

Workplace Savings NZ

Te māngai penapena ā-mahi



Annual Report 2014



Workplace Savings NZ Incorporated

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WORKPLACE SAVINGS NZ INCORPORATED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2014

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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 Activities

We:

- **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 to make workplace savings schemes more efficient and easier to use;
- **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, professionalism and effective communication in the workplace retirement savings industry; and
- **Serve Workplace Savings NZ members**, and its supporters, by providing a range of services to meet their needs and deliver value for their participation.

Report from the Chair

Workplace Savings NZ continues to be **the voice of workplace savings**, promoting great workplace savings outcomes for all involved.

We primarily 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 the costs borne to members of workplace savings schemes, and
- **providing education** and other related services to members through our conferences, forums, industry functions, trustee training program and workshops, as well as
- **recognising excellence** in member targeted workplace retirement savings communication through our well respected Annual Communication Awards.

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

In 2015 we look forward to the continued support of our members and financial supporters in making our voice heard where and when it counts.

Some successes from 2014

Legislation, Regulation and Reform

We 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 the growing burden of compliance requirements.

We benefitted the members of Workplace Savings NZ, and the industry, through successful submissions:

1. on the Financial Markets Conduct Regulations Third Exposure;
2. on the FMC Act Register Fees & Other FMA Fees and Levies;

3. to the Ministry of Justice on the Ministerial Exemption for Managing Intermediaries;

We know the pace of legislative change will continue throughout 2015.

Following the passing of Financial Markets Conduct Act 2013 – the comprehensive overhaul of the regime for offering securities (including superannuation scheme and KiwiSaver schemes) and further work on its companion regulations we have continued to support members by:

- Participating in ongoing conversations with relevant bodies/parties e.g. FMA, Commission for Financial Capability (CFFC), Ministry of Business, Innovation and Employment (MBIE), Australian Tax Office (ATO);
- Making submissions on behalf of members;
- Informing members of relevant information and updates via industry events, our *SuperNews* newsletter and the Workplace Savings NZ website.

We also proactively assisted those interested in the legislation and application to become an Independent Licenced Trustee by hosting workshops and working with the FMA.

Undoubtedly, legislative reforms will continue to generate significant activity throughout 2015, both for Workplace Savings NZ and our members from every part of the workplace retirement savings industry.

National Conference: “Shifting the Story Line”

As a part of our on-going professional development initiatives, our information-rich National Conference was held at the Pullman Hotel, Auckland. The two-day conference was widely supported with over 140 paying delegates attending. We were once again delighted with the positive participant feedback received. Of course we will endeavour to continue our very successful format forward to future Conferences and Forums.

Communications Awards

We again saw strong competition in all categories of our Communications Awards. It was heartening to see the marked improvements in the quality of the communications entered for these awards. The Judges noted the challenge they faced when determining a winner from the top level entries as the competition for the top spots tighten. This result is a credit to the industry and bodes well for having well informed investors. In light of Financial Markets Authority’s guidance on clear, concise and effective disclosure, we are looking forward to the bar being raised even further in 2015. More details of the awards outcomes are provided further on in this report.

Looking Forward

There continues to be plenty of activity in the pipeline for 2015 and beyond for Workplace Savings NZ.

We assisted industry professionals in the lead up to the introduction of the Government's HomeStart policy which came into effect on 1 April 2015. We were very pleased when some of the recommendations proposed by Workplace Savings NZ on behalf of its members were addressed by the Minister of Commerce. One of the very successful outcomes was an amendment to the Taxation (KiwiSaver HomeStart and Remedial Matters) Act 2015, which provides relief for KiwiSaver managers in the process of updating their offer documents application processes.

In addition, our best practice guidelines for Significant Financial Hardship & Serious Illness were updated, peer reviewed and published on 1 April 2015.

KiwiSaver provider forums will be facilitated by Workplace Savings NZ throughout the year. Workplace Savings NZ will continue to help drive best practice processes to enhance the KiwiSaver experience for KiwiSaver members, employers and managers.

