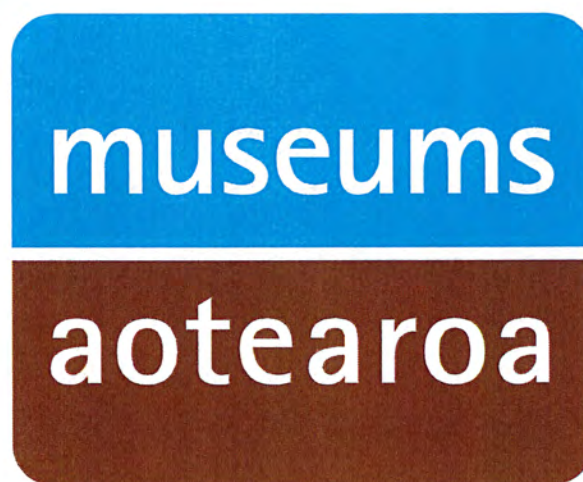


MUSEUMS AOTEAROA TE TARI O NGA WHARE TAONGA O TE MOTU

THE MUSEUMS OF NEW ZEALAND INCORPORATED



FINANCIAL STATEMENTS

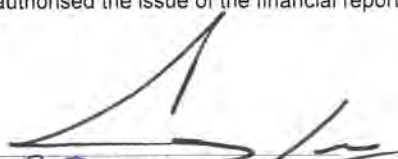
FOR THE YEAR ENDED 31 DECEMBER 2014


MUSEUMS AOTEAROA TE TARI O NGA WHARE TAONGA O TE MOTU
THE MUSEUMS OF NEW ZEALAND INCORPORATED


Statement of Financial Position
As at 31 December 2014

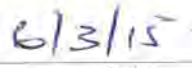
	NOTES	2014 \$	2013 \$
CURRENT ASSETS			
Trade debtors and other receivables		211,675	190,122
Cash and bank current accounts	2	133,970	125,715
Bank term deposits and savings	2	239,899	232,180
Savings accounts - restricted project	2	88,198	89,619
Interest accrued		1,711	1,293
TOTAL CURRENT ASSETS		675,453	638,929
CURRENT LIABILITIES			
Trade creditors and other payables		22,314	16,637
Special purpose funds	5	21,363	30,231
GST payable		33,198	39,815
Employee entitlements		14,960	9,839
Income in advance	4	237,796	241,040
TOTAL CURRENT LIABILITIES		329,631	337,561
WORKING CAPITAL		345,822	301,368
NON-CURRENT ASSETS			
Office equipment and furniture	7	5,093	8,973
TOTAL NON-CURRENT ASSETS		5,093	8,973
NET ASSETS		350,915	310,341
Accumulated funds			
Accumulated funds		262,717	220,721
Trust and special funds reserve	6	88,198	89,619
TOTAL EQUITY		350,915	310,341

For and on behalf of the Board Museums Aotearoa the Museums of New Zealand Incorporated which authorised the issue of the financial report on 6 March 2015.


Chairperson


Board Member


Date 6/3/15


Date 6/3/15

The accounting policies and notes of pages 4-7 should be read in conjunction with these financial statements



MUSEUMS AOTEAROA TE TARI O NGA WHARE TAONGA O TE MOTU
THE MUSEUMS OF NEW ZEALAND INCORPORATED

Statement of Movements in Equity
for the year ended 31 December 2014

	NOTES	2014 \$	2013 \$
Accumulated Funds			
Balance 1 January		220,721	178,263
Net surplus for the year		40,574	45,446
Total recognised revenue and expenses		40,574	45,446
Transfer from / (to) trust and special funds	6	1,422	(2,988)
Closing		262,717	220,721
Trust and Special Funds Reserve			
Opening		89,620	86,632
Transfer from / (to) accumulated funds	6	(1,422)	2,988
Closing		88,198	89,620
TOTAL EQUITY		350,915	310,341

The accounting policies and notes of pages 4-7 should be read in conjunction with these financial statements



