

Maritime Union of New Zealand (Inc)

Financial Statements for the year ended 31 March 2009

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Maritime Union of New Zealand (Inc)

Directory
as at 31 March 2009

Registered Office	Waterside House 220 Willis Street Wellington
Governing Body	Executive Committee
IRD/GST Number	11-119-689
Auditors	Brown Webb Richardson Ltd Hastings
Bankers	Bank of New Zealand
Solicitors	Oakley Moran Wellington

Maritime Union of New Zealand (Inc)

**Statement of Financial Performance
for the year ended 31 March 2009**

	<i>Sch</i>	<i>This Year</i> \$	<i>Last Year</i> \$
Revenue			
Affiliation Fees	1	333,272	330,448
Casual Levy	1	12,560	4,867
WISF Payment		13,592	10,856
Employment Relations Education		-	6,756
Sundry Income		10,891	4,267
Rent Received	2	84,432	119,999
Interest Received	1	<u>242,744</u>	<u>222,875</u>
		697,491	700,068
Expenses			
Cash Expenses	1	661,645	559,872
Depreciation	4	<u>3,962</u>	<u>7,925</u>
Total Expenses		665,607	567,797
Net Income before Tax		<u>31,884</u>	<u>132,271</u>
Tax Provision		59,745	82,152
Net Income/ (Loss) For Year		<u><u>(27,861)</u></u>	<u><u>50,119</u></u>

This Statement is to be read in conjunction with the accompanying Notes and Audit Report

Maritime Union of New Zealand (Inc)

**Statement of Movements in Equity
for the year ended 31 March 2009**

	<i>This Year</i>	<i>Last Year</i>
	\$	\$
Credits for Year:		
Net Income for Year	-	50,119
Distribution Received from the MUNZ Trust	<u>104,000</u>	<u>150,000</u>
	104,000	200,119
Debits for Year:		
Net Loss for Year	<u>27,861</u>	<u>-</u>
	27,861	-
Credit for Year	<u>76,139</u>	<u>200,119</u>
Opening Credit Balance	2,294,008	2,093,889
Closing Credit Balance	<u><u>2,370,147</u></u>	<u><u>2,294,008</u></u>

This Statement is to be read in conjunction with the accompanying Notes and Audit Report

Maritime Union of New Zealand (Inc)

**Statement of Financial Position
as at 31 March 2009**

	<i>Sch</i>	<i>This Year</i>	<i>Last Year</i>
		\$	\$
ASSETS			
Current Assets			
Bank of New Zealand Cheque Account		97,004	205,885
Bank of New Zealand Savings Account		285,102	199,270
GST Refund		70	-
Accounts Receivable		65,033	17,366
Interest Accrued		7,322	4,087
Prepayments		-	790
		454,531	427,398
Investments	3	2,484,492	2,466,186
Fixed Assets	3	1,399,927	1,416,163
		4,338,950	4,309,747
LIABILITIES			
Current Liabilities			
GST Due		-	1,574
Accounts Payable		146,716	128,862
Affiliation Fees Paid in Advance		10,816	16,016
Employee Entitlements		22,777	21,213
MUNZ Trust		1,939	1,905
Seafarers Fighting Fund Trust		2,935	-
History Project		37,379	40,934
Inland Revenue Department		92,161	151,155
		314,723	361,659
Term Liabilities	3	1,654,080	1,654,080
		1,968,803	2,015,739
EXCESS ASSETS OVER LIABILITIES		2,370,147	2,294,008
EQUITY			
Accumulated Funds		2,370,147	2,294,008
		2,370,147	2,294,008

These financial statements are signed on behalf of the National Executive by:

President..... General Secretary.....

Date.....

This Statement is to be read in conjunction with the accompanying Notes and Audit Report

Maritime Union of New Zealand (Inc)

**Statement of Cash Flow
for the year ended 31 March 2009**

	<i>This Year</i>	<i>Last Year</i>
	\$	\$
Cash Flows From Operating Activities		
Cash was provided from:		
Affiliation Fees	305,357	343,557
Sundry Income	24,483	21,879
Rent Received	285,527	310,527
Interest Received	230,555	220,907
Net GST Change	-	3,906
	845,922	900,776
Cash was disbursed to:		
Expenses Paid	818,997	685,960
Net GST change	6,077	-
Taxation	107,040	43,802
	932,114	729,762
Net cash flow from Operations	(86,192)	171,014
Cash Flows From Investing Activities		
Cash was provided from:		
Maturing Investments	400,000	-
MUNZ Trust	104,034	150,000
	504,034	150,000
Cash was disbursed to:		
Purchase of Investments	418,306	6,528
Purchase of Assets	22,755	105,267
History Project	3,555	1,778
MUNZ Trust	-	25,723
Seafarers Fighting Fund Trust	(3,725)	-
	440,891	139,296
Net cash flow from Investing	63,143	10,704
Net Increase (Decrease) in Cash Held	(23,049)	181,718

