our work and the success we had in 2014 is a credit to the Chambers employment team and I acknowledge this on behalf of the Board.

Our events team also reported a busy year. Taking on the WestPac Business Excellence Awards for the whole Auckland region meant four programmes of judging, selecting and four major events to present acknowledgement to a deserving range of businesses.

Their standard business programme usually delivers over 80 events to over 5000 attendees so the awards as an addition was significant.

Membership performed well exceeding their new member target and engagement with business in Auckland. They are well placed for a good performance in 2015.

International had a challenging year with the compliance demands from new Free Trade Agreement's necessitating the investment in new technology and people both locally and in the Chamber network.

The sale of the Chambers building is a major milestone for the Chamber and will lead to some changes in the way we operate. We moved from potential sale at the start of the year to a more than satisfactory outcome negotiated by our Chief Executive. Naturally there have been costs associated with this but nevertheless we have achieved a good result. We have started the search for new premises which will be secured by November of 2016.

All new activity from the Chamber included building Pacific relationships, delivering an employment program for the Tamaki Redevelopment Group, supporting missions to Australia with the Prime Minister and participating in an APEC delegation, also lead by the Prime Minister to China.

The Chamber continued its support for the Business Hall of Fame and acknowledges the generous support we get from our partners Z Energy, OfficeMax, Vodafone and Mercury Energy.

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## Auckland Regional Chamber of Commerce & Industry Incorporated

During the year John Lindsay stepped down from his role as Chair of the New Zealand Chambers of Commerce after a decade of service and was replaced by Fred Hellaby. The New Zealand Chambers acknowledged John's service by way of a life membership to that organisation.

As part of work with the Mayors Business Leaders Group the Chief Executive Officer participated in the Perth Job Fair. The agenda for this group includes Youth Employment; attracting talent to New Zealand; a council that's easy to do business with and innovation.

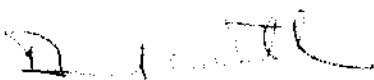
As we start the New Year we are building on our advice line and member support will strengthen our international activity, develop some Health and Safety tools for business and appoint a Chief Operating Officer to support our Chief Executive Officer.

Our advocacy over the year included

- Skills shortages
- Transport funding
- Rates
- Infrastructure priorities
- Free Trade priorities
- Local Government

As a part of providing a voice for Auckland Business our Chief Executive Chairs the Equal Employment Opportunity Trust, the Auckland Business Forum, and the Mayors Business Leaders Group, is a Government appointee on the National Advisory Council on the Employment of Woman (NACEW) and on the Government task force for rules reduction.

I would like to thank my fellow directors for their support over the last year, acknowledge the special efforts of our Chief Executive associated with our building sale and his leadership in Auckland and thank the managers and team at the Chamber who contribute to a successful organisation.



David Nathan  
Chairman

## Independent Auditor's Report

### To the Members of Auckland Regional Chamber of Commerce & Industry Incorporated

#### Report on the Financial Statements

We have audited the financial statements of Auckland Regional Chamber of Commerce & Industry Incorporated on pages 5 to 17, which comprise the statement of financial position of the society and group as at 31 December 2014, and the statement of financial performance, statement of movements in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the society's members, as a body, in accordance with the constitution of Auckland Regional Chamber of Commerce & Industry Incorporated. Our audit has been undertaken so that we might state to the society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements, in accordance with generally accepted accounting practice in New Zealand, and for such internal control as the directors determine 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 the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). These auditing standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements 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 our 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, we have considered the internal control relevant to the society'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 society'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 we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

We provide taxation advice to the society. We have no other relationship with, or interest in the society.

Partners and employees of our firm may deal with the society on normal terms within the ordinary course of trading activities of the business of the society.

#### Opinion

In our opinion, the financial statements on pages 5 to 17:

- ▶ comply with generally accepted accounting practice in New Zealand; and
- ▶ present fairly, in all material respects, the financial position of the Auckland Regional Chamber of Commerce & Industry Incorporated and the group as at 31 December 2014 and their financial performance and cash flows for the year then ended.