**MUSEUMS AOTEAROA TE TARI O NGA WHARE TAONGA O TE MOTU
THE MUSEUMS OF NEW ZEALAND INCORPORATED**

**Statement of Financial Performance
for the year ended 31 December 2014**

	NOTES	2014 \$	2013 \$
INCOME			
Membership Fees		238,173	236,606
AGM and conference		68,334	74,107
MA Awards		13,566	14,139
Interest		11,101	8,585
Other Income		41,911	27,404
TOTAL INCOME		373,085	360,840
LESS EXPENSES			
AGM and conference		50,336	52,789
MA Awards		16,337	13,933
Project expenses		7,390	13,867
Mina McKenzie Scholarships		4,000	-
Audit fees		5,118	4,800
Depreciation		3,880	2,900
Employment expenses		152,051	143,957
Insurance		1,257	1,211
Interest and bank charges		1,749	1,271
Membership communications		17,930	14,506
Office rent		9,060	9,060
Postage and courier		6,264	4,006
Printing and stationery		3,275	5,692
Professional Fees		8,915	7,733
Publications		23,936	9,472
Travel		10,355	16,781
Other overheads		10,658	13,415
TOTAL EXPENSES		332,511	315,393
NET SURPLUS / (LOSS) FOR THE YEAR		40,574	45,446

The accounting policies and notes of pages 4-7 should be read in conjunction with these financial statements



MUSEUMS AOTEAROA TE TARI O NGA WHARE TAONGA O TE MOTU
THE MUSEUMS OF NEW ZEALAND INCORPORATED

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

1. i NATURE OF THE SOCIETY

The objectives of Museums Aotearoa The Museums of New Zealand Incorporated (the "Society") are to do any and all things as are conducive or likely to promote and foster the development of Museums and art galleries as essential public resources, for the collection, care, development, dissemination and interpretation of the natural and cultural heritage of Aotearoa/New Zealand, in a manner which respects and promotes the dual heritage of the partners of Te Tiriti o Waitangi (the Treaty of Waitangi).

ii. STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

Museums Aotearoa Te Tari o Ngā Whare Taonga o te Motu The Museums of New Zealand Incorporated is incorporated under the Incorporated Societies Act 1908.

Statement of Compliance

The financial statements have been prepared under Generally Accepted Accounting Practice in accordance with the External Reporting Board's financial reporting standards.

They comply with approved Financial Reporting Standards (FRSs) and Statements of Standard Accounting Practice (SSAPs) as appropriate for entities that qualify and apply differential reporting concessions, with the exception of FRS 19 Accounting for Goods and Services Taxes which has been fully complied with.

Museums Aotearoa's primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

Basis of Measurement

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

Presentation Currency

The financial statements are presented in New Zealand dollars. All numbers presented have been rounded to the nearest dollar, unless otherwise stated.

Financial Instruments

Financial instruments are comprised of trade debtors and other receivables, cash and cash equivalents, other financial assets, trade creditors and other payables.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less.

Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year, the impact of new and amended standards and interpretations applied in the year was limited to additional note disclosures.

iii. SPECIFIC ACCOUNTING POLICIES

The specific accounting policies recognised as appropriate in the preparation of these financial statements are:

Goods and Services Tax

The statement of financial performance has been prepared on a GST exclusive basis, except accounts receivable and accounts payable which are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, Inland Revenue is included as part of receivables or payables in the Balance Sheet.



Accounts Receivable

Receivables are valued at expected realisable value.

Property, Plant and Equipment

Office furniture and equipment, and website development are recorded at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Operating Leases

An operating lease is a lease that does not transfer substantially all the risk and rewards incidental to ownership of an asset. Payments made under operating leases are recognised in the Statement of Financial Performance on a straight line basis over the term of the lease.

Depreciation

Depreciation is provided on all assets held on a straight line basis over an estimated useful life of 3 years.

Employee entitlements

Employee benefits that the entity expect to be settle within 12 months of reporting date are accrued and measured based on accrued entitlements at current rate of pays.

These include salaries and wages up to the reporting date and annual leave earned, but not yet taken at the reporting date.

Revenue

Membership, AGM and conference fee income is recognised as revenue when received and all associated obligations have been met. Where grants have been given for a specific purpose, or with conditions attached, income is not recognised until agreed upon services and conditions have been satisfied. Government grants relating to income are recognised as income over the periods necessary to match them with the related services when performed. Grants received for which the requirements and services have not been met is treated as "income in advance" under current liabilities. See note 5.

