

Workplace Savings NZ

Te māngai penapena ā-mahi

ANNUAL REPORT 2012

Workplace Savings NZ Incorporated

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WORKPLACE SAVINGS NZ INCORPORATED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2012

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Workplace Savings NZ – our Mission

The mission of Workplace Savings NZ is to be the Voice of Workplace Savings, advancing the sustainable, effective, and efficient delivery of workplace savings outcomes for all involved.

Our Strategic Direction is to:

- Promote Workplace Savings NZ as the "Voice of Workplace Savings".
- Work with the Government to develop policies that achieve improved workplace savings and KiwiSaver outcomes.
- Identify and promote initiatives and reforms that will provide efficiencies and enhancements to minimise the extent to which regulatory and other factors impede delivery of effective and efficient workplace savings outcomes, and those that will encourage sustainable participation in workplace savings.
- Support employers, trustees and providers in their delivery of optimal workplace savings outcomes.
- Improve public confidence in workplace savings by consistently reinforcing and promoting integrity, accountability, and professionalism within the workplace savings industry.
- Serve Workplace Savings NZ members, and its supporters, by providing a range of services to meet their needs and deliver value for their participation.
- Promote services which enhance the value delivered to members of workplace savings schemes in NZ

Report from the Chair

Workplace Savings NZ continues to be the voice of workplace savings, promoting great workplace savings outcomes for New Zealand and New Zealanders.

We do this by:-

- originating submissions and commentary on existing and proposed legislative and public policy measures,
- promoting legislative and public policy initiatives beneficial to optimal workplace retirement savings outcomes and seeking to change or ameliorate policies which we believe have the potential to harm or unnecessarily increase costs to members of workplace savings schemes, and
- providing education and other related services to members through our conferences, forums, industry functions, training, education program and workshops, as well as
- recognising excellence in workplace retirement savings communication through our annual awards.

Our focus is on ensuring we make a real difference for all those involved in the long term retirement savings industry in NZ – including stand-alone Workplace Super, Complying Super Funds and KiwiSaver – seeking better and more effective products and services being available to members and potential members.

In 2013 we again look forward to the continuing support of our members and financial supporters in making our voice heard where and when it counts.

2012 Successes

- **Legislation, Regulation & Reform.**

Once again in 2012, we have continued to work with Government and officials to ensure product providers and employers who assist employees with workplace retirement savings solutions are not overwhelmed by a deluge of compliance requirements.

During 2012 we benefitted the members of Workplace Savings NZ through successful submissions on:-

1. Foreign Account Tax Compliance Act (FATCA); where we submitted successfully (together with other submitters) to have New Zealand superannuation, unit trust and KiwiSaver schemes removed from the scope of the regime.
2. KiwiSaver (Periodic Disclosure) Regulations 2012; where we were instrumental in having the FMA amend its proposals re KiwiSaver providers' published information to ensure that the information is provided in a consistent dataset that can be accessed by others, such as the Sorted website, to make it even easier for members to compare funds' fees and performance.
3. Review of KiwiSaver Default Provider Arrangements; where we strongly supported a "life-stages" approach for the investment of money invested by disengaged auto-enrolled members.

We know the pace of legislative change will continue unabated throughout 2013.

Changes will include, amongst others, the implementation of the AML/CFT Act 2009 and the Taxation (Annual Rates, Trans-Tasman Savings Portability, KiwiSaver, and Remedial Matters Act) 2012.

Additionally we can look forward to the passing of Financial Markets Conduct Bill – the comprehensive overhaul of the regime for offering securities (including superannuation scheme and KiwiSaver schemes) and further work on its companion Regulations.

These reforms will generate significant activity over the year ahead, both for Workplace Savings NZ and our members from every part of the retirement savings industry.

- **"How much is enough?"**

As a part of our on-going professional development initiatives, our information-rich 2012 two-day National Conference was held at the Pullman Hotel in Auckland. The National Conference was widely supported by over 160 paying delegates. We are extremely gratified by the outstandingly positive participant feedback we received and trust that we can carry the very successful format forward to future events.