5 March 2015  
Auckland

# Auckland Regional Chamber of Commerce & Industry Incorporated

## Consolidated Statement of Financial Performance

For the Year Ended 31 December 2014

	Note	2014 \$	2013 \$
<b>Operating Revenue</b>			
Membership		1,000,528	995,110
Services		4,379,799	4,311,309
Interest Revenue		43,009	12,476
Rental income		354,364	356,032
<b>Total Operating Revenue</b>		<b>5,777,700</b>	<b>5,674,927</b>
<b>Expenditure</b>			
Membership		465,642	542,215
Services		5,143,305	4,453,128
Depreciation		227,143	315,633
Interest		0	0
Premises		271,543	290,767
<b>Total Expenditure</b>		<b>6,107,633</b>	<b>5,601,743</b>
Operating surplus (deficit) before tax	2	(329,933)	73,184
Other Revenue - Gain on sale of building	7	2,853,653	0
Surplus (deficit) after gain on sale		2,523,720	73,184
Taxation expense	10	0	0
Net surplus (deficit) after tax		2,523,720	73,184

## Consolidated Statement of Movements in Equity

For the Year Ended 31 December 2014

	2014 \$	2013 \$
Equity at start of year	6,299,925	6,226,741
Net surplus (deficit) for year	2,523,720	73,184
Equity at end of year	8,823,645	6,299,925

(The above should be read in conjunction with the accompanying notes)



# Auckland Regional Chamber of Commerce & Industry Incorporated

## Consolidated Statement of Financial Position

As at 31 December 2014

	Note	2014 \$	2013 \$
<b>Accumulated Funds</b>	3	<u>8,823,645</u>	6,299,925
Represented by:			
<b>Current Assets</b>			
Bank and cash		9,018,324	666,307
Trade receivables		580,995	768,069
Prepayments		<u>51,294</u>	56,285
		<u>9,650,613</u>	1,490,661
<b>Non Current Assets</b>			
Intangibles - Computer Software	8	265,447	245,821
Property, plant and equipment	7	<u>121,969</u>	5,735,341
		<u>387,416</u>	5,981,162
<b>Total assets</b>		<u>10,038,029</u>	7,471,823
<b>Current Liabilities</b>			
Trade creditors		613,582	586,027
Employee entitlements	6	136,747	133,053
Membership in advance		<u>464,055</u>	452,818
		<u>1,214,384</u>	1,171,898
<b>Total liabilities</b>		<u>1,214,384</u>	1,171,898
<b>Net Assets</b>		<u>8,823,645</u>	6,299,925

For and on behalf of the Board who authorised these financial statements for issue

 Director 5/3/2015 Date  
 Director 5/3/2015 Date

(The above should be read in conjunction with the accompanying notes)



# Auckland Regional Chamber of Commerce & Industry Incorporated

## Consolidated Statement of Cash Flows

For the Year Ended 31 December 2014

	Note	2014 \$	2013 \$
<b>Cash Flows from Operating Activities</b>			
<b><i>Cash was provided from:</i></b>			
Receipts from Membership & related Services		5,578,637	5,372,263
Receipts from Rental activities		354,365	356,032
Interest received		43,009	12,476
		<u>5,976,011</u>	<u>5,740,771</u>
<b><i>Cash was disbursed to:</i></b>			
Payments to creditors and employees		(5,844,251)	(5,328,825)
Interest paid		0	0
		<u>(5,844,251)</u>	<u>(5,328,825)</u>
Net cash flows from operating activities	4	<u>131,760</u>	<u>411,946</u>
<b>Cash Flows from Investing Activities</b>			
<b><i>Cash was provided from:</i></b>			
Sale of property, plant and equipment		8,500,000	0
<b><i>Cash was applied to:</i></b>			
Purchase of property, plant and equipment		(279,743)	(107,523)
Net cash from (used in) investing activities		<u>8,220,257</u>	<u>(107,523)</u>
<b>Cash Flows from Financing Activities</b>			
<b><i>Cash was provided from:</i></b>			
Increase in mortgage		0	0
<b><i>Cash was applied to:</i></b>			
Reduction in mortgage		0	0
Net cash from (used in) financing activities		<u>0</u>	<u>0</u>
Net increase / (decrease) in cash held		8,352,017	304,423
Add: Opening cash brought forward		666,307	361,884
Ending cash carried forward		<u>9,018,324</u>	<u>666,307</u>