As part of our commitment to your ongoing professional development, our 2015 one-day Forum will be held on the 11th of August at the Michael Fowler Centre, Wellington.

Who serves on the Workplace Savings NZ Council?

(As at 31 March 2015)

| | |
|--------------------|--|
| Chair | Kerry Haycock Airways Superannuation Plan |
| Vice-Chair | David Wallace AMP Financial Services |
| Treasurer | Ana-Marie Lockyer ANZ Global Wealth |
| Councillors | Alister van der Mass Russell Investments David Biegel Independent Consultant David Boyle Commission for Financial Capability Mike Woodbury Chapman Tripp Tim McGuinness Dairy Industry Superannuation Scheme Sharon Mackay Bank of New Zealand Vanja Thomas NZ Guardian Trust |

Appreciations

Thank you to all of our Workplace Savings NZ members. Your on-going participation in Workplace Savings NZ initiatives is critical to this organisations future success. We sincerely appreciate your continued support and contributions throughout another year of considerable change.

We encourage our members to talk with us about those issues that matter most to you. Our Secretariat's door is always open to those with a passion for improving workplace retirement savings outcomes. Feel free to visit us when it suits. We are located on Level 4, 120 Featherston Street, Wellington.

We could not function without the help of a large number of people and organisations. It is proper and fitting that we acknowledge and extend our gratitude to the following:

- our financial sponsors, without whom Workplace Savings NZ could not have achieved the significant outcomes it did in 2014;
- our professional advisers, in particular Chapman Tripp for your assistance on various day-to-day operational issues and specialist input into our initiatives;
- the judges of the annual Workplace Savings NZ Communication Awards for their time and dedication to the task;
- the Professional Development programme "subject matter experts" and the Conference and Industry Breakfast presenters for their time and expertise;
- 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;
- the Council sub-committees, and our Secretariat, who organised "**Shifting the Story Line**" - our successful industry Conference; and
- my fellow Workplace Savings NZ Councillors for their energy and commitment to helping achieve better workplace savings outcomes for New Zealand, including the significant efforts spent crafting our numerous submissions.

We look forward to your continuing support in 2015 and beyond.



Kerry Haycock, Chair
31 March 2015

2014 – A YEAR IN REVIEW

Our Submissions & Public Consultations

2014 continued to be a busy year for legislative and regulatory reform. In the year to 31 December 2014 Workplace Savings NZ made the following submissions:

- on the Financial Markets Conduct Regulations Third Exposure;
- on the Financial Market Conduct Act Register Fees & Other FMA Fees and Levies; and
- to the Ministry of Justice on the Ministerial Exemption for Managing Intermediaries.

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

Our full submissions can be reviewed on our website at: www.workplacesavings.org.nz/2014-submissions/.

Our Industry Activities

Our National Conference

“Shifting the Story Line” was the theme of our two-day national conference held in August at the Pullman Hotel, Auckland.

We once again attracted a very high standard of international and domestic keynote speakers who covered a range of thought leadership issues and key industry topics.

Feedback from delegates told us that our Conference was very well received by attendees. We remain committed to ensuring that our one-day Forums, and two-day Conferences (held in alternate years), continue to be the peak industry event each year for those engaged in the workplace retirement savings industry in New Zealand.

In 2015 we will be hosting our one-day Forum which will be held at the Michael Fowler Centre in Wellington on 11th August 2015.

More details on the Conference programme will be shared with members over the course of the second quarter of 2015.

2014 Communication Awards

Our Communication Awards remain highly valued by both award recipients and the workplace savings industry generally. They set the benchmark for industry good communication practice. We were once again delighted with the level of interest in this year's communication awards, highlighting the ever increasing importance being placed on effective communication.