- **The Communications Awards**

2012 once again saw strong competition in each category of the Communications Awards. We are really encouraged to see the increasing quality of the communications entered for these awards, which is a real credit to the industry and are looking forward to the bar being lifted even further in 2013, especially in light of Financial Markets Authority's guidance on clear, concise and effective disclosure. More details of the awards are provided later in this report.

- **Looking Forward**

There's plenty on the plate for 2013 and beyond for Workplace Savings NZ.

We were delighted in late March 2013 when the Ministry of Justice announced:

"Exemptions will be provided for a certain class of employer-sponsored superannuation schemes where the risk of money laundering or the financing of terrorism occurring is very low. The class of employer-sponsored superannuation schemes eligible for exemption will be based on the class identified in the Securities Act (Employer Superannuation Schemes) Exemption Notice 2004."

KiwiSaver provider forums will again be facilitated by Workplace Savings NZ, helping to drive best practice processes to enhance the KiwiSaver experience for KiwiSaver members.

The 2013 one-day professional development Forum will be held at the Amora Hotel in Wellington on Thursday 15th August.

And inevitably, a whole lot more!

Who makes-up the Workplace Savings NZ Council?

(As at 31 March 2013)

Chair Kerry Haycock
 Airways Superannuation Plan

Vice-Chair David Wallace
 AMP Financial Services

Treasurer Murray Sarelius, BBS CA
 KPMG

Councillors David Biegel
 Independent Consultant

 David Boyle
 OnePath (NZ) Limited

 Graham Evans, BSc AIA AIAA WSP
 Independent Consultant

 John Smith
 ASB Bank

 Mike Woodbury
 Chapman Tripp (seconded to replace David Ireland in November 2012)

 Tim McGuinness
 Dairy Industry Superannuation Scheme (seconded to replace Ian Miller
 in August 2012)

Appreciations

Thanks need to be given to all of the Members of Workplace Savings NZ. We thank you for your continuing support and contributions in yet another year of considerable change. Your on-going participation in Workplace Savings NZ initiatives will continue to be critical to our future success.

As part of that participation, we continue to encourage our members to talk with us about the workplace savings issues that matter most to you. Our Secretariat's door – now in premises at 120 Featherston Street, Wellington – is always open to those with a passion for improving workplace retirement savings outcomes.

Additionally, Workplace Savings NZ could not function without the help of a large number of people and organisations. It is proper and fitting that in this report there is an acknowledgement of the thanks that are due to:

- the Workplace Savings NZ Councillors for their energy and commitment to helping achieve better workplace savings outcomes for New Zealand, including the significant efforts spent on crafting our numerous submissions;
- the Council sub-committee and our Secretariat who organised "How much is enough?" - our wildly successful 2012 two-day National Conference held in Auckland, and, of course, our presenters and session leaders;
- the Professional Development programme, Conference & Industry Breakfast presenters for their time and expertise;
- the judges of the annual Workplace Savings NZ Communication Awards for their time and dedication to the task;
- Barry Dent, Tim McGuinness and Martin Crosby who made up our 'Super Reference Group', providing expert input from the perspective of single and multi-employer superannuation schemes;
- our financial sponsors, without whom Workplace Savings NZ could not have achieved the significant outcomes it did in 2012; and
- our professional advisers, in particular Kensington Swan, KPMG, Chapman Tripp and Splash Consulting, for the assistance provided on various day-to-day operations of Workplace Savings NZ and specialist input into our initiatives.

We look forward to your continuing support in 2012 and beyond.



Kerry Haycock, Chairman
31 March 2013

2012 – A YEAR IN REVIEW

Our Submissions & Public Consultations

2012 was another busy year for legislative and regulatory reform. In the year to 31 December 2012 Workplace Savings NZ made submissions on the:

- FMA Guidance Note – Effective Disclosure
- FMA (Levies) Regulations 2012;
- The Financial Markets Conduct Bill
- The Foreign Account Tax Compliance Act (FATCA)
- The Overseas Pension Schemes (Miscellaneous Amendment) Regulations 2012
- FMA Guidance Note – Sales & Distribution of KiwiSaver
- KiwiSaver (Periodic Disclosure) Regulations 2012
- The Review of KiwiSaver Default Provider Arrangements

We were also active in making submissions at Select Committee when we considered those issues warranted a higher level of input for committee members and their officials.

