



IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC

CONSOLIDATED ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC

**PO BOX 14-143 PANMURE
AUCKLAND 1741**

DIRECTORY

AS AT 31 MARCH 2023

Chairperson	Mr C Stephenson (resigned 11 May 2023)
Chief Executive Officer	Mr D Vinsen
Directors	Mr M Battle Mr K Quigley Mr F Willett Mr R Young
Banker	Westpac New Zealand Limited
Solicitors	LeeSalmonLong
Accountants	Henning & Associates
Review Accountants	William Buck (to be confirmed at AGM)

Mission Statement

“The IMVIA is committed to support and promote the vehicle importing industry”

The Association represents those who are directly or indirectly involved in the importation, refurbishment and marketing of vehicles.

IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2023

	NOTE	2023 \$	2022 \$
<u>REVENUE</u>			
Revenue from membership and sponsorship contributions	2	426,938	466,062
Revenue from provision of services	3	1,825	725
Revenue from sale of goods	3	2,665	7,873
Other income	3	48,634	9,124
		480,062	483,784
<u>EXPENSES</u>			
Expenses relating to provision of services	3	1,026	174
Expenses relating to sale of goods	3	1,112	2,328
Administration expenses	10	484,660	472,127
		486,798	474,629
<u>OPERATING SURPLUS/(DEFICIT) FOR THE YEAR</u>		(6,736)	9,155
Income tax expense	8	-	-
		(6,736)	9,155
<u>NET SURPLUS/(DEFICIT) FOR THE YEAR</u>		(6,736)	9,155

CONSOLIDATED STATEMENT OF MOVEMENT IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	2023 \$	2022 \$
Opening – Retained Earnings	143,014	133,859
ADD Net Surplus/(Deficit) for the Year	(6,736)	9,155
<u>TOTAL RECOGNISED REVENUES AND EXPENSES FOR THE YEAR</u>	(6,736)	9,155
<u>CLOSING – RETAINED EARNINGS</u>	136,278	143,014

These Financial Statements are to be read in conjunction with the notes
on page 5 – 11 and independent Reviewer’s Report on page 12

IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	NOTE	2023 \$	2022 \$
<u>EQUITY AT YEAR END</u>		136,278	143,014
Represented By:			
<u>NON CURRENT ASSETS</u>			
Fixed Assets	5	2,862	2,192
<u>TOTAL NON CURRENT ASSETS</u>		2,862	2,192
 <u>CURRENT ASSETS</u>			
Cash and Cash Equivalents	6	180,118	181,885
Accounts Receivable	4	26,830	8,142
Inventory	7	5,471	6,583
Tax Refund Due	8	-	14
<u>TOTAL CURRENT ASSETS</u>		212,419	196,624
 <u>CURRENT LIABILITIES</u>			
Accounts Payable and Accruals		56,376	15,555
Holiday Pay Accrual		21,875	36,200
GST Payable		752	4,407
<u>TOTAL CURRENT LIABILITIES</u>		79,003	55,802
<u>WORKING CAPITAL</u>		133,416	140,822
<u>NET ASSETS</u>		136,278	143,014

For and on behalf of the Imported Motor Vehicle Industry Association Inc

.....
Chief Executive Officer

.....
Chairman

.....
Date

These Financial Statements are to be read in conjunction with the notes
on page 5 – 11 and independent Reviewer’s Report on page 12

IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
<i>Cash was provided from/(applied to):</i>		
Receipts from Customers	412,740	480,391
GST	(3,295)	(1,637)
Dividends and Interest Received	1,665	124
Other Income	46,969	0
Payments to suppliers / employees	(457,687)	(473,867)
Income Tax Paid	14	1
<u>Net cash flows from/ (used in) operating activities</u>	<u>406</u>	<u>5,012</u>
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
<i>Cash was provided from/(applied to):</i>		
Fixed Asset purchases / disposals	(2,173)	-
Investment in Short Term Deposits	-	-
<u>Net cash flows from/ (used in) investing activities</u>	<u>(2,173)</u>	<u>0</u>
 <u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
<i>Cash was provided from/(applied to):</i>		
	-	-
<u>Net cash flows from/ (used in) financing activities</u>	<u>-</u>	<u>-</u>
 Net increase/(decrease) in cash held	 (1,767)	 5,012
Add opening cash brought forward	181,885	176,873
 <u>ENDING CASH CARRIED FORWARD</u>	 <u>180,118</u>	 <u>181,885</u>
 <i>Represented by:</i>		
Westpac 03 a/c	102557	105,142
Westpac 00 a/c	77088	76,275
Westpac 04 a/c	404	400
Westpac 90 a/c	69	68
 <u>ENDING CASH CARRIED FORWARD</u>	 <u>180,118</u>	 <u>181,885</u>

These Financial Statements are to be read in conjunction with the notes
on page 5 – 11 and independent Reviewer’s Report on page 12

IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC
CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. STATEMENT OF ACCOUNTING POLICIES

i) Reporting Entity

The Financial Statements presented here are for the Imported Motor Vehicle Industry Association Inc (IMVIA), an association incorporated under the Incorporated Societies Act 1908 (number 892015), and subsidiaries. The Financial Statements are prepared as a special purpose report. The Incorporated Societies Act 2022 will not impact the Association until it is required to re-register.

The Group consists of IMVIA and its non-trading subsidiary Vehicle Traders Association Limited.

IMVIA trades as VIA.

ii) Basis of Preparation

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

The financial statements have been prepared for the entity's members.

iii) Measurement Base

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 association. The going concern principle is also applied by the association.

iv) Specific Accounting Policies

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

- (a) **Basis of Consolidation** – As the subsidiary company mentioned above is non-trading as at 31 March 2023, and has not recorded any transactions as at 31 March 2023, the financial statements of the Association and the Group are identical.
- (b) **Inventory** – Stationery inventory has been stated at the lower of cost or net realisable value. Costs have been assigned to inventory using the first in first out basis. Vin Kit inventory has minimal value and is expensed on purchase.
- (c) **Accounts Receivable** – Are stated at estimated net realisable value. Bad debts are written off in the period in which they are identified.
- (d) **Fixed Assets** – The Association has two classes of fixed assets:
 - Office Furniture and Equipment
 - Motor VehiclesAll fixed assets are recorded at cost less accumulated depreciation.

IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

(CONTINUED)

- (e) **Depreciation** – All fixed assets have been depreciated at the maximum rate approved by the Inland Revenue Department on a diminishing value basis for the economic life of the asset.

The classes are depreciated at the following rates:

Office Furniture and Equipment	- 12.0% to 50.0%
Motor Vehicles	- 30%

- (f) **Revenue** – Revenue is recognised using the accrual method. Income received but not yet earned has been included as a liability. Dividend income is recognised when the right to entitlement is established. Interest income is recognised on an accrual basis where material. Membership, Trading and Consulting revenue is recognised when invoiced.
- (g) **Goods and Services Tax** – The Financial Statements have been prepared on a Goods and Services Tax exclusive basis, except for the Accounts Receivable and Accounts Payable balances which have been shown inclusive of GST in the Statement of Financial Position.
- (h) **Income Tax** – The income tax expense charged to the Statement of Financial Performance includes both the current year's tax and the income tax effects of timing differences calculated using the payments method.

Tax effect accounting has been applied on a comprehensive basis to all timing differences. A debit balance in the deferred tax account is only recognised if there is virtual certainty of realisation.

As an incorporated society, the Association is not subject to income tax on membership activities within its circle of membership but is subject to taxation on other income.

- (i) **Changes in Accounting Policies** – There have been no changes in accounting policies during the current financial period, other than to change the recognition of interest from when received to an accrual basis.