We publically thank the competition judges for volunteering their time and expertise to judge this year's entries. The judges who selected the Award recipients were:-

- Helen Twose, Writer and Journalist;
- David Boyle, Group Manager, Commission for Financial Capability;
- Kate Alexander, Alexander Communications; 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 quite 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 who was:

Police Superannuation Scheme

The winner in each individual category was:

Annual Reporting of the Year – Corporate or Industry Super Schemes

Police Superannuation Scheme - for the Police Superannuation Scheme Annual Report and Member Benefit Statement 2014

Annual Reporting of the Year – KiwiSaver Schemes

ANZ KiwiSaver Scheme – for the ANZ KiwiSaver Scheme Annual Report (for year ended 31 March 2014)

Investment Statement of the Year

ANZ KiwiSaver Scheme – for the ANZ Investment Statement – 19 September 2014

Best Other Workplace or KiwiSaver Communication

Mercer KiwiSaver Scheme – for the Mercer KiwiSaver Scheme "Top up and Cash In" Campaign

People's Choice KiwiSaver Communications Award

Exciting changes lie ahead for this popular Award category. The People's Choice KiwiSaver Communication Award is currently undergoing a makeover. Announcements about the change and the re-launch of the award will be made later on in the year.

Professional Development Programme

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

Our Certificate comprises four modules:

- Introduction to Trusteeship;
- Introduction to Wholesale Investing;
- Current Good Practice Governance; and
- Trustee Investment Decisions.

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 2015 the Certificate modules will once again be delivered on an 'on demand' basis, with courses scheduled to meet member needs. Those interested in completing the Certificate in Trusteeship should lodge their expressions of interest and preferred delivery timing with the Secretariat to enable this to be co-ordinated.

The FMA supports training such as our Certificate in Trusteeship offered for Licensed Independent Trustees under the revised licencing and supervision requirements.

Industry Breakfasts and Seminars

Our Industry Breakfast series is provided in partnership with Women in Super. This year we once again hosted a series of successful breakfast meetings in Wellington and Auckland.

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 friendly environment. We have a planned programme of industry events on important issues spread over the remainder of 2015.

We welcome contributions of topical ideas for our Industry Breakfasts. So, if you have any feedback or an idea for future events please contact our Secretariat.

SuperNews

SuperNews, our Association's electronic newsletter for members, continues to be published bimonthly. *SuperNews* contains information of interest to our members, as well as providing brief, topical updates on current issues and information about upcoming events. Offers of in-depth articles on topical industry issues are welcome, as is general member feedback on these publications.

Our People – Industry Participation

Membership

As at 31 December 2014 there were 116 members of Workplace Savings NZ (2013: membership was 113).

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.

We believe that the workplace savings landscape will continue to evolve and change in the face of the FMC Act implementation over the next two years. For this reason, we will continue to focus on the issues of key importance for our members. These include consistently refreshing the direction of our voice to ensure we remain relevant and of value to 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 and service providers to the industry, continue to be active advocates of the good work we undertake.

Council Membership during 2014

The affairs of Workplace Savings NZ are managed by an elected Council of between seven and twelve member representatives. During 2014, the appointed officials were:

| | |
|-------------|-------------------|
| Chair: | Kerry Haycock |
| Vice-Chair: | David Wallace |
| Treasurer: | Ana-Marie Lockyer |
| Secretary: | Bruce Kerr |

The full list of Councillors who served during the 2014 year is as follows:

| Name | Role | Initial Year of Election | Status | Expires |
|----------------------|------------|--------------------------|-----------------|---------|
| Kerry Haycock | Chair | 2011 | Elected in 2014 | 2017 |
| David Wallace | Vice-Chair | 2010 | Re-elected 2013 | 2016 |
| Ana-Marie Lockyer | Treasurer | 2013 | Elected in 2013 | 2016 |
| Alister van der Maas | Councillor | 2013 | Elected in 2013 | 2016 |
| David Biegel | Councillor | 2010 | Re-Elected 2013 | 2016 |
| David Boyle | Councillor | 2010 | Re-Elected 2013 | 2016 |
| Mike Woodbury | Councillor | 2013 | Co-opted 2012 | 2016 |
| Tim McGuinness | Councillor | 2013 | Co-opted 2012 | 2016 |
| Sharon Mackay | Councillor | 2014 | Elected in 2014 | 2017 |
| Vanja Thomas | Councillor | 2014 | Elected in 2014 | 2017 |

Workplace Savings NZ greatly appreciates and publicly acknowledges the contribution made by all its elected Councillors and in particular Kerry Haycock, for his leadership as Chair of Workplace Savings NZ.