(The above should be read in conjunction with the accompanying notes)

# Auckland Regional Chamber of Commerce & Industry Incorporated

## Parent Statement of Financial Performance

For the Year Ended 31 December 2014

	Note	2014 \$	2013 \$
<b>Operating Revenue</b>			
Membership		1,000,528	995,110
Service		4,576,882	4,525,978
Interest Received		42,987	12,452
Total Operating Revenue		<u>5,620,397</u>	<u>5,533,540</u>
<b>Expenditure</b>			
Membership		465,642	542,215
Service		5,282,183	4,635,051
Depreciation		0	110,815
Total Expenditure		<u>5,747,825</u>	<u>5,288,081</u>
Operating surplus / (deficit) before tax	2	(127,428)	245,459
Other Revenue - Gain on sale of building	7	2,853,653	0
Surplus (deficit) after gain on sale		<u>2,726,225</u>	<u>245,459</u>
Taxation expense	10	0	0
Net surplus / (deficit) after tax		<u>2,726,225</u>	<u>245,459</u>

## Parent Statement of Movements in Equity

For the Year Ended 31 December 2014

	2014 \$	2013 \$
Equity at start of year	<u>9,284,126</u>	<u>9,038,667</u>
Net surplus / (deficit) for year	<u>2,726,225</u>	<u>245,459</u>
Equity at end of period	<u>12,010,351</u>	<u>9,284,126</u>

(The above should be read in conjunction with the accompanying notes)

# Auckland Regional Chamber of Commerce & Industry Incorporated

## Parent Statement of Financial Position

As at 31 December 2014

	Note	2014 \$	2013 \$
<b>Accumulated Funds</b>			
Accumulated funds	3	<u>12,010,351</u>	9,284,126
Represented by:			
<b>Current Assets</b>			
Bank and cash		9,017,585	662,575
Trade receivables		580,995	768,069
Prepayments & Other Assets		47,557	55,246
Advance to subsidiary		<u>3,520,172</u>	3,308,774
		<u>13,166,309</u>	4,794,664
<b>Non Current Assets</b>			
Investment in subsidiary	11	100	100
Property, plant and equipment	7	<u>0</u>	5,639,747
		<u>100</u>	5,639,847
<b>Total assets</b>		<u>13,166,409</u>	10,434,511
<b>Current Liabilities</b>			
Trade creditors and accruals		555,256	564,514
Employee entitlements	6	136,747	133,053
Memberships in advance		<u>464,055</u>	452,818
		<u>1,156,058</u>	1,150,385
<b>Total Liabilities</b>		<u>1,156,058</u>	1,150,385
<b>Net assets</b>		<u>12,010,351</u>	9,284,126

For and on behalf of the Board who authorised these financial statements for issue

David L Nathan Director 5/3/2015 Date

M. T. [Signature] Director 5/3/2015 Date

(The above should be read in conjunction with the accompanying notes)