The above submissions can be viewed on our website:

www.workplacesavings.org.nz/2012-submissions/

Our Industry Activities

Workplace Savings NZ 2012 National Conference

“How much is enough” was the theme of our 2012 two-day National Conference held in August at the Pullman Hotel, Auckland.

As we have done in past years, Workplace Savings NZ once again attracted a very high standard of keynote speakers who covered a range of relevant and interesting topics.

Delegates feedback told us that our 2012 National Conference was thoroughly enjoyed by the almost 160 paying delegates who attended. Workplace Savings NZ remains committed to ensuring that our one-day Forums, and two-day Conferences (held in alternate years), continue to provide the peak industry event each year for those engaged in the workplace savings industry in New Zealand.

In 2013 we will once again be hosting a one-day Forum on issues critical to workplace savings in New Zealand. This year’s Forum will be held at the Amora Hotel in Wellington on Thursday, 15th August 2013.

We will share more of the details on the Forum programme with members over the course of the second quarter of 2013.

2012 Communication Awards

The Workplace Savings NZ Communication Awards remain highly valued by both award recipients and the workplace savings industry generally.

We believe our Communication Awards set the benchmark for industry good communication practice. We were once again delighted with the level of interest in the 2012 communication awards, highlighting the ever increasing importance being placed on effective communication.

Workplace Savings NZ would like to thank the competition judges for volunteering their time and expertise to judge the 2012 entries. The judges who selected the Award recipients were:-

- Helen McKenzie, Head of Distribution, Tyndall Investment Management;
- Tom Hartman, Content Manager, Commission for Financial Literacy and Retirement Income; and
- Anne-Marie Chisnall, Professional Services Manager, Write Limited.

As was the case in past years, the number of entries together with a compressed judging timeline, presented a challenge for the judging panel. We cannot commend their efforts enough on behalf of all participants.

Congratulations go to all the winners, in particular the winner of the overall Excellence in Communication Award, which was:

Dairy Industry Superannuation Scheme

The winners of the individual categories were:

Annual Reporting of the Year – Corporate & Industry Super Schemes, and Master Trusts

Dairy Industry Superannuation Scheme

Annual Reporting of the Year – KiwiSaver Schemes

OnePath (NZ) Ltd – for the ANZ KiwiSaver 2012 Annual Report

Investment Statement of the Year

BT Funds Management (NZ) Ltd – for the Westpac KiwiSaver Scheme Investment Statement

Best Other Workplace or KiwiSaver Communication

Mercer (N.Z.) Ltd – for the "Money for Jam" campaign for Mercer KiwiSaver Scheme

Best New Entrant

BP New Zealand Retirement Plan – for their 2012 Annual Report entry.

People's Choice KiwiSaver Communication

Gareth Morgan Investments Ltd – for the second year in a row

The People's Choice KiwiSaver Communications Award represents excellence in communicating with KiwiSaver members, and is a particular highlight of the Workplace Savings NZ industry Communication Awards. It is voted on by people who are members of a KiwiSaver scheme, with voters rating how well they perceived their provider communicated with them throughout the 2012 calendar year.

The winning entries can be seen at:

<http://workplacesavings.org.nz/2012-communication-awards-winners/>

The Awards are aimed at encouraging improved effectiveness of KiwiSaver communications, which in turn we hope will help improve financial literacy standards amongst all KiwiSaver members.

Professional Development Programme

The Workplace Savings NZ Certificate in Trusteeship recognises a commitment to industry professional best practice. We continue to encourage members of Workplace Savings NZ who act in a trustee capacity to make completion of the Workplace Savings NZ Certificate their minimum formal professional development benchmark.

The Workplace Savings NZ Certificate comprises four modules;

- Introduction to Trusteeship,
- Introduction to Wholesale Investing,
- Advanced Investing,
- Best Practice Governance.

