

ASIA NEW ZEALAND FOUNDATION ANNUAL REPORT

2007  
2008



**ANNUAL REPORT OF THE  
ASIA NEW ZEALAND FOUNDATION**

For the year ended 30 June 2008



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## MISSION STATEMENT

The Asia New Zealand Foundation (Asia:NZ) mission is to build and sustain New Zealanders' knowledge and understanding of the countries, people, cultures and languages of Asia, so they can develop more extensive and effective economic and cultural relationships in the region.

## CHAIRMAN'S REPORT

Asia:NZ has worked relentlessly in recent years to achieve a tipping point in New Zealand's collective attitude towards Asia, and as the latest *Perceptions of Asia* survey demonstrates, that juncture is fast approaching, driven by external factors and increasing awareness at home.

While this is encouraging, there is still a long way to go to reach the point where New Zealanders are 'Asia literate' and more fully engaged with the region. Although Asia is made up of more than 20 distinct countries and markets, many New Zealanders don't even distinguish one from the other, and most of us don't speak its languages or understand its cultures. It's time for a paradigm shift in our awareness and understanding of Asia, and that shift must occur rapidly if we are to grasp the opportunities the region offers.

The reality of our association with Asia was aggressively emphasised by the 2006 Census statistics, which helped to underline that the importance of New Zealand's engagement with the region is socially and economically essential to our future. Asia is vitally important to all sectors of New Zealand: our economies are inextricably entwined and our population increasingly reflects the ethnic diversity of the region. The government white-paper, *Our Future with Asia*, strongly reiterated the importance of the Asian region. By 2021, almost 15 percent of New Zealanders will identify with an Asian ethnic group. Young New Zealanders growing up today are likely to live, study and work alongside people of Asian ethnicities.

But there are still social, cultural, religious, political and linguistic differences between New Zealand and the countries of Asia that need to be better understood if we are to take our relationship with the region further. New Zealand's ability to partner with Asia for mutual benefit depends on bridging these gaps and on building and sustaining strong relationship links as a framework for ongoing relations.

When Don McKinnon and I established the Asia 2000 Foundation (now the AsiaNew Zealand Foundation – Asia:NZ) in 1994, trade was the obvious element in our relationship with Asia. This year, two crucial events have helped to galvanise our relationship with the region in this regard. The first came in April when, after four years and 15 rounds of negotiations, the New Zealand government signed a free trade agreement with the People's Republic of China.

As the first bilateral free trade agreement between China and a developed Western country, this is a major strategic development for New Zealand's relations with China itself, and with the wider Asian region.

The significance of cementing our closer economic links with the country that will play an increasing role in shaping our economic destiny cannot be overstated. China has arrived, indeed Asia has arrived, and New Zealand is well positioned to play a role in a future that will have a growing and increasingly conspicuous Asian dimension.

The second significant event was the inaugural Japan-New Zealand Partnership Forum, which took place in Tokyo in May. This business-led initiative marked 50 years since the signing of the Japan-New Zealand bilateral Agreement on Commerce, which opened the way to the modern trade and economic relationship our countries enjoy today.

The Forum focused on the key strategic issues facing business in both countries and ways in which the economic and business relationship can be further strengthened. Critically, this initiative also represented the renewal of Asia:NZ's determination to play an influential role in raising New Zealand's profile among Japan's commercial and political leaders.

Of course, for New Zealand to be perceived as a constructive and valued friend, our relationships with China, Japan and the rest of the region must extend from traderight through to close links between people.

Through the Foundation's business, culture, education, media and research programmes we have developed a range of constituencies unique in scope and quality and spanning government, private and wider public interests.

In 2007/08, Asia:NZ continued to make significant progress towards developing these links. One of the highlights of the year was the Action Asia Business Summit, a two-day event held in Auckland in July 2007. Featuring 47 high-profile speakers including His Excellency the Governor-General and the Prime Minister, the summit demonstrated a renewed commitment to thinking about ways we can advance New Zealand's relationships in the region.

