

**Electricity & Gas Complaints Commissioner Scheme**

**Financial Report**

**For the Year Ended  
31 March 2014**

**Electricity & Gas Complaints Commissioner Scheme  
Financial Report  
For the year ended 31 March 2014**

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**Electricity & Gas Complaints Commissioner Scheme  
Statement of Financial Performance  
For the year ended 31 March 2014**

Notes	2014 \$	2013 \$
<b>Levy income</b>		
Market share based levy	2,401,077	2,998,597
Case based levy	356,500	276,500
<b>Total Levy Income</b>	<u>2,757,577</u>	<u>3,275,097</u>
<b>Plus other income</b>		
Interest received	70,060	67,462
Sundry income	16,525	14,050
<b>Total Other Income</b>	<u>86,585</u>	<u>81,512</u>
<b>Total Income</b>	<u>2,844,162</u>	<u>3,356,609</u>
<b>Less expenses</b>		
ACC Levy	4,585	4,015
Accommodation and travel	28,076	24,375
Auditor's Fees	8,200	8,200
Bank Fees	719	865
Board Expenses	5,964	1,934
Board Member Fees	72,100	72,551
Case Expenses	13,688	7,833
Communications	64,603	78,614
Computer Support	54,229	63,268
Constitutional Issues	23,359	9,517
Depreciation	2 66,886	62,856
Entertainment	1,742	1,133
General Expenses	13,841	16,431
Insurance	14,046	13,190
Interest Expense	262	-
Library Expenses	15,553	15,151
Office Equipment	3,726	-
Loss on Disposal of fixed Assets	-	9,572
Payroll Expenses	2,492	2,223
Premises Expenses	243,525	261,057
Printing postage and stationery	11,561	17,701
Professional Advice	44,620	38,081
Recruitment	8,908	20,933
Salaries - Holiday Pay Accrual	6,213	14,091
Salaries and wages	2,044,670	1,932,387
Staff Expenses	4,713	7,067
Telecommunications	34,695	41,974
Training and Development	53,969	52,200
<b>Total Expenses</b>	<u>2,846,945</u>	<u>2,777,219</u>
<b>Net (Deficit)/Suprlus After Tax</b>	(2,783)	579,390

The Statement of Accounting Policies and Notes form part of these Financial Statements



**Electricity & Gas Complaints Commissioner Scheme  
Statement of Financial Performance  
For the year ended 31 March 2014**

	<b>Notes</b>	<b>2014</b> <b>\$</b>	<b>2013</b> <b>\$</b>
Taxation provision	5	17,397	12,247
<b>Net (Deficit)/Suprlus After Tax</b>		<u>(20,180)</u>	<u>567,143</u>



**Electricity & Gas Complaints Commissioner Scheme  
Statement of Movements in Equity  
For the year ended 31 March 2014**

	Notes	2014 \$	2013 \$
<b>Accumulated Funds at Beginning of Year</b>	4	1,120,039	552,896
Net Surplus / (Loss) for the Year		(20,180)	567,143
<b>Accumulated Funds at End of Year</b>		<u>1,099,859</u>	<u>1,120,039</u>

The Statement of Accounting Policies and Notes form part of these Financial Statements



**Electricity & Gas Complaints Commissioner Scheme  
Statement of Financial Position  
As at 31 March 2014**

	Notes	2014 \$	2013 \$
<b>Accumulated Funds</b>			
Accumulated Funds	4	1,099,859	1,120,039
<b>Total Accumulated Funds</b>		<u>1,099,859</u>	<u>1,120,039</u>
Represented by:			
<b>Current Assets</b>			
Bank Account		346,043	381,209
Term Deposit		750,000	666,666
Prepayments		19,121	18,996
GST Refund Due		18,690	19,117
Accrued Receivables		2,458	3,731
Accounts Receivable		7,649	2,383
		<u>1,143,961</u>	<u>1,092,102</u>
<b>Non-Current Assets</b>			
Fixed Assets	2	148,593	175,834
<b>Total Assets</b>		<u>1,292,554</u>	<u>1,267,936</u>
<b>Current Liabilities</b>			
Income tax due for payment/(refund)		2,737	2,988
Revenue in Advance		2,100	-
Accounts Payable		77,284	27,797
Accruals		31,080	43,831
Provision for Annual Leave		79,494	73,281
		<u>192,695</u>	<u>147,897</u>
<b>Total Liabilities</b>		<u>192,695</u>	<u>147,897</u>
<b>Net Assets</b>		<u>1,099,859</u>	<u>1,120,039</u>

For and on behalf of the Board:

Heather Roy - Chair *H Roy* Date 12/5/14

Judith Jones - Commissioner *J Jones* Date 12/5/14

**Electricity & Gas Complaints Commissioner Scheme  
Notes to the Financial Statements  
For the year ended 31 March 2014**

**1 Statement of accounting policies**

**Reporting entity**

The Electricity and Gas Complaints Commissioner Scheme (the Scheme) is an unincorporated association.

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP).

**Measurement base**

Unless otherwise stated the accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been followed.