The Professional Development Sub-Committee is tasked with ensuring that these development modules continue to be relevant, of interest, and in demand. Member feedback on course content is always welcomed.

In 2013 the modules will once again be delivered on an 'on demand' basis, with courses scheduled to meet member needs. Members should lodge their expressions of interest and preferred delivery timing with the Secretariat to enable this to be co-ordinated.

Industry Breakfasts and Seminars

In partnership with Women in Super, we once again hosted a series of successful breakfast meetings in Wellington and Auckland during 2012.

Informative breakfast get-togethers continue to be a very effective forum for industry discussions, with time for members to meet and exchange views in a relaxed environment. Workplace Savings NZ has a planned programme of industry events on important issues spread over the remainder of 2013.

We welcome contributions of topical ideas for our Industry Breakfast, so if you wish to give us feedback or ideas for future events please contact the Secretariat.

SuperNews

SuperNews, the Association's electronic newsletter for members, continues to be published bimonthly, with the 2012 editions being well received. *SuperNews* contains information of interest to Workplace Savings NZ members, as well as providing brief, topical updates on current issues and upcoming events. Offers of in-depth articles on topical industry issues remain very welcome.

Our People – Industry Participation

Membership

There were 120 members of Workplace Savings NZ as at 31 December 2012 (2011: membership was 112).

From the perspective of assets under management, the membership of Workplace Savings NZ continues to represent about 90% of retirement savings held through workplace retirement savings arrangements, being Corporate Super, Master Trusts and KiwiSaver schemes. This very high level of participation continues to enhance our position as the "Voice of workplace savings" – on behalf of our members and the workplace savings industry generally.

We believe that the workplace savings landscape will continue to evolve and change in 2013 and beyond. For this reason, we will once again focus on the issues of key importance for our members. These include consistently refreshing the direction of our voice to ensure we remain relevant for our members. We will also continue to encourage greater participation from employers that are Master Trust or KiwiSaver participants, whilst retaining relevance for our core superannuation fund members.

Retention and growth of membership continues to be critical to our ongoing success.

Achieving membership growth will be made easier if existing members, and product & service providers to the industry, become active advocates of the good work undertaken by, and membership in, Workplace Savings NZ.

Council Membership during 2012

The affairs of Workplace Savings NZ are managed by an elected Council of between seven and twelve member representatives. During 2012, the appointed officials were:

Chair:	David Ireland until August 2012; then Kerry Haycock
Vice-Chair:	Dianne Kidd until April 2012; then David Wallace
Treasurer:	Murray Sarelius
Secretary:	Bruce Kerr

The full list of Councillors who served during the 2012 year is as follows:

Name	Initial Year of Election	Status
David Ireland	2007	Re-Elected 2010, Resigned Dec12
Murray Sarelius	2007	Having completed 2 three year terms, Murray stood down prior to the 2013 AGM
Graham Evans	2008	Re-Elected in 2011
Ian Miller	2008	Re-Elected in 2011, Resigned Aug 12
David Biegel	2010	Re-Elected 2013
David Boyle	2010	Re-Elected 2013
David Wallace	2010	Re-elected 2013
Kerry Haycock	2012	Elected in 2011.
John Smith	2012	Elected in 2011
Mike Woodbury	2013	Co-opted 2012
Tim McGuinness	2013	Co-opted 2012

Workplace Savings NZ greatly appreciates and would like to publicly acknowledge the contribution made by all the former Councillors, and in particular David Ireland for his sterling leadership as Chairman of Workplace Savings from March 2009 until the end of 2012.