Council Sub-committees

During 2014 the following Council sub-committees were responsible for the management of our priorities in the areas of:

Profile and Growth – focussed on branding and marketing, membership, website, industry breakfasts, SuperNews, sponsorships, communication awards and internal engagement;

Committee comprised: Ana-Marie Lockyer (Convenor), David Biegel and Sharon Mackay.

Public Policy – focussed on building relationships with politicians, submissions on legislative developments, proactive lobbying, promotion of public debate and our website;

Committee comprised: David Wallace (Convenor), Kerry Haycock and Alister van der Maas.

Professional Development – focussed on specialist industry training courses, marketing collateral and marketing plan for courses, key industry relationships, the 2014 Conference and our website;

Committee comprised: Tim McGuinness (Convenor), Mike Woodbury and Vanja Thomas.

KiwiSaver 20/20 – focuses on all initiatives relating to KiwiSaver and KiwiSaver Providers forums.

Committee comprised: David Boyle (Convenor), David Biegel and David Wallace.

Workplace Super Reference Group – Focussed on initiatives relating to workplace superannuation policy, workplace superannuation schemes and workplace superannuation sponsor/trustee forums.

Committee comprised: Tim McGuinness (Convener), Barry Dent (co-opted) and Martin Crosby (co-opted).

Council Meetings

During 2014 the Workplace Savings NZ Council met four (4) times – 25 February, 30 April (AGM), 12 June, and 16 October.

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

Secretariat

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

Executive Director Bruce Kerr, Dip. Bus. Studies, WSP, LIT

Administrative Assistant Tracey McIntyre, BA

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Level 4, 120 Featherston Street
P O Box 25-179
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Telephone (04) 472 2260

Email info@workplacesavings.org.nz

Website www.workplacesavings.org.nz

Financial Supporters in 2014

Again in 2014 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, 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

Bank of New Zealand

NZ Guardian Trust

Silver Supporters

ANZ Investments NZ Ltd

ASB Bank

Mercer (N.Z.) Limited

Russell Investment Group Limited

Bronze Supporters

Chapman Tripp

Financial Complaints Services Limited

Nikko Asset Management NZ Limited

Westpac New Zealand Limited

If there are any providers to the workplace retirement 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 2014 show a profit of \$38,450 in 2014 (profit of \$50,022 in 2013), with member funds reaching \$283,177 at year end.

Major financial performance factors in 2014 compared with previous years were:

- a surplus of \$9,928 from our two-day conference in Auckland (\$21,247 surplus from our one-day 2013 Forum held in Wellington);
- interest income of \$12,019 (\$10,173 in 2013);
- support with professional media relations and legal services increased to \$11,396 (\$11,339 in 2013);
- a decrease in membership subscription income to \$76,235 (\$78,935 in 2013); and
- a negligible increase in the overall level of expenses (less Conference/Forum expenses) at \$205,307 (\$196,247 in 2013). Council continued to target increased revenue and a reduction in operating costs in 2014 and remains committed 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.

In 2015 we will continue to manage operating costs and target focused spend to deliver exceptional value for our members and supporters.

The Workplace Savings NZ Financial Statements for year ending 31 December 2014 follow.

