



**CLIMATE CONTROL COMPANIES
ASSOCIATION OF NEW ZEALAND INC**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

CLIMATE CONTROL COMPANIES ASSOCIATION OF NEW ZEALAND INC
STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2019

	<u>2019</u>	<u>2018</u>
INCOME		
Subscriptions	166,536	137,446
IRHACE Journal Subscription	12,365	-
Interest Received	5,331	5,611
Seminars & Courses	-	(296)
HS Package	(477)	5,017
Flammable Refrigerant Fact Sheets	-	6,400
Sponsorship Income	7,000	1,000
Subcontractor Agreement Income	3,030	3,900
Other Income	1,393	90
TOTAL INCOME	<u>195,178</u>	<u>159,168</u>
EXPENSES		
Accountancy	2,720	2,100
Advertising	14,674	15,421
Bad Debts	-	1,625
Bank Charges	1,269	1,315
Board Meetings & Online Voting Expenses	7,886	4,184
CCCA Subscription and Membership Expenses	5,017	12,387
Depreciation	8,703	7,237
Donations	100	-
Equipment & Software Leasing	5,645	3,820
Entertainment	98	17
Event Costs	3,181	-
N3 Membership Fee	12,750	24,067
HS System Expense	200	8,293
Industry Newsletter Expenses	654	425
CIC - Stakeholder Relations	415	-
Insurance	2,104	2,094
Membership Subscription Expenses	2,882	4,882
IRHACE Administration Fees	61,094	68,103
Postage and Freight	-	8
Printing & Stationery	1,762	4,635
Professional Fees - Bookkeeping	7,769	6,326
Professional Fees - Legal	12,645	1,017
Projects	3,027	8,947
Seminar / Courses / Training Expenses	3,240	11,362
Sponsorship Expenses	10,000	-
Subcontractor Agreement Expenses	6,500	-
Travel - International	-	1,385
Travel - National / Domestic	1,547	4,427
Website Hosting & Development	188	300
TOTAL EXPENSES	<u>176,070</u>	<u>194,377</u>
NET SURPLUS / (DEFICIT) BEFORE TAX	19,108	(35,209)
Tax Expense Current Year	(899)	(869)
NET SURPLUS / (DEFICIT) AFTER TAX	<u>18,209</u>	<u>(36,078)</u>

CLIMATE CONTROL COMPANIES ASSOCIATION OF NEW ZEALAND INC
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	<u>2019</u>	<u>2018</u>
Accumulated Funds at start of year	254,776	290,854
Net Surplus / (Deficit) after Tax for the Year	18,209	(36,078)
ACCUMULATED FUNDS AT END OF YEAR	<u>\$272,985</u>	<u>\$254,776</u>

The attached notes form part of these financial statements

CLIMATE CONTROL COMPANIES ASSOCIATION OF NEW ZEALAND INC
BALANCE SHEET
AS AT 31 DECEMBER 2019

	<u>2019</u>	<u>2018</u>
TOTAL ACCUMULATED FUNDS	<u>272,985</u>	<u>254,776</u>
Represented by:		
CURRENT ASSETS		
Westpac Bank Cheque Account	5,389	18,138
Westpac Online Savings Account	58,724	1
Westpac Term Deposit	170,529	167,672
Prepayments	14,396	16,582
Sundry Debtors	7,503	6,440
Accrued Interest on Term Deposit	1,795	828
Loan to Refrigerant License Trust Board (Note 4)	-	41,809
GST Clearing Account	16,195	12,962
Taxation Refund Due	<u>1,384</u>	<u>2,327</u>
	275,915	266,759
CURRENT LIABILITIES		
Accounts Payable	25,175	42,369
Accruals	2,151	2,150
Prepayments Membership Subscriptions	<u>-</u>	<u>562</u>
	(27,326)	(45,081)
NON CURRENT ASSETS		
Property, Plant & Equipment (Note 5)	<u>24,396</u>	<u>33,098</u>
	24,396	33,098
NET ASSETS	<u>272,985</u>	<u>254,776</u>

For and on behalf of the Board

<u>GRAEME THORNE</u>	Name
<u>DEPUTY CHAIR</u>	Position
<u>29/5/2020</u>	Dated



The attached notes form part of these financial statements

**CLIMATE CONTROL COMPANIES ASSOCIATION OF NEW ZEALAND INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

The financial statements presented here are for the entity CLIMATE CONTROL COMPANIES ASSOCIATION OF NEW ZEALAND INC (the Association). The Association is registered under the Incorporated Societies Act 1908.

GENERAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by the New Zealand Institute of Chartered Accountants.

MEASUREMENT BASE

The accounting principles recognized as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Association.

SPECIFIC ACCOUNTING POLICIES

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

- Goods and Services Tax
The financial statements have been prepared on a GST exclusive basis.
- Income Tax
The taxation expense charged against the surplus for the year is the estimated tax liability for the current financial year based on the taxation return to be filed with the Inland Revenue Department. The Association is exempt from income tax for all income from members and for \$1,000 of income from outside its membership.
- Accounts Receivable
Accounts receivable have been shown at expected realisable value.
- Property, Plant and Equipment
Property, plant and equipment are included at cost less aggregate depreciation provided at the rates determined by the Association. Property, plant and equipment that are leased under a specified lease are capitalized and depreciated. The depreciation rates used are:

▪ Software	20 – 40 %	SL
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CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies. All accounting policies have been applied on basis consistent with those used in previous years.

**CLIMATE CONTROL COMPANIES ASSOCIATION OF NEW ZEALAND INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There were no contingent liabilities or capital commitments at balance date. No securities have been granted nor any guarantees been given in respect of liabilities payable.

3. ASSOCIATION FORMATION

The association was formed on 14 March 2011 in order to allow the merger of the Refrigeration Air Conditioning Companies Association (RACCA) and the HVAC Contractors Association Inc (HVAC).

4. LOAN TO REFRIGERANT LICENSE TRUST BOARD (RLTB)

During the start-up phase of the RLTB, CCCA (through RACCA) advanced funds to assist with funding. The advance was on an interest free repayable on demand basis. The advance was unsecured. The advance was repaid in full in June 2019.

5. PROPERTY, PLANT & EQUIPMENT

	Cost	Accum Depreciation	Net Book Value 31/12/19
Software	47,310	22,914	24,396
Total	47,310	22,914	24,396

	Cost	Accum Depreciation	Net Book Value 31/12/18
Software	47,310	14,212	33,098
Total	47,310	14,212	33,098

6. NAME CHANGE

The Association changed its name from Climate Control Companies Association Incorporated to Climate Control Companies Association of New Zealand Incorporated on 28 February 2020.

7. RELATED PARTIES

Services are provided by IRHACE for the administration and marketing of the Association at normal trade terms.

8. COVID-19

On March 11, 2020 the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. The Financial Statements were signed off by the Board while the country was dealing with the pandemic. This event has resulted in the Association significantly reducing activities during the Level 4 and 3 lockdown period that occurred from 25 March 2020 to 13 May 2020. While the disruption is currently expected to be temporary, there is a level of uncertainty around the impact on the Association. At this time the full financial impact of the COVID-19 pandemic is not able to be determined. At the date of issuing the financial statements the Association believes it has sufficient cash reserves for its operations for the ensuing twelve months.

INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT

To the Members of Climate Control Companies Association of New Zealand Inc

We have reviewed the accompanying financial statements of Climate Control Companies Association of New Zealand Inc, which comprise the balance sheet as at 31 December 2019, and the statement of profit or loss and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board's Responsibility for the Financial Statements

The Board is responsible for the preparation and fair presentation of these financial statements in accordance with Special Purpose Reports, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400, Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity. ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE (NZ) 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these financial statements.

Other than in our capacity as assurance practitioner we have no relationship with, or interests in, Climate Control Companies Association of New Zealand Inc.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not give a true and fair view of the financial position of Climate Control Companies Association of New Zealand Inc as at 31 December 2019, and of its financial performance for the year then ended, in accordance with Special Purpose Reports.

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 1 to the financial statements, which states that the financial statements have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by the New Zealand Institute of Chartered Accountants, and that, as a result, the financial statements may not be suitable for another purpose.

Hudson Kasper

Hudson Kasper
Manukau 29 May 2020