The Young Leaders Network, now in its second year, was another example of how the Foundation is helping to connect people throughout the region through professional and social links. This year's Young Leaders Forum was attended by 38 tertiary students and recent graduates from New Zealand and Asia, all keen to build relationships within the region.

If we are to strengthen New Zealand's relationships with Asia, we urgently need to raise the Asia literacy of all New Zealanders, particularly our young people. A disappointing reality is that we are still behind the Asia literacy activities of school curricula in New South Wales and Queensland.

Evidence tells us that school principals play a vital role in preparing young New Zealanders for their future, so in the first half of 2008 we led an initiative called the Asia Aware Principals' Forum to different regional centres. Three pilot Forums were held around the country in association with the Ministry of Education, giving school principals the opportunity to discuss easy ways to bring an Asian dimension to their students' learning experiences. The Forums have been a resounding success and in the coming year we plan to take the Forums to five more regions around the country.

In culture, we continued to work hard to bring thousands of New Zealanders into contact with Asian cultures through festivals, exhibitions and performances. Big crowds attended the Diwali Festivals in Wellington and Auckland, and despite inclement weather in Auckland and Christchurch, thousands turned out to enjoy the new lanterns and the exciting performance programmes at the annual Asia:NZ Lantern Festivals.

During the year we also continued to support and fund high-quality reporting of Asian issues to ensure better, more-informed coverage of the peoples of Asia, and the Foundation's growing media programme continued to play an integral role in the way the region is perceived by the New Zealand public.

Commissioned research added to the Foundation's already substantial body of work to help policy-makers make informed decisions concerning New Zealand's engagement with Asia. One such study was the *Friends and Allies* report, which highlighted how Asian international students in New Zealand are an under-utilised resource in projecting our country offshore.

Another report, entitled *Diverse Auckland: The Face of New Zealand in the 21st Century*, written by University of Auckland geographer Dr Wardlow Friesen, examined the latest New Zealand Census figures and Auckland's large and growing Asian population.

In the last financial year the first external review of the Foundation was carried out, jointly commissioned by the New Zealand Treasury and the Ministry of Foreign Affairs and Trade. The review report was presented to government and other stakeholders at the beginning of the 2007/08 financial year and the Foundation has started to implement the recommendations.

As well as assisting in our thinking about strategic directions for Asia:NZ, the results of the external review also confirmed that the resources and hard work that have been invested in making New Zealanders aware of Asia are paying off.

As we move forward, the Foundation will be stepping up its programme of activities to increase New Zealanders' understanding of Asia. The coming year will see the acceptance of His Excellency the Governor-General to be the patron of Asia:NZ – a clear indication of the Foundation's increasingly relevant role – and a meeting of the Foundation's honorary advisers, all of whom are leaders of distinction within Asia, which will be held in Singapore.

The past 12 months have seen an upsurge in Asia-related activity on every front and New Zealand's links with the countries of Asia have expanded in almost every sector. I would especially like to thank our staff for their ongoing energy, enthusiasm and professionalism, without which the achievements of the past year would not have been possible.

In January 2008 we welcomed to Asia:NZ our new executive director, Dr Richard Grant, who replaced John Austin in the role. Dr Grant, a distinguished career diplomat, returns to New Zealand after working as New Zealand's high commissioner to Singapore, where he was responsible for the bilateral relationship with Singapore as well as providing policy advice to the government on East Asia's economic, defence and political architecture.

I am delighted that the board of Asia:NZ has found such a capable person to carry on the work of the Foundation. Dr Grant brings to the job a wealth of experience in promoting New Zealand interests overseas and, in particular, knowledge of the changes taking place in the Asian regional environment.

I would also like to acknowledge the contribution of Adele Mason, deputy executive director, who successfully held the fort for 10 months during the executive director changeover. May I also take this opportunity to thank departing board member Dianne Yates for her contribution, and warmly welcome our new board members Ruth DeSouza and Ken Stevens.

My thanks also to His Excellency the Governor-General, the Prime Minister, the Minister of Foreign Affairs, other ministers and parliamentarians from all parties who have engaged in Asia:NZ activities, to our board of honorary advisers, to my fellow members of the board of trustees and to our business partners for their support throughout the year.