Council Sub-Committees

During 2012 the following Council sub-committees took much of the workload in the areas of:

- **Profile and Growth** –focussed on branding & marketing, membership, website, industry breakfasts, SuperNews, sponsorships, communication awards & internal engagement;
Committee comprised: Ian Miller (Convenor), David Biegel & Graham Evans.
- **Public Policy** –focussed on building relationships with politicians, submissions on legislative developments, proactive lobbying, promotion of public debate & our website;
Committee comprised: David Wallace (Convenor), Kerry Haycock & Murray Sarelius.
- **Professional Development** –focussed on specialist industry training courses, Workplace Savings NZ marketing collateral & marketing plan for courses, key industry relationships, Workplace Savings NZ 2012 Forum & our website;
Committee comprised: David Ireland, & John Smith.
- **KiwiSaver 20/20** –focuses on all initiatives relating to KiwiSaver & KiwiSaver Providers forums.
Committee comprised: David Boyle (Convenor), David Biegel & David Wallace.

In addition, the Council has established a Sub-Committee to energise the 2013 one-day Forum.

Council Meetings

During 2012 the Workplace Savings NZ Council met five (5) times – 22 February, 19 April (AGM), 26 June, 15 August, and 6 December.

For reasons of cost containment, most Council meetings were held by teleconference. Council Sub-Committees also met on numerous occasions during the year, again mostly by teleconference.

Secretariat

Workplace Savings NZ has a small secretariat to manage and implement business initiatives:

Executive Director	Bruce Kerr, Dip. Bus. Studies WSP
Administrative Assistant	Shelley Grace (resigned 1 March 2013)
	Tracey McIntyre (commenced 2 April 2013)

Office	Workplace Savings NZ Level 4, 120 Featherston Street P O Box 25-179, Panama Street Wellington 6146
Telephone	(04) 472 2260
Facsimile	(04) 472 2268
Email	info@workplacesavings.org.nz
Web Site	www.workplacesavings.org.nz

Financial Supporters in 2012

Again in 2012, Workplace Savings NZ engaged with a number of industry participants who have become our financial sponsors. In return for their financial assistance each supporter receives a range of tangible benefits from Workplace Savings NZ, as well as significant brand exposure. It is appropriate that we formally acknowledge and thank our financial sponsors who are:

Gold Supporters

AMP Financial Services/AMP Capital Investors
ASB Group Investments

Silver Supporters

OnePath (NZ) Limited
Mercer (N.Z.) Limited
Russell Investment Group Limited
TOWER Asset Management Limited

Bronze Supporters

Chapman Tripp
KPMG
Simpson Grierson
Tyndall Investment Management NZ Limited
Westpac New Zealand Limited

If there are any providers to the Workplace Savings industry who would like to explore the sponsorship opportunity, please contact our Executive Director.

FINANCIAL RESULTS

The financial results for the year ended 31 December 2012 show a small operating loss of \$3,621 (\$6,297 profit in 2011), reducing our member funds to \$194,705 at year end.

Major financial performance factors in 2012 compared with previous years were:

- a surplus of \$29,227 from our two-day 2012 National Conference held in Auckland (\$23,630 from our one-day Forum held in Auckland in 2011, and \$42,655 from our previous 2-day National Conference in 2010);
- absent one Gold Sponsor, total sponsorship income was \$91,866 (\$103,978 in 2011);
- interest income of \$9,388 (\$11,148 in 2011);
- support with professional media relations and legal services reduced to \$16,508 (\$21,021 in 2011);
- a small reduction in membership subscription income at \$60,522 (\$64,383 in 2011); and
- a reduction in the overall level of expenses (ex Conference/Forum expenses) at \$202,173 (\$223,730 in 2011). Council once again targeted increased revenue and a reduction in operating costs in 2012 as we continued to deliver value for our members and supporters on a sustainable basis.

The profit recorded again moved into similar past cycles of producing a profit in years when our National Conference is held and losses in the year that follows.

Once again in 2013 we will continue our financial focus on minimising operating costs; while still continuing to deliver exceptional value for our members and supporters.

The Workplace Savings NZ Financial Statements for year ending 31 December 2012 follow.