WORKPLACE SAVINGS NZ INCORPORATED

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
31 DECEMBER 2014**

| | 2014 | 2013 |
|--|----------------|----------------|
| | \$ | \$ |
| <u>INCOME</u> | | |
| Association Breakfasts | 14,139 | 11,887 |
| Communication Awards | 967 | 1,435 |
| Conference Income | 122,998 | 45,528 |
| Education Programme | 13,511 | 13,498 |
| Interest Received | 12,019 | 10,173 |
| Less: Tax on Interest | (3,085) | (2,158) |
| Membership Fees – Note 3 | 76,235 | 78,935 |
| Seminars | 456 | - |
| Sponsorship | 119,587 | 111,252 |
| <u>Total Income</u> | 356,827 | 270,550 |
| <u>EXPENDITURE</u> | | |
| A.C.C. Levy | 627 | 321 |
| Association Breakfast Expenses | 16,495 | 13,580 |
| Audit Fees | 5,080 | 4,825 |
| Bank & Credit Card Charges | 1,632 | 1,096 |
| Communication Awards | 8,475 | 5,474 |
| Conference Expenses | 113,070 | 24,281 |
| Council Meeting Expenses | 3,248 | 2,866 |
| Depreciation | 435 | 1,041 |
| Education Programme – Delivery | 11,979 | 6,347 |
| General Expenses | 4,348 | 14,130 |
| Interest Paid | 94 | - |
| Legal Expenses | 11,376 | 10,559 |
| Marketing Expenses | 3,042 | 7,891 |
| Media Releases | 20 | 780 |
| Newsletter | 196 | 287 |
| Postage General | 386 | 147 |
| Printing & Stationery | 6,411 | 6,362 |
| Rent & Rates | 15,594 | 15,667 |
| Repairs & Maintenance Computer | 195 | 258 |
| Seminar Expenses | 3,492 | 69 |
| Survey Expenses | - | - |
| Telephone & Tolls | 1,941 | 2,888 |
| Wages | 108,348 | 98,754 |
| Website | 1,893 | 2,905 |
| <u>Total Expenses</u> | 318,377 | 220,528 |
| <u>SURPLUS/DEFICIT FOR THE YEAR</u> | 38,450 | 50,022 |

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

WORKPLACE SAVINGS NZ INCORPORATED

**STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014**

| | 2014 | 2013 |
|-----------------------------------|----------------|----------------|
| | \$ | \$ |
| Members' Funds Previous Year | 244,727 | 194,705 |
| Surplus/Deficit for Current Year | 38,450 | 50,022 |
| Members' Funds End of Year | 283,177 | 244,727 |

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014**

| | 2014 | 2013 |
|-----------------------------------|----------------------|----------------------|
| | \$ | \$ |
| <u>Current Assets</u> | | |
| Accrued Interest | 4,797 | 4,768 |
| Association Debtors | 773 | 1,060 |
| BNZ Current Account | 4,917 | 2,808 |
| BNZ Call Account | 58,879 | - |
| GST Refund | 537 | 3,822 |
| Term Deposits | 255,632 | 261,640 |
| | <hr/> 325,535 | <hr/> 274,098 |
| Fixed Assets – Note 4 | 447 | 882 |
| TOTAL ASSETS | <hr/> 325,982 | <hr/> 274,980 |
| <u>Current Liabilities</u> | | |
| Accounts Payable | 11,568 | 13,119 |
| Holiday Pay Liability | 1,398 | 2,841 |
| Tax Payable | 1,946 | 2,341 |
| Sponsorship in Advance | 27,894 | 11,952 |
| | <hr/> 42,805 | <hr/> 30,253 |
| NET ASSETS | <hr/> 283,177 | <hr/> 244,727 |
| Represented by: | | |
| Member Funds | 283,177 | 244,727 |



Treasurer
Date: 28 April 2015



Executive Director
Date: 28 April 2015

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 2014

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 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 not large.

The Association has taken all available exemptions.