This Statement is to be read in conjunction with the accompanying Notes and Audit Report

Maritime Union of New Zealand (Inc)

**Statement of Cash Flow
for the period ended 31 March 2009**

	<i>This Year</i>	<i>Last Year</i>
	\$	\$
Represented By:		
Opening Bank Balance	405,155	223,437
Net Cash Movement	(23,049)	181,718
Closing Bank Balance	<u>382,106</u>	<u>405,155</u>
Reconciliation of Net Income (Loss) with Cash Flow from Operations		
Net Income (Loss) after taxation	(27,861)	50,119
Plus Non Cash Item		
Depreciation as per Schedule	38,991	40,287
Plus (Less) Movements in Working Capital Items		
(Increase) Decrease in Sundry Debtors	(47,667)	10,664
(Increase) Decrease in Interest Accrued	3,235	(1,968)
(Increase) Decrease in Prepayments	-	1,262
Increase (Decrease) in Provision for Taxation	(61,031)	38,350
Increase (Decrease) in Goods and Services Tax	(6,077)	1,999
Increase (Decrease) in Accounts Payable	17,854	26,505
Increase (Decrease) in Employee Entitlements	1,564	10,813
Increase (Decrease) in Affiliation Fees in Advance	(5,200)	(7,017)
	<u>\$(86,192)</u>	<u>\$171,014</u>

This Statement is to be read in conjunction with the accompanying Notes and Audit Report

Maritime Union of New Zealand (Inc)

Notes to the Financial Statements for the year ended 31 March 2009

1. STATEMENT OF ACCOUNTING POLICIES

A. Reporting Entity

Maritime Union of New Zealand (Inc) is governed by its rules and is registered under the Incorporated Societies Act 1957. The Financial Statements have been prepared in accordance with the Financial Reporting Act 1993.

B. Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

C. Specific Accounting Policies

(i) Differential Reporting

Maritime Union of New Zealand (Inc) qualifies for Differential Reporting as it is not publicly accountable and is not large as defined under the Framework for differential reporting. Maritime Union of New Zealand (Inc) has taken advantage of all available differential reporting exemptions.

(ii) Fixed Assets and Depreciation

The entity has the following classes of fixed assets:

- Land
- Buildings
- Motor Vehicles
- Office Equipment

Land and buildings are valued at latest government valuation, plus additions since at cost, less accumulated depreciation.

Vehicles and plant are stated at cost less accumulated depreciation.

Depreciation has been calculated using rates permitted by the Income Tax Act 2007.

(iii) Goods and Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable balances which are stated inclusive of GST.

(iv) Income Tax

Income Tax expense charged to the Statement of Financial Performance recognises the current obligations and all amounts arising from differences between the accounting results and assessable income for the period, calculated using the liability method.

(v) Investments

Investments are carried at the lower of cost and net realisable value.

Maritime Union of New Zealand (Inc)

Notes to the Financial Statements for the year ended 31 March 2009

(vi) **Receivables**

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

D. 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. AUDIT

These financial statements have been subject to audit, please refer to Auditor's Report.

3. CONTINGENT LIABILITIES

Since 31 March 2002 an injunction has been entered against the Union in respect of actions against Carter Holt Harvey Ltd and Mainland Stevedoring Ltd. In addition a claim for damages has been made against the Union. The executive do not believe there is any validity to the damages claim and will contest it. No provision has been made for any successful claim.

4. ASSOCIATED ENTITIES

The Union established Branches at each port in accordance with the rules of the Union. These branches have been given delegated authority to manage their affairs on behalf of their local members. The Financial Statements have not included any information on the financial performance or position of each Branch.

Two Trusts were established by the New Zealand Seafarers Union on its winding-up: The MUNZ Trust; and the Seafarers Fighting Fund Trust. The Union has the power in terms of the Trust Deeds to appoint trustees to each Trust. The beneficiaries of each Trust are discretionary and may include the Union or its members as well as other classes of beneficiaries. The Union has not consolidated either Trust into the National Office's Financial Statements as it considers FRS-37 clause 4.19 excludes either Trust from being defined as a subsidiary.