	2023	2022
	\$	\$
2. <u>MEMBERSHIP ACTIVITIES</u>		
Membership & Sponsorship Contributions	426,938	466,062
<u>LESS</u> Overhead Expenses - Apportioned (Note 10)	431,093	454,909
<u>SURPLUS / (DEFICIT) FOR MEMBERSHIP ACTIVITIES</u>	<u>(4,155)</u>	<u>11,153</u>

IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

(CONTINUED)

	2023	2022
	\$	\$
3. <u>TAXABLE ACTIVITIES</u>		
<u>REVENUE</u>		
Technical Services	1,825	725
Stationery Sales	2,665	3,441
Vin Kit Sales	-	4,432
	<hr/>	<hr/>
<u>TOTAL REVENUE</u>	4,490	8,598
<u>LESS DIRECT EXPENSES</u>		
Technical Services	1,026	174
Stationery	1,112	1,688
Vin Kits	-	640
	<hr/>	<hr/>
<u>TOTAL DIRECT EXPENSES</u>	2,138	2,502
	<hr/>	<hr/>
GROSS PROFIT	2,352	6,096
	<hr/>	<hr/>
<u>OTHER REVENUE</u>		
Interest Received	1,665	124
Clean Car Standard Contributions	46,969	-
Climate Change Campaign	-	9,000
	<hr/>	<hr/>
<u>TOTAL OTHER REVENUE</u>	48,634	9,124
<u>OTHER EXPENDITURE</u>		
Overhead Expenses - Apportioned (Note 10)	53,567	17,218
	<hr/>	<hr/>
<u>TOTAL OTHER EXPENDITURE</u>	53,567	17,218
	<hr/>	<hr/>
<u>SURPLUS / (DEFICIT) FOR TAXABLE ACTIVITIES</u>	(2,581)	(1,998)
	<hr/>	<hr/>
	2023	2022
	\$	\$
4. <u>ACCOUNTS RECEIVABLE</u>		
Trade Debtors	13,260	8,142
Other Debtors	14,648	-
	<hr/>	<hr/>
	27,908	-
<u>LESS</u> Provision for Doubtful Debts	1,078	-
	<hr/>	<hr/>
<u>TOTAL ACCOUNTS RECEIVABLE</u>	26,830	8,142
	<hr/>	<hr/>

IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

			2023	2022
			\$	\$
5.	<u>FIXED ASSETS</u>			
	Office Furniture and Equipment (at cost)		18,917	31,184
	Accumulated Depreciation		(16,589)	(29,755)
	Net Book Value		<hr/> 2,328	<hr/> 1,429
	Motor Vehicles (at cost)		9,500	9,500
	Accumulated Depreciation		(8,966)	(8,737)
	Net Book Value		<hr/> 534	<hr/> 763
	<u>TOTAL FIXED ASSETS</u>		<hr/> <hr/> 2,862	<hr/> <hr/> 2,192
6.	<u>CASH AND TERM DEPOSITS</u>			
		MATURITY	2023	2022
			\$	\$
	Current			
	<u>Cash and Cash Equivalents</u>			
	Westpac Banking Corporation			
	Cheque Account -03	At Call	1.55	
			102,557	105,142
	Ready Access - 90	At Call	2.10	
			69	68
	Cheque Account -04	At Call	2.10	
			404	400
	Cheque Account -00	At Call	2.10	
			77,088	76,275
	<u>TOTAL CASH AND TERM DEPOSITS</u>		<hr/> <hr/> 180,118	<hr/> <hr/> 181,885
7.	<u>INVENTORIES</u>		2023	2022
			\$	\$
	Stationery		5,471	6,583
	<u>TOTAL INVENTORIES</u>		<hr/> <hr/> 5,471	<hr/> <hr/> 6,583

IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)**

	2023	2022
	\$	\$
8. <u>TAXATION</u>		
Surplus / (Deficit) Before Taxation	(6,736)	9,155
<u>LESS</u> Membership Activities	(4,155)	11,153
	(2,581)	(1,998)
Add Back Permanent Differences:		
Imputation Credit on net Dividend Received	-	-
Add Timing Differences:		
Holiday Pay	1,095	(1,990)
Accruals	1,437	(368)
Provision for Doubtful Debts	119	-
Other Debtors	1,621	-
	1,691	(4,356)
<u>Assessable Income / (Taxable Loss)</u>	1,691	(4,356)
Tax at 28%	-	-
<u>LESS</u> Imputation Credit	-	-
	-	-
<u>TAX PROVISION</u> (as per Statement of Financial Performance)	-	-
<u>LESS</u> Provisional Tax Paid	-	-
Resident Withholding Tax	-	14
	-	14
<u>TAXATION REFUND DUE</u> (as per Statement of Financial Position)	-	14
Total Income / (Tax Loss) – current year	1,691	(4,356)
<u>LESS</u> Prior year losses brought forward	932,495	928,139
	930,804	932,495
Tax loss to carry forward	930,804	932,495
Imputation Credits – current year	-	-
Excess Imputation Credits brought forward	15,057	15,057
Imputation Credits applied	-	-
	15,057	15,057
Excess Imputation Credits to carry forward	15,057	15,057

9. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Directors are not aware of any contingent liabilities as at 31 March 2023. There are no capital commitments at 31 March 2023.

IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

(CONTINUED)

10. OVERHEAD EXPENSES

	2023	2022
	\$	\$
Promotion / Lobbying	-	31,999
Clean Car Standards Expenses	76,813	-
AGM Expenses	-	2,740
Independent Review Fee	8,907	7,800
Bank Fees and Charges	358	724
Computer Expenses	8,124	9,514
Depreciation - Office Furn & Equip and Vehicles	1,206	1,599
Doubtful Debts	1,078	-
Gift Presentation	-	227
General Expenses	-	119
Insurance	10,707	10,480
Legal Expenses and Debt Collection	18,696	-
Statistics	1,242	-
Licences and Subscriptions	1,063	1,723
Loss on Sale	297	-
Motor Vehicle Expenses	335	448
Payroll Processing Costs	556	613
Postage, Printing and Stationery	1,240	1,723
Events & Functions	495	250
Accounting & Administration	33,500	18,500
Repairs and Maintenance	2,331	34
Management Costs	80,000	127,500
Salaries	229,148	243,731
Staff Amenities	333	411
Website Charges	598	2,107
Telephone, Tolls and Fax	5,030	7,297
Travel, Accommodation, Meals	2,603	2,588
	<hr/>	<hr/>
<u>TOTAL OVERHEAD EXPENSES</u>	484,660	472,127
	<hr/> <hr/>	<hr/> <hr/>
Apportioned:		
Membership Activities (Note 2)	431,093	454,909
Taxable Activities (Note 3)	53,567	17,218
	<hr/>	<hr/>
	484,660	472,127
	<hr/> <hr/>	<hr/> <hr/>

The apportionment of overhead expenses is based on the proportion of taxable and non-taxable income in relation to total income

IMPORTED MOTOR VEHICLE INDUSTRY ASSOCIATION INC

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

(CONTINUED)

11. TRANSACTIONS WITH RELATED PARTIES

During the year any transactions entered into with related parties were all on normal trading terms. The Financial Statements for the year ended 31 March 2023 reflect all transactions undertaken during the year.

No related party debts have been written off or forgiven during the year.

12. FORWARD COMMITMENTS

Operating Leases - There are no operating leases at 31 March 2023 (2022: nil).

13. NON-TRADING SUBSIDIARY

A non-trading IMVIA subsidiary Vehicle Traders Association Limited was incorporated on 19 July 2002. At 31 March 2023 the single issued share is uncalled.