Restricted Funding

Refer Note 6, Trust and Special Fund Reserves

Interest Income

Interest Income is recognised as it accrues, using the effective interest method.

Differential Reporting

The Society qualifies for differential reporting exemptions on the basis that is not publicly accountable and isn't large under the New Zealand Institute of Chartered Accountants Framework for Differential Reporting. All differential reporting exemptions have been utilised, with the exception of FRS 19 Accounting for Goods and Services Taxes which has been fully complied with.

2 BANK SAVINGS AND DEPOSITS

Accounts (excluding petty cash) held with the Bank of New Zealand total \$461,901. The deposits are on varying lengths. Interest rates on savings accounts and deposits are between 0.25% and 4.1% (2013: 0% to 3.8%)

		2014	2013
		\$	\$
Comprising:			
Operating Accounts:			
BNZ Current Account	0.25%	133,810	125,607
Petty Cash		160	108
		<u>133,970</u>	<u>125,715</u>
Term Investments:			
BNZ Term Deposit 86-3016	Matures 15/05/2015 3.65%	56,927	54,617
BNZ Term Deposit 86-3020	Matures 12/03/2015 3.65%	79,535	77,374
BNZ Term Deposit 88-3000	Matures 17/01/2015 4.10%	25,734	24,802
BNZ Term Deposit 76-3001	Matures 3/02/2015 3.50%	60,464	58,600
BNZ Term Deposit 13-3001	Matures 16/02/2015 3.65%	17,238	16,787
		<u>239,899</u>	<u>232,180</u>
Trust and Special Fund Accounts (Note 6):			
BNZ Savings Account - Mina McKenzie Special Funds	3.00%	54,062	56,463
BNZ Savings Account - Kaitiaki Maori Special Funds	3.00%	17,001	16,513
BNZ Savings Account - Museum Standards Special Funds	3.00%	17,136	16,644
		<u>88,199</u>	<u>89,619</u>

Monies held in Trust and Special Fund Accounts are not available for the general operating costs of the Society, but are held in separate accounts to be used on specific projects in subsequent reporting years. In December 2013 designated savings accounts were opened and funds transferred for each of the Special Funds accounts.



3 TAX

The Society is registered as a charitable entity with the Charities Commission (CC32927) and is therefore exempt from income tax.

4 INCOME IN ADVANCE

	2014	2013
	\$	\$
Prepaid Museum Membership	225,903	225,232
Prepaid Individual Membership	174	1,957
Prepaid Associate Membership	11,719	12,012
Museums Aotearoa Prepaid Conference Registrations	-	1,839
	<u>237,796</u>	<u>241,040</u>

2015 memberships were invoiced in December 2014; this income is reflected as income in advance. No conference registrations for 2015 have been received as at balance date.

5 SPECIAL PURPOSE FUNDS

	2014	2013
	\$	\$
Asia New Zealand Foundation Grants	12,031	16,031
Canterbury Cultural Collections Recovery Centre (CCCRC)	9,331	14,199
	<u>21,363</u>	<u>30,231</u>

The Society has received grants from the Asia New Zealand Foundation to fund activities that increase an awareness of Asia through New Zealand museums and galleries. Donations and funds were received for the CCCRC. Funds were subsequently distributed. All undisbursed amounts at balance date are shown as part of the special purpose funds.

6 TRUST & SPECIAL FUNDS RESERVE

The Society holds funds in trust for a number of special projects (as designated by the donors of these funds). These funds are held in separate investment reserves.

When donation funding has been provided for specific future investment purposes or to meet specific future costs of the Society, the initial donation received is recognised as income in the reported surplus or deficit and then transferred from accumulated funds to a separate equity reserve – "Trust and Special Funds Reserve". This treatment recognises that restricted funding received is preserved in investments and can only be used to fund the specific future costs of the Society.

All income and expenditure in relation to Trust and Special Reserve Fund activities is first recognised in the reported surplus or deficit for the year and taken to retained earnings. The net balance of Trust and Special Fund activities for the year is then transferred to the "Trust and Special Funds Reserve".