Maritime Union of New Zealand (Inc)

**Financial Performance Schedule
for the year ended 31 March 2009**

	<i>This Year</i>	<i>Last Year</i>
	\$	\$
Affiliation Fees		
Auckland	90,688	86,944
Bluff	3,120	3,536
Gisborne	5,390	2,327
Lyttleton	37,856	40,976
Mount Maunganui	-	(787)
Napier	5,616	6,656
Nelson	3,952	3,328
New Plymouth	3,584	3,536
Port Chalmers	22,880	27,040
Seafarers	145,580	141,276
Timaru	2,496	2,496
Wellington	9,568	10,816
Whangarei	<u>2,542</u>	<u>2,304</u>
	<u>333,272</u>	<u>330,448</u>
Casual Levy		
Auckland	1,852	1,613
Lyttleton	8,052	-
Napier	1,800	2,226
Nelson	250	612
Timaru	-	89
Whangarei	<u>606</u>	<u>327</u>
	<u>12,560</u>	<u>4,867</u>
Interest Received		
Bank of New Zealand	26,513	31,255
Marac Finance Ltd	73,503	62,236
Spicers	40,113	36,858
South Canterbury Finance Ltd	97,606	90,558
Movement in Interest Accrued	<u>5,009</u>	<u>1,968</u>
	<u>242,744</u>	<u>222,875</u>

Maritime Union of New Zealand (Inc)

Financial Performance Schedule
for the year ended 31 March 2009

	<i>This Year</i>	<i>Last Year</i>
	\$	\$
Cash Expenses		
Accident Compensation Levy	1,194	1,561
Advertising	3,648	249
Amalgamation	-	17,052
Audit Fees	7,301	4,020
Bank Charges	251	470
Campaign	1,736	32,626
Cleaning Office	2,735	-
Commissions	8,225	7,622
Computer Expenses	13,649	10,711
Conference Expenses	1,333	-
Donations	14,166	2,080
Entertainment	4,549	1,838
ERE Expenses	-	3,949
Fringe Benefit Tax	5,938	4,369
General Expenses	750	4,940
Honorarium		
President	3,350	3,350
Vice President	1,287	1,287
Assistant General Secretary	<u>1,522</u>	<u>1,522</u>
	6,159	6,159
ITF Account	4,792	3,999
Insurance	3,507	895
Interest Payable	4,306	-
Legal Expenses	6,553	2,059
Maritimes Newsletter	27,440	35,185
Materials	307	-
Membership Card and Database	25,640	20,370
Merchandise	89	2,005
Motor Vehicle Expenses	4,750	4,604
Printing, Stamps and Stationery	35,197	16,186
Rent Copy Machine	3,966	5,092
Repairs and Maintenance	-	35
Seminar Expenses	50	3,097
Subscriptions and Affiliations	10,299	8,925
Telephone, Tolls and Internet	14,907	16,968
Travelling Expenses	77,078	33,568
Wages and Allowances	<u>371,130</u>	<u>309,238</u>
	<u>661,645</u>	<u>559,872</u>

This Statement is to be read in conjunction with the accompanying Notes and Audit Report

Maritime Union of New Zealand (Inc)

Rental Trading Account
for the year ended 31 March 2009

	<i>This Year</i>	<i>Last Year</i>
	\$	\$
Rent Received		
Waterside House	285,012	317,029
Direct Costs		
Audit Fees	4,400	4,355
Cleaning	26,402	24,996
Depreciation	35,029	32,363
Electricity Gas and Water	19,929	22,167
General	635	196
Insurance	22,496	22,831
Rates	47,628	42,077
Rent Carparks	12,501	9,605
Repairs and Maintenance	25,560	32,093
Security	5,880	6,347
Valuations	120	-
	200,580	197,030
Gross Profit	84,432	119,999
Transferred to Statement of Financial Performance		

This Statement is to be read in conjunction with the accompanying Notes and Audit Report

Maritime Union of New Zealand (Inc)