# Auckland Regional Chamber of Commerce & Industry Incorporated

## Parent Statement of Cash Flows

For the Year Ended 31 December 2014

	Note	2014 \$	2013 \$
<b>Cash Flows from Operating Activities</b>			
<i>Cash was provided from:</i>			
Receipts from Chamber activities		5,578,637	5,371,931
Interest received		42,987	12,452
		<u>5,621,624</u>	<u>5,384,383</u>
<i>Cash was disbursed to:</i>			
Payments to creditors and employees		(5,760,014)	(5,076,329)
Interest paid		0	0
		<u>(5,760,014)</u>	<u>(5,076,329)</u>
Net cash flows from (used in) operating activities	4	<u>(138,390)</u>	<u>308,054</u>
<b>Cash Flows from Investing Activities</b>			
<i>Cash was provided from:</i>			
Sale of property, plant and equipment		8,500,000	0
<i>Cash was applied to:</i>			
Purchase of property, plant and equipment		(6,600)	(5,788)
Net cash used in investing activities		<u>8,493,400</u>	<u>(5,788)</u>
<b>Cash Flows from Financing Activities</b>			
<i>Cash was provided from:</i>			
Increase in mortgage		0	0
Net cash from (used in) financing activities		<u>0</u>	<u>0</u>
<i>Cash was applied to:</i>			
Reduction in mortgage		0	0
Net cash from (used in) financing activities		<u>0</u>	<u>0</u>
Net increase in cash held		8,355,010	302,266
Add: Opening cash brought forward		662,575	360,309
Ending cash carried forward		<u>9,017,585</u>	<u>662,575</u>

(The above should be read in conjunction with the accompanying notes)

**Auckland Regional Chamber of Commerce & Industry Incorporated**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 31 December 2014**

**1 Statement of Accounting Policies**

**Reporting Entity**

Auckland Regional Chamber of Commerce and Industry Incorporated is a society registered under the Incorporated Societies Act 1908.

The financial statements and group financial statements of Auckland Regional Chamber of Commerce and Industry Incorporated have been prepared in accordance with the Financial Reporting Act 1993.

**Measurement Base**

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the Chamber. The financial statements are prepared on a going concern basis.

**IFRS / GAAP**

The Company and Group have not adopted New Zealand equivalents to International Financial Reporting Standards and continue to apply old GAAP.

**Specific Accounting Policies**

*(a) Basis of Consolidation - Purchase Method*

The consolidated financial statements include the accounts of the Auckland Regional Chamber of Commerce & Industry Incorporated and the Auckland Regional Chamber of Commerce & Industry Limited, a wholly owned subsidiary established by the Board of Directors to manage the land and buildings of 100 Mayoral Drive, Auckland. The purchase method of consolidation has been used. Pre-acquisition and inter-company transactions are eliminated on consolidation.

*(b) Depreciation*

Depreciation is written off fixed assets with consideration for the economic life of the asset. Depreciation rates are:

Computer Hardware	33% (straight line)
Furniture and Fittings	20% (straight line)
Buildings	2% (diminishing value)
Building Chattels and fittings	5% (straight line)

*(c) Amortization*

Computer Software is amortized over 3 years.

*(d) Property, Plant and Equipment*

Property, plant and equipment are recorded at the lower of the recoverable and carrying amount.

*(e) Accounts Receivable*

Accounts receivables are stated at expected realisable value.

*(f) Lease Incentives*

Lease incentives are amortized over the period of the lease. Unamortized amounts in excess of one year are shown as non-current assets.

**Auckland Regional Chamber of Commerce & Industry Incorporated**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 31 December 2014**

*(g) Income Tax*

The income tax expense charged to the Statement of Financial Performance includes the current year tax expense calculated using the taxes payable method, set off against prior year losses.

*(h) Leases*

The group leases certain fixed assets and office premises. 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 installments over the lease term.

*(i) Revenue Recognition*

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

*(i) Membership in Advance*

Membership subscriptions received in advance have been deferred over the life of the subscription. Revenue is recognised on these in the Statement of Financial Performance when they are earned.

*(ii) Rendering of Services*

Revenue from services is recognised by reference to the stage of completion of a contract or contracts in progress at reporting date. Stage of completion is measured by the activities and outcomes for each contract.

*(iii) Rental Income*

Rental Revenue is accounted for on a straight-line basis over the term of each tenant's lease.

*(j) Comparative amounts*

Where applicable, certain comparatives have been re-stated to comply with the accounting presentation adopted for the current period.

*(k) Advance to Subsidiary*

The Auckland Chamber of Commerce & Industry Incorporated has an advance to it's subsidiary company. This advance is repayable on demand.