The fund balances and movements for the year are:

2014	31/12/2013	Contribution	Interest	Expenses	31/12/2014
	\$	\$	\$	\$	\$
Mina McKenzie Scholarship Fund	56,463	-	1,599	4,000.00	54,062
Kaitiaki Maori	16,513	-	488	-	17,001
Museum Standards	16,644	-	492	-	17,136
	<u>89,619</u>	<u>-</u>	<u>2,578</u>	<u>4,000</u>	<u>88,198</u>
2013	31/12/2012	Contribution	Interest	Expenses	31/12/2013
	\$	\$	\$	\$	\$
Mina McKenzie Scholarship Fund	54,688	-	1,774	-	56,463
Kaitiaki Maori	15,906	-	607	-	16,513
Museum Standards	16,038	-	606	-	16,644
	<u>86,632</u>	<u>-</u>	<u>2,987</u>	<u>-</u>	<u>89,619</u>

7 PROPERTY, PLANT AND EQUIPMENT

	Cost	Current year Depreciation	Accumulated Depreciation	Book Value
2014				
Office Furniture & Equipment	14,041	3,880	8,948	5,093
	Cost	Current year Depreciation	Accumulated Depreciation	Book Value
2013				
Office Furniture & Equipment	15,134	2,900	6,162	8,972

Obsolete software disposed of during 2014 year, no residual value.



8 RELATED PARTY TRANSACTIONS

Museums Aotearoa's board members are also associated with Museums ('associated Museums') which are members of Museums Aotearoa. In 2014 the board members were as follows:

Thérèse Angelo, Chair – Director, Air Force Museum
Tryphena Cracknell, Kaitiaki Taonga Maori
Rhonda Paku - Senior Curator, Matauranga Maori, Te Papa
Brett Mason - Director, Museums Wellington
Erin Flanigan - Educator, Puke Ariki
Roy Clare - Director, Auckland War Memorial Museum
Eric Dorfman – Director, Whanganui Regional Museum (Jan - Sept 2014)
Cam McCracken - Director, DunedinPublic Art Gallery (from Sept 2014)

Transactions between associated Museums include membership fees, conference attendance fees and grants to Museums Aotearoa. All transactions between associated Museums and Museums Aotearoa have been completed on an arm's length basis.

9 CONTINGENT LIABILITIES

There are no known material contingent liabilities as at balance date (2013: Nil).

10 COMMITMENTS

There are no known operating or capital commitments to exist at balance date (2013: Nil).

11 DONATED SERVICES AND PROPERTY, PLANT AND EQUIPMENT

The work of the Society is dependent on the voluntary service of many members. Since these services are not normally purchased by the Society and because of the difficulty in determining their value, donated services are not recognised in these financial statements.

There was no donated property, plant and equipment during the year (2013: Nil).

12 EVENTS OCCURRING AFTER BALANCE DATE

There are no significant events subsequent to the balance date and up to the time of preparation of these financial statements that materially affect the position as it existed at that date (2013: Nil).



Independent Auditor's Report

Audit

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To the Members of Museums Aotearoa Te Tari O Nga Whare Taonga O Te Motu The Museums of New Zealand Incorporated

Report on the financial statements

We have audited the financial statements of Museums Aotearoa Te Tari O Nga Whare Taonga O Te Motu The Museums of New Zealand Incorporated on pages 1 to 7, which comprise the statement of financial position as at 31 December 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' responsibilities

The Board members are responsible for the preparation of 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 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 (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 of financial statements that present fairly the matters to which they relate 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 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 Museums Aotearoa Te Tari O Nga Whare Taonga O Te Motu The Museums of New Zealand Incorporated.

Opinion

In our opinion, the financial statements on pages 1 to 7 present fairly, in all material respects, the financial position of Museums Aotearoa Te Tari O Nga Whare Taonga O Te Motu The Museums of New Zealand Incorporated as at 31 December 2014, and its financial performance, for the year then ended in accordance with generally accepted accounting practice in New Zealand.



Grant Thornton New Zealand Audit Partnership
Wellington, New Zealand
6 March 2015