WORKPLACE SAVINGS NZ INCORPORATED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

NOTE 3

Membership Fees Received

The 2014 Membership fees received were:-

| <u>Membership Category</u> | 2014 | 2013 |
|-----------------------------------|----------------------|----------------------|
| Schemes | \$ | \$ |
| 1-50 Members | 261 | 261 |
| 51-150 Members | 1,174 | 1,174 |
| 151-500 Members | 7,826 | 6,174 |
| 501-1,000 Members | 4,696 | 5,478 |
| 1k-10k Members | 16,696 | 16,696 |
| 10k-30k Members | 2,609 | 2,609 |
| 30+k Members | 3,478 | 3,478 |
| | <hr/> | <hr/> |
| | 36,740 | 35,870 |
| Employers | | |
| 1-7 Employees | 261 | - |
| 8-25 Employees | 391 | 391 |
| 26-75 Employees | 522 | 1,043 |
| 76-150 Employees | 1,565 | 2,348 |
| 151-300 Employees | 3,130 | - |
| 301-450 Employees | - | 5,217 |
| 450+ Employees | 1,739 | 3,478 |
| | <hr/> | <hr/> |
| | 7,608 | 12,477 |
| Service Providers | | |
| 1-7 Employees | 2,087 | 2,609 |
| 8-25 Employees | 7,043 | 4,696 |
| 26-75 Employees | 3,565 | 2,087 |
| 76-150 Employees | 6,522 | 7,826 |
| 150+ Employees | 8,696 | 10,435 |
| | <hr/> | <hr/> |
| | 27,913 | 27,653 |
| Individuals | 3,652 | 2,609 |
| WSP Members | 322 | 326 |
| | <hr/> | <hr/> |
| Total Membership Fees | <u>76,235</u> | <u>78,935</u> |

NOTE 4

Fixed Assets 2014

| | Rate | Cost | 2014 | Accumulated | Book |
|------------------|-------------|--------------|---------------------|---------------------|--------------|
| | % | Price | Depreciation | Depreciation | Value |
| | | \$ | \$ | \$ | 2014 |
| Computer | 60.0 | 1,298 | 1 | 1,298 | - |
| Printer | 60.0 | 484 | 1 | 484 | - |
| NoteBook | 60.0 | 1,421 | 2 | 1,419 | 2 |
| Projector | 60.0 | 1,688 | 3 | 1,686 | 2 |
| Office Furniture | 15.6 | 552 | 33 | 372 | 180 |
| Computer (V260) | 60.0 | 1,128 | 162 | 1,020 | 108 |
| HP Folio | 60.0 | 1,623 | 233 | 1,468 | 155 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 8,194 | 435 | 7,747 | 447 |

WORKPLACE SAVINGS NZ INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 4 - Continued

Fixed Assets 2013

| | Rate % | Cost Price | 2013 Depreciation | Accumulated Depreciation | Book Value 2013 |
|------------------|-------------------|-----------------------|------------------------------|-------------------------------------|--------------------------------|
| | | \$ | \$ | \$ | \$ |
| Computer | 60.0 | 1,298 | 2 | 1,297 | 1 |
| Printer | 60.0 | 484 | 1 | 483 | 1 |
| NoteBook | 60.0 | 1,421 | 6 | 1,417 | 4 |
| Projector | 60.0 | 1,688 | 7 | 1,683 | 5 |
| Office Furniture | 15.6 | 552 | 39 | 339 | 213 |
| Computer (V260) | 60.0 | 1,128 | 404 | 858 | 270 |
| HP Folio | 60.0 | 1,623 | 582 | 1,235 | 388 |
| | | 8,194 | 1,041 | 7,312 | 882 |

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 2016 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.

NOTE 6

Related Party Transactions

Key management personnel of the Association is its Executive Director. Total compensation paid to the Executive Director in 2014 was \$56,130 (2013: \$54,922).

During the year, the Association incurred \$11,376 in legal services from Chapman Tripp, in which Mike Woodbury (Councillor of the Association) is a Partner (2013: \$10,559).

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 2014, which would have significant impact on these financial statements (2013: 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 20, which comprise the Statement of Financial Position as at 31 December 2014, and the Statement of Financial Performance and 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 20 present fairly, in all material respects, the financial position of Workplace Savings NZ Incorporated as at 31 December 2014, and its financial performance for the year ended on that date in accordance with generally accepted accounting practice in New Zealand.

A stylized, handwritten signature of the Deloitte firm, written in dark ink.

Chartered Accountants
28 April 2015
Wellington, New Zealand



the voice of
workplace savings