**Specific accounting policies**

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

Revenue recognition: levy income is recognised in the levy year to which it relates, even where levies are calculated by reference to cases in a different period (the reference period).

Levies receivable: levies receivable are stated at their estimated realisable value. A levies in dispute provision is made to reflect levies which are in dispute at balance date but are considered collectable by the Board. Debts considered uncollectable are written off.

Fixed assets: fixed assets are stated at cost less accumulated depreciation. Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007. The principal rates in use are:

Office Equipment	9% - 80.4%	DV or SL
Leasehold improvements	10% - 33%	DV or SL
Computer Equipment	33% - 60%	DV or SL
Computer database	33% - 48%	DV or SL

An impairment loss is recognised to the extent that the recoverable amount of an asset is less than its carrying amount.

Taxation: the Scheme is an unincorporated and mutual association for income tax purposes. As such it is taxed only on income from outside the circle of membership.

Goods and services tax: the financial statements have been prepared on a GST exclusive basis except for accounts receivable and accounts payable which are stated inclusive of GST.

Differential reporting: the Scheme qualifies for Differential Reporting Concessions identified in accounting standards established in XRB A1, as it is not publically accountable and it is not large as identified in XRB A1. All differential reporting concessions have been applied.

Changes in Accounting Policies: there have been no changes in the accounting policies which have been applied on bases consistent with those used in previous years.



**Electricity & Gas Complaints Commissioner Scheme**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2014**

<b>2 Fixed assets</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Leasehold improvements</b>		
At cost	110,530	108,839
Less accumulated depreciation	<u>37,150</u>	<u>18,901</u>
	<u>73,380</u>	<u>89,938</u>
<b>Office furniture and equipment</b>		
At cost	76,634	74,483
Less accumulated depreciation	<u>52,655</u>	<u>39,317</u>
	<u>23,979</u>	<u>35,166</u>
<b>Computer equipment</b>		
At cost	158,274	122,469
Less accumulated depreciation	<u>107,040</u>	<u>71,739</u>
	<u>51,234</u>	<u>50,730</u>
<b>Total Fixed Assets</b>	<u><u>148,593</u></u>	<u><u>175,834</u></u>
Depreciation includes the following amounts:		
Other depreciation	<u>66,886</u>	<u>62,856</u>
	<u>66,886</u>	<u>62,856</u>

**3 Related parties**

There have been no material related party transactions during the year (2013: \$0).

**4 Accumulated Funds**

The following movements in Accumulated Funds have occurred:

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	1,120,039	552,896
Net Surplus/(Deficit) For The Year	<u>(20,180)</u>	<u>567,143</u>
<b>Closing Balance</b>	<u><u>1,099,859</u></u>	<u><u>1,120,039</u></u>

**5 Taxation**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Income tax payable - current year	17,397	12,247

**6 Subsequent events**

There were no events after balance date that require adjustment of or disclosure in the financial statements.





**Electricity & Gas Complaints Commissioner Scheme  
Notes to the Financial Statements  
For the year ended 31 March 2014**

**7 Capital commitments**

Capital commitments at balance date Nil (2013: Nil)

8 Lease commitments	Current \$	Term \$	2014	2013
			Total \$	Total \$
Ricoh Aficio MP C4500 Digital Copier Expiry: 10 April 2013 Term remaining: Nil Annual rental: \$5,520	-	-	-	460
ShoreTel Telephony System Expiry: 22 October 2018 Term remaining: 4.5 years Annual rental: \$6,295	6,296	22,559	28,855	-
Premises and Car parks (2) Expiry date: 31 March 2018 Term remaining: 4 years Annual rental: \$179,369	179,369	538,107	717,476	896,845

A new lease was entered into with effect from 1 April 2012 following the office's move to larger premises. The rental is subject to review on 1 April 2015 based on the movement in the Consumer Price Index.

**9 Contingent Liabilities**

At balance date there were no known contingent liabilities (2013: possible litigation, since resolved).





## Independent auditor's report

### To the Members of Electricity & Gas Complaints Commissioner Scheme

We have audited the financial statements of Electricity & Gas Complaints Commissioner Scheme on pages 3 to 9, which comprise the statement of financial position as at 31 March 2014 and the statement of financial performance and statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Board members' responsibility for the financial statements**

The board members are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the board members 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 these financial statements based on our audit. We conducted our audit in accordance with 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.

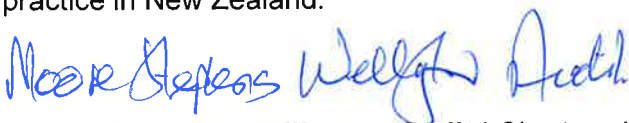
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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 accounting policies used and the reasonableness of accounting estimates, as well as evaluating 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 our capacity as auditor we have no relationship with, or interests in, Electricity & Gas Complaints Commissioner Scheme.

#### **Opinion**

In our opinion, the financial statements on pages 3 to 9 present fairly, in all material respects, the financial position of Electricity & Gas Complaints Commissioner Scheme as at 31 March 2014 and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.



**Moore Stephens Wellington Audit** | Chartered Accountants, Wellington, New Zealand  
12 May 2014