Finally, my appreciation to the Ministry of Foreign Affairs and Trade, New Zealand Trade and Enterprise and Fonterra for their ongoing commitment to Asia:NZ.



HON PHILIP BURDON  
**Chairman**  
17 September 2008

## EXECUTIVE DIRECTOR'S REPORT

I would like to begin by thanking the extremely dedicated team at Asia:NZ who have achieved what I believe are excellent results for the year, as well as the Asia:NZ board, members of parliament, our core sponsors and external partners for their continued support and commitment.

The past financial year, 2007/08, has been a busy and successful one for the Foundation. Through our wide network of partners and friends we have delivered a broad range of programmes and our activities have touched thousands.

If we measure things such as participation in cultural events, the interest in our education programmes, requests for funding for our grants and the number of pages visited on our website, it is clear the Foundation's activities are attracting more and more attention as New Zealanders' attitudes and behaviour towards the region are definitely changing.

But there is still a great deal of work to be done. New Zealand doesn't look naturally towards Asia and mainstream New Zealand doesn't identify easily with Asian cultures and languages. In fact, the public still has some way to go before we readily accept the Asian component that is part of New Zealand's national identity, dating back to the days of the Otago gold rush in the 1860s.

Throughout the year Asia:NZ has continued to work hard. A highlight of the year was certainly the inaugural Japan-New Zealand Partnership Forum, held in Tokyo in May. Not only was the Foundation a major sponsor of this important event, but Asia:NZ's chairman, Hon Philip Burdon was also invited to be one of the co-chairs of the Forum, partnered with Yoshihiko Miyauchi, chief executive of ORIX Corporation and chairman of the Asian-Pacific Group of the Nippon Keidanren, a leading Japanese business organisation.

The Action Asia Business Summit, an Asia:NZ initiative, linked in partnership with Export Year 07, was an enormous success, attracting more than 550 attendees and culminating in the establishment of the Action Asia Advisory Group, a network of high-level business people who provide leadership on issues affecting businesses trying to build relationships in the region. The group held its first meeting in May.

In November, Asia:NZ sponsored David Thai from the Viet Thai International Joint Stock Company to travel to New Zealand to speak in Christchurch, Wellington and Auckland at the New Zealand Trade and Enterprise 'Opportunity Viet Nam' business seminars. We also hosted a networking dinner for New Zealand business people to meet the speakers of the seminars. As the world's fastest-developing major economy after China and India, Vietnam is a country we need to understand better if we are to take advantage of the opportunities it presents.

Asia:NZ hosted a number of business networking events during the year, including the APEC Business Advisory Council (ABAC) annual dinner in September, a business lunch hosting Hon Donald Tsang, chief executive of the Hong Kong Special Administrative Region, also in September, and a 'Women in Exporting' dinner in November.

In addition to offering a number of grants for individuals, community groups and arts organisations, Asia:NZ stepped up its professional development opportunities for the arts sector in 2007/08.

During the year, in partnership with the Korea Foundation, Asia:NZ funded an artist-in-residence exchange, placing New Zealand photographer Fiona Amundsen for a two-month residency at the National Art Studio of the Korean National Museum of Contemporary Art in Seoul, and Korean artist Sangwon Lee with the Christchurch Arts Centre.

Auckland installation artist Eve Armstrong joined three other international artists and four local Hong Kong artists in a four-week series of workshops run by the AiR Association Limited of Hong Kong. Asia:NZ also supported Wellington City Arts in bringing Hong Kong textile artist Lee Kit as the inaugural Bolton Street Cottage artist in residence.

Asia:NZ's commitment to building awareness of Asia through festivals, art exhibitions and musical performances also continued in 2007/08, with huge crowds gathering in Wellington and Auckland in October 2007 for the fifth annual event to sample the delights of one of India's most celebrated festivals – Diwali.