Financial Position Schedule
as at 31 March 2009

	<i>This Year</i>	<i>Last Year</i>
	\$	\$
ASSETS		
Investments		
Bank of New Zealand		
Term Deposit @ 8.40% due 25/7/09	160,000	160,000
Marac Finance Ltd		
\$350000 @ 9.00% due 12/10/09	350,000	350,000
\$400000 @ 10.50% due 20/3/09	-	400,000
	350,000	750,000
Spicers		
Investment Portfolio	929,492	511,186
South Canterbury Finance Ltd		
\$250000 @ 9.25% due 22/06/11	250,000	250,000
\$345000 @ 8.25% due 20/03/12	345,000	345,000
\$400000 @ 10.75% due 18/03/10	400,000	400,000
\$50000 @ 10.00% Preference Shares	50,000	50,000
	1,045,000	1,045,000
	<u>2,484,492</u>	<u>2,466,186</u>
Fixed Assets		
(For details see Depreciation Schedule 4)		
Property		
Cost	2,103,068	2,103,068
Accumulated Depreciation	<u>(732,521)</u>	<u>(697,492)</u>
	1,370,547	1,405,576
Motor Vehicles		
Cost	28,889	26,658
Accumulated Depreciation	<u>(5,720)</u>	<u>(20,154)</u>
	23,169	6,504
Office Equipment		
Cost	82,879	78,346
Accumulated Depreciation	<u>(76,668)</u>	<u>(74,263)</u>
	6,211	4,083
	<u>1,399,927</u>	<u>1,416,163</u>

This Statement is to be read in conjunction with the accompanying Notes and Audit Report

Maritime Union of New Zealand (Inc)

Financial Position Schedule
as at 31 March 2009

	<i>This Year</i>	<i>Last Year</i>
	\$	\$
LIABILITIES		
Building Loan		
Consequent to a resolution between the Union and its branches, the Building Account was acquired in total by the Union subject to acknowledgment of debt owing to the branches. The debt is payable on or before 1 December 2012. If demanded prior to 31 March, interest at 7.0% will be payable to each branch for the following year.		
Auckland	444,502	444,502
Bluff	101,926	101,926
Gisborne	19,489	19,489
Lyttleton	196,255	196,255
Mount Maunganui	184,104	184,104
Napier	155,123	155,123
Nelson	38,586	38,586
New Plymouth	79,587	79,587
Port Chalmers	78,746	78,746
Timaru	69,919	69,919
Wellington	256,130	256,130
Whangarei	29,713	29,713
	1,654,080	1,654,080

Maritime Union of New Zealand (Inc)