**Changes in Accounting Policies**

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

**2 Operating Surplus before Taxation**

After Charging:	Group		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Fees paid to Auditors				
Audit	<b>23,793</b>	23,100	<b>16,656</b>	16,170
Other services	<b>36,794</b>	11,904	<b>10,344</b>	9,834
Bad debts written off	<b>2,820</b>	4,594	<b>2,820</b>	4,594
Change in provision for doubtful debts	<b>3,087</b>	54,026	<b>3,087</b>	54,026

**Auckland Regional Chamber of Commerce & Industry Incorporated**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 31 December 2014**

**3 Accumulated Funds**

	<b>Group</b>		<b>Parent</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Accumulated Funds				
Opening balance	<b>6,299,925</b>	6,226,741	<b>9,284,126</b>	9,038,667
Net surplus	<b>(329,933)</b>	73,184	<b>(127,428)</b>	245,459
Capital Gains	<b>2,853,653</b>		<b>2,853,653</b>	
	<b>8,823,645</b>	6,299,925	<b>12,010,351</b>	9,284,126

**4 Reconciliation of Surplus (Deficit) with Cash Inflow from Operating Activities**

	<b>Group</b>	<b>Group</b>	<b>Parent</b>	<b>Parent</b>
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Operating surplus (deficit)	<b>(329,933)</b>	73,184	<b>(127,428)</b>	245,459
<i>Add non-cash item and non-operating items:</i>				
Depreciation	<b>227,143</b>	315,633	<b>0</b>	110,815
	<b>227,143</b>	315,633	<b>0</b>	110,815
Capital work-in-progress	-	-	-	-
<i>Movement in working capital:</i>				
Trade receivables	<b>169,153</b>	138,213	<b>169,153</b>	138,213
Advance to Auckland Regional Chamber of Commerce and Industry Limited	-	-	<b>(211,398)</b>	(74,137)
Prepayments	<b>4,991</b>	62,170	<b>7,690</b>	56,263
Trade payables	<b>38,883</b>	(127,816)	<b>9,487</b>	(126,901)
Membership Income in advance	<b>29,157</b>	(72,369)	<b>29,157</b>	(72,369)
Other current liabilities	<b>(7,634)</b>	22,931	<b>(15,051)</b>	30,711
	<b>234,550</b>	23,129	<b>(10,962)</b>	-48,220
Net cash flows from operating activities	<b>131,760</b>	411,946	<b>(138,390)</b>	308,054

**Auckland Regional Chamber of Commerce & Industry Incorporated**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 31 December 2014**

**5 Bank Borrowings**

There is an overdraft facility with Westpac of \$500,000 (2013 \$500,000) repayable on demand. Nil drawn down at 31/12/2014 (2013 Nil)

There is also a \$10,000 (2013 \$10,000) Business Mastercard Facility with Westpac.

**6 Employee Entitlements**

	Group		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Balance at beginning of the year	133,053	135,825	133,053	135,825
Additional provision	242,954	210,805	242,954	210,805
Amount utilised	(239,260)	(213,577)	(239,260)	(213,577)
Balance at end of the year	<u>136,747</u>	<u>133,053</u>	<u>136,747</u>	<u>133,053</u>
This is represented by:				
Current liability	136,747	133,053	136,747	133,053

**7 Property, Plant and Equipment**

**Group**

	Cost	Accumulated Depreciation	Book Value
	\$	\$	\$
<b>2014</b>			
Land	0	0	0
Buildings and Fittings	0	0	0
Computers	306,380	272,998	33,382
Capital work in progress	47,125	0	47,125
Furniture and fittings	253,911	212,449	41,462
	<u>607,416</u>	<u>485,447</u>	<u>121,969</u>
	Cost	Accumulated Depreciation	Book Value
	\$	\$	\$
<b>2013</b>			
Land	2,795,485	0	2,795,485
Buildings and Fittings	4,298,536	1,454,274	2,844,262
Computers	288,533	228,774	59,759
Capital work in progress	10,467	0	10,467
Furniture and fittings	225,100	199,732	25,368
	<u>7,618,121</u>	<u>1,882,780</u>	<u>5,735,341</u>

On the 1<sup>st</sup> Dec 2014 the Chamber completed an unconditional sale of the Land and Buildings for \$8.5m. The difference between this sale price and NBV is \$2,853,654, has been recorded as a gain on sale.