WORKPLACE SAVINGS NZ INCORPORATED

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
31 DECEMBER 2012**

	2012	2011
	\$	\$
<u>INCOME</u>		
Association Breakfasts	6,148	14,973
Communication Awards	870	1,000
Conference Income	114,349	44,932
Education Programme	898	14,175
Interest Received	9,388	11,148
Less: Tax on Interest	-3,419	-3,252
Membership Fees – Note 3	60,522	64,383
Seminars	3,052	-
Sponsorship	91,866	103,978
Total Income	283,674	251,337
<u>EXPENDITURE</u>		
A.C.C. Levy	451	-
Association Breakfast Expenses	10,733	16,322
Audit Fees	4,963	5,050
Bank & Credit Card Charges	1,171	962
Communication Awards	4,482	4,730
Conference Expenses	85,122	21,302
Council Meeting Expenses	3,599	4,970
Depreciation	1,196	159
Education Programme – Delivery	1,404	6,531
General Expenses	11,784	16,638
Legal Expenses	13,448	15,261
Marketing Expenses	1,171	690
Media Releases	3,060	5,760
Postage General	1,877	586
Printing & Stationery	7,946	5,757
Rent & Rates	16,417	15,500
Repairs & Maintenance Computer	1,380	-
Seminar Expenses	1,062	14,775
Survey Expenses	2,208	-
Telephone & Tolls	1,754	1,856
Wages	107,939	103,796
Web-Site	4,128	4,395
Total Expenses	287,295	245,040
DEFICIT/SURPLUS FOR THE YEAR	-3,621	6,297

The accompanying accounting policies and notes form an integral part of these financial statements.

WORKPLACE SAVINGS NZ INCORPORATED

**STATEMENT OF MOVEMENTS IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 \$	2011 \$
Members' Funds Previous Year	198,326	192,029
Deficit/Surplus for Current Year	-3,621	6,297
Members' Funds End of Year	194,705	198,326

**STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012**

	2012 \$	2011 \$
Current Assets		
Accrued Interest	1,788	3,825
Association Debtors	140	879
BNZ Current Account	17,225	14,556
GST Refund	328	-
Term Deposits	189,946	216,991
	209,427	236,251
Non-Current Assets		
Fixed Assets – Note 4	1,923	368
TOTAL ASSETS	211,350	236,619
Current Liabilities		
Accounts Payable	9,434	11,250
GST Payable	-	2,058
Holiday Pay Liability	5,397	2,748
Tax Payable	1,815	-
Sponsorship in Advance	-	22,237
TOTAL LIABILITIES	16,646	38,293
NET ASSETS	194,704	198,326

Represented by:

Member Funds

194,704

198,326



Treasurer

Date: 10 April 2013



Executive Director

Date: 10 April 2013

The accompanying accounting policies and notes form an integral part of these financial statements.

WORKPLACE SAVINGS NZ INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

NOTE 1

STATEMENT OF ACCOUNTING POLICIES

General Accounting Policies

Workplace Savings NZ Incorporated (the "Association") is registered as an incorporated society under the Incorporated Societies Act 1908. These financial statements have been prepared under NZ Generally Accepted Accounting Practice (NZ GAAP) and comply with the Financial Reporting Act 1993.

The Association has not implemented the New Zealand Equivalents to the International Financial Reporting Standards (NZ IFRS). The requirement to adopt NZ IFRS was delayed for small entities by the Accounting Standards Review Board (ASRB). The Association is considered a small entity.

The following general accounting policies have been adopted in the preparation of the Financial Statements.

- (i) The measurement base adopted is that of historical cost and reliance is placed on the fact that the Association is a going concern.
- (ii) Accrual accounting is used to record expenses and revenue.

Particular Accounting Policies

Particular accounting policies which materially affect the measurement of surplus financial position have been applied as follows:

Depreciation

Depreciation has been calculated using the diminishing value method to amortise the cost of the assets over their expected lives.

Goods and Services Tax (GST)

The financial statements are presented on a GST exclusive basis except accounts receivable and accounts payable which include GST.

Revenue

Revenue from membership fees is recorded based on registrations made for the financial year. Revenue from conference fees is recorded based on event attendance for the financial year conferences are held. Revenue from sponsorship income is split into current financial year with advance payments accrued to the following accounting period(s).