Depreciation Schedule
for the year ended 31 March 2009

Asset	Cost Price	Book Value 01/04/2008	Additions Disposals	Gain/Loss on Disposal	Capital Profit	--- Depreciation --- Mth Rate	5	Accum Deprec 31/03/2009	Book Value 31/03/2009
Land									
220 Willis Street, Wellington	131,500	131,500				12 0.0% CP	0	0	131,500
Sub-Total	131,500	131,500							131,500
Building									
Building Costs	1,591,680	1,141,703				12 1.0% CP	15,917	465,894	1,125,786
Partitions	3,855					12 0.0% CP	0	3,855	0
Level 7 Alterations	830	230				12 9.6% CP	80	680	150
Level 2 Alterations	7,718	2,429				12 9.6% CP	741	6,030	1,688
Level 4 Alterations	16,042	4,492				12 9.6% CP	1,540	13,090	2,952
Level 6 Alterations	33,553	15,301				12 9.6% CP	3,221	21,473	12,080
Heating Equipment	9,115					7.8% CP	0	9,115	0
Fixtures and Fittings	41,644					9.6% CP	0	41,644	0
Carpet	28,000					28.8% CP	0	28,000	0
Curtains 5th Floor	228					18.6% CP	0	228	0
Card Access System	7,515					9.6% CP	0	7,515	0
Carpet Level 1	16,700					28.8% CP	0	16,700	0
Level 1 Fitout	20,206					9.6% CP	0	20,206	0
Level 6 Fitout	14,977					9.6% CP	0	14,977	0
Ground Floor alterations	1,964					9.6% CP	0	1,964	0
Carpet Ground Floor	3,470					28.8% CP	0	3,470	0
Level 6 Carpet	2,449					28.8% CP	0	2,449	0
Wall Carpet Ground Floor	2,395					28.8% CP	0	2,395	0
Grille and Casement	737					9.6% CP	0	737	0
Level 7 Partitions	3,970	294				10 9.6% CP	294	3,970	0
Level 1 Fitout	5,857	53				2 9.6% CP	53	5,857	0
Carpet Level 5	5,336					28.8% CP	0	5,336	0
Carpet Level 6	6,740					28.8% CP	0	6,740	0
Level Alterations	5,000	3,280				12 9.6% CP	480	2,200	2,800
Level 1 Alterations	9,412	6,183				12 9.6% CP	904	4,133	5,279
Level 1 Partitions	6,992	1,055				12 9.6% CP	671	6,608	384
Level 6 Partitions	9,551	1,505				12 9.6% CP	917	8,963	588
Washing Machine	863	309				12 9.6% CP	83	637	226
Fixtures and Fittings	13,012					12.0% CP	0	13,012	0
Level 1 Alterations	96,315	92,462				12 9.6% CP	9,246	13,099	83,216
Level 2 Daikin Air Conditioner	5,442	4,780				12 16.2% CP	882	1,544	3,898
Sub-Total	1,971,568	1,274,076					35,029	732,521	1,239,047
Motor Vehicle									
Mitsubishi Lancer VRX	26,658	6,504	(10,667)	4,163					0
Mitsubishi Lancer VRX 2008			28,889			11 21.6% CP	5,720	5,720	23,169
Sub-Total	26,658	6,504	18,222	4,163			5,720	5,720	23,169
Plant and Equipment									
Crockery	255					12.0% CP	0	255	0
Vacuum Cleaner	1,333					12.0% CP	0	1,333	0
Vacuum Cleaner	475	226				12 9.6% CP	46	295	180
Cell Phone	1,199					40.0% CP	0	1,199	0
Office Equipment	23,021					12.0% CP	0	23,021	0
Photocopier	12,319					12.0% CP	0	12,319	0
Cell Pphone	1,500					12.0% CP	0	1,500	0
Computer Printer	901					12.0% CP	0	901	0
Pentium III Computer	3,209					36.0% CP	0	3,209	0
Fax Machine	2,200					36.0% CP	0	2,200	0
Computer	2,747					36.0% CP	0	2,747	0
HP Laser Printer	1,584					36.0% CP	0	1,584	0
Philips Flat Monitor	654					36.0% CP	0	654	0
HP Computers	14,930					36.0% CP	0	14,930	0
Cell Phone	849					12.0% CP	0	849	0
Tape Drive	1,911					36.0% CP	0	1,911	0
Office XP Software	670					36.0% CP	0	670	0
HP Scanjet 5590 Scanner	891					36.0% CP	0	891	0
Adobe InDesign	1,329	452				12 36.0% CP	452	1,329	0
Powerbook Super Drive	2,859	115				2 36.0% CP	115	2,859	0
Boardroom Chairs	3,510	3,290				12 15.0% CP	527	747	2,763
Computer			1,602			8 36.0% CP	385	385	1,217
Computer			2,932			10 36.0% CP	880	880	2,052
Sub-Total	78,346	4,083	4,534				2,405	76,668	6,212
TOTAL	2,208,072	1,416,163	22,756	4,163			43,154	814,909	1,399,928

This Statement is to be read in conjunction with the accompanying Notes and Audit Report

**AUDIT REPORT TO THE MEMBERS OF
MARITIME UNION OF NEW ZEALAND (INC)**

We have audited the Financial Report on pages 2 to 14. The Financial Report provides information about the past financial performance of the Union and its financial position as at 31 March 2009. This information is stated in accordance with the accounting policies set out on pages 7 and 8.

Executive Committee Responsibilities

The Committee is responsible for the preparation of a Financial Report which fairly reflects the financial position of the Union as at 31 March 2009 and of the results of operations for the year ended 31 March 2009.

Auditor's Responsibilities

It is our responsibility to express an independent opinion on the Financial Report presented by the Executive Committee and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the Financial Report. It also includes assessing:

- the significant estimates and judgements made by the Executive Committee in the preparation of the Financial Report, and
- whether the accounting policies are appropriate to the Union's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Report is free from material mis-statements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Report.

Our firm acts as auditors to three of the Branches of the Union. We prepare financial statements for two associated entities, The MUNZ Trust and The Seafarers Fighting Fund Trust. Apart from these activities, we have no other interests in the Union.

Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion the Financial Report on pages 2 to 14 fairly reflects the financial position of the Union as at 31 March 2009 and the results of its operations for the year ended on that date.

Our audit was completed on 3 August 2009 and our unqualified opinion is expressed as at that date.

Auditors Brown Webb Richardson

Address 111 East Avenue Road, Hastings