**Auckland Regional Chamber of Commerce & Industry Incorporated**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 31 December 2014**

**Parent**

	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>
<b>2014</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land	0	0	0
Buildings and Fittings	0	0	0
	0	0	0
<b>2013</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land	2,795,485	0	2,795,485
Buildings and Fittings	4,298,536	1,454,274	2,844,262
	<u>7,094,021</u>	<u>1,454,274</u>	<u>5,639,747</u>

**8 Intangibles**

**Group**

	<b>Cost</b>	<b>Amortization</b>	<b>Book Value</b>
<b>2014</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Computer Software	697,772	432,325	265,447
<b>2013</b>			
Computer Software	507,944	262,123	245,821

**9 Segment Information**

The Chamber operates predominantly in one industry as a trade association. All operations are conducted within New Zealand.

**10 Taxation**

	<b>Group</b>		<b>Parent</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Operating surplus (deficit) after gain on sale	2,523,720	73,184	2,726,225	245,459
Less gain on sale	2,853,653		2,853,653	
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Operating surplus (deficit) before tax	(329,933)	73,184	(127,428)	245,459
Tax adjustments	1,039,630	(166,486)	1,053,420	(182,370)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Tax Profit/(Loss)	709,697	(93,302)	925,992	63,089
Tax Losses utilised (Prev Yrs)	(709,697)	93,302	(925,992)	(63,089)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Taxation expense	-	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

**Auckland Regional Chamber of Commerce & Industry Incorporated**  
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Tax losses carried forward, are **\$6,567,311** (2013: \$7,277,007). Tax adjustments relate predominantly to net membership income which is not taxable. Tax losses are subject to confirmation by IRD.

**11 Investment in Subsidiary**

	<b>2014</b>	2013
	<b>\$</b>	\$
Auckland Regional Chamber of Commerce and Industry Limited (ARCCIL)	<b>100</b>	100

ARCCIL is a direct and wholly owned subsidiary of Auckland Regional Chamber of Commerce and Industry Incorporated (Parent).

The parent leased the building to ARCCIL up to the sale on 1/12/14 \$165,000 (2013 \$180,000) and also charged a management fee of \$32,083 (2013: \$35,000). ARCCIL received rent from the Parent of \$138,879 (2013: \$181,924) for space used at normal commercial rates.

**12 Commitments**

	<b>2014</b>	2013
	<b>\$</b>	\$
<b>Group Operating Lease Commitments</b>		
Not later than one year	<b>282,850</b>	89,295
Later than one year and not later than two years	<b>170,293</b>	11,500
Between two and five years	<b>14,206</b>	5,786
	<b><u>467,349</u></b>	<u>106,581</u>

**13 Contingent Liabilities**

There are no contingent liabilities as at 31<sup>st</sup> December 2014. (2013: There were no contingent liabilities).

**14 Related Party**

The Chamber of Commerce made a sponsorship payment in 2014 of \$5,175 (2013 \$5,175) to the Santa Parade Trust. Michael Barnett is a Director of the Chamber and a Trustee of the Santa Parade Trust.

**Auckland Regional Chamber of Commerce & Industry Incorporated**  
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**15 Financial Instruments**

**Credit Risk**

Financial Instruments which potentially subject the Chamber to credit risk principally consist of cash and accounts receivable.

Maximum exposures to credit risk as at balance date are:

	<b>Group</b>		<b>Parent</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Accounts Receivable	<b>580,995</b>	768,069	<b>580,995</b>	768,069
Advance to Subsidiary	-	-	<b>3,520,172</b>	3,308,774

The above maximum exposures are net of any recognised provision for losses on these financial instruments. No collateral is held on the above amounts.

**Concentrations of Credit Risk**

All cash is held with the Westpac Bank, and ASB Bank. The Chamber is not exposed to any other concentrations of credit risk.

**Fair Value**

The carrying value is the fair value for all financial instruments.