Changes in Accounting Policy

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

NOTE 2

Differential Reporting

The Association qualifies for certain exemptions under the "Framework for Differential Reporting" issued by the New Zealand Institute of Chartered Accountants as it does not have public accountability and is within the prescribed level of assets and revenues.

The Association has taken all available exemptions.

NOTE 3

Membership Fees Received

WORKPLACE SAVINGS NZ INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

The 2012 Membership fees received were:-

<u>Membership Category</u>	<u>2012</u>	<u>2011</u>
Schemes		
1-150 Members	1,826	2,265
151-500 Members	3,652	5,739
501-1,000 Members	7,043	7,043
1,000+ Members	<u>18,783</u>	<u>19,826</u>
	31,304	34,873
Employers		
1-25 Employees	1,304	1,826
26-100 Employees	2,609	2,609
101-500 Employees	3,913	3,130
500+ Employees	<u>3,131</u>	<u>4,174</u>
	10,957	11,739
Service Providers		
1-100 Employees	8,609	7,565
101-500 Employees	3,913	3,913
500+ Employees	<u>3,130</u>	<u>4,174</u>
	15,652	15,652
Individuals	2,609	1,849
WSP Members	-	<u>270</u>
Total Membership Fees	<u>60,522</u>	<u>64,383</u>

NOTE 4

Fixed Assets

	Rate %	Cost Price	2012 Depreciation	Accumulated Depreciation	Book Value 2012	Book Value 2011
		\$	\$	\$	\$	\$
Computer	60.0	1,298	5	1,294	4	9
Printer	60.0	484	2	482	2	3
Notebook	60.0	1,421	16	1,411	10	26
Projector	60.0	1,688	18	1,675	13	31
Office Furniture	15.6	552	47	300	252	299
Computer (V260)	60.0	1,128	454	454	674	0
HP Folio	60.0	1,623	654	654	969	0
		8,194	1,196	6,270	1,924	368

NOTE 5

Lease Commitments

The Association has entered into the following lease arrangements:-

1. A premises arrangement (120 Featherston Street, Wellington) for 2 years to 31 March 2014 at a fixed annual rate plus variable operating expenses; and
2. An equipment lease arrangement for 3 years to 30 September 2014 at a fixed annual rate plus variable operating expenses.

WORKPLACE SAVINGS NZ INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

Lease Expense	Current Commitment	Non-current Commitment
Office space	\$15,000	\$3,750
Document Centre	\$4,834	\$3,625

NOTE 6

Related Party Transactions

During the year, the Association incurred \$5,733.08 in legal services from Kensington Swan, in which David Ireland (Chairman of the Association) is a Partner (2011: \$10,502.97).

Council members' membership fees and attendance fees at all Association events are waived provided that the Council members are not an employee of a member firm of the Association, in which case that member firm would pay for the membership and attendance fees.

NOTE 7

Subsequent Events

There were no events that occurred subsequent to 31 December 2012, which would have significant impact on these financial statements (2011: Nil).

AUDIT REPORT



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORKPLACE SAVINGS NZ INCORPORATED

Report on the Financial Statements

We have audited the financial statements of Workplace Savings NZ Incorporated on pages 15 to 19, which comprise the statement of financial position as at 31 December 2012, and the statement of financial performance and the statement of movements in accumulated funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Members, as a body. Our audit has been undertaken so that we might state to the 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 Members, as a body, for our audit work, for this report, or for the opinions we have formed.

Executive Council's Responsibility for the Financial Statements

The Executive Council is responsible for the preparation and fair presentation of financial statements, in accordance with generally accepted accounting practice in New Zealand, and for such internal control as the Executive Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

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 and 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 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 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 the accounting policies used and the reasonableness of accounting estimates, as well as 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 interests in Workplace Savings NZ Incorporated.

Opinion

In our opinion, the financial statements on pages 15 to 19 present fairly, in all material respects, the financial position of Workplace Savings NZ Incorporated as at 31 December 2012, and its financial performance for the year ended on that date in accordance with generally accepted accounting practice in New Zealand.

Chartered Accountants
10th April 2013
Wellington, New Zealand



the voice of
workplace savings