Highlights included a visiting dance group from Andhra Pradesh, Bollywood star Riya Sen and India Tourism's spectacular cross-dressing Rajasthani dancer Queen Harish. Two craftsmen from India constructed giant statues at Pataka Museum in Porirua and at the Auckland Museum, while visiting Madhubani artist Shanti Devi completed two large murals at Otago Museum and the NewDowse in Lower Hutt.

Despite inclement weather causing the cancellation of one day of the Auckland Lantern Festival and one day of the Christchurch event, thousands of spectators came to see this year's annual Chinese New Year Lantern Festivals. Crowds enjoyed new lanterns and an exciting performance programme, including a fire-eating Sichuan mask changer, eye-popping exploits by six Shaolin martial arts students, the Yuepu Drum Group from Shanghai and Sichuan martial arts tea-pourers.

One of the many highlights of Asia:NZ's education programme centred on the Diwali and Lantern Festivals' parallel schools programme, with superb international performers delighting children around the country with their unique artistry. Some 9000 students from 61 schools participated in the mid-week performance workshops and lantern-making competitions.

Professional development continued to be a hallmark of Asia:NZ's education programme in 2007/08. During the year, some 500 students and teachers received scholarships and grants, participated in study visits to Asia, or took part in professional development, competitions or events, and as noted earlier by the Chairman, an important focus for Asia:NZ was on education.

One of Asia:NZ's flagship scholarship programmes, the Singapore Scholarship Programme, continued to be a key part of the Foundation's education efforts in 2007/08, creating an expanding network of outstanding young New Zealanders educated in Singapore.

Since the scholarships were established in 1998, 17 high-performing New Zealanders have been awarded scholarships for undergraduate study at the National University of Singapore (NUS), which is internationally recognised as one of the finest universities in the Asia-Pacific region.

The students we select have strong academic records and the potential to be leaders in their chosen fields. Successful applicants receive free tuition, accommodation and living expenses and one return airfare between New Zealand and Singapore each year. In 2007/08, three New Zealand students continued their studies at NUS, and another two were selected to begin at NUS in August 2007.

In May we hosted a dinner in Singapore to celebrate the 10<sup>th</sup> anniversary of the scholarships. Invited guests included Stanley Tan (who helped launch the Singapore Scholarship Programme in 1998 with a generous financial donation), students, both former and current, faculty and administration staff from NUS, the New Zealand High Commission, the New Zealand Chamber of Commerce and other individuals who have provided support to the Programme over the past 10 years.

After its inaugural success last year, the Asia:NZ Young Leaders Forum brought together more outstanding young people from New Zealand and Asia. Thirtyeight tertiary students and recent graduates from New Zealand and Asia took part in the week-long programme that was held in November.

Through the Forum and its follow-up activities, participants gain the knowledge, skills and relationships needed to form enduring networks that benefit not only them but the wider interests of New Zealand and the countries of Asia.

The exciting events in which our young leaders took part during the year included the Asia Forum dinner at Government House, the business lunch with the Asia:NZ board of trustees and Hon Donald Tsang, chief executive of Hong Kong Special Administrative Region, the ABAC dinner, the Japan-New Zealand Partnership Forum in Tokyo, the Track II Dialogue meeting in Hanoi, Vietnam, the Asia:NZ 'Media Women in Asia' seminar with Trish Carter, Charlotte Glennie, Veronica Pedrosa and Sagarika Ghose in Auckland, and the Seoul Metropolitan Government's Seoul Coverage Support Program in Seoul, Korea.

During the year there was a noticeable increase in the quantity and quality of Asian news coverage by the mainstream New Zealand media. Indeed, the past 12 months could well prove to be pivotal in the way the Asian region is perceived by the New Zealand public and media.

Some of the region's most important events in 2007/08 were associated with China. The issue of Tibet, the China New Zealand free trade agreement, a massive earthquake in Sichuan and the Olympic Games have ensured that China has been consistently on the news agenda.

Other issues of significance to Asia and the rest of the world included Cyclone Nargis in Burma, the global food crisis and the continued remarkable growth in key Asian economies.

In 2007/08 Asia:NZ continued to support and fund high-quality reporting of Asian issues by experienced journalists, and internships and work placements for young New Zealand journalists.

A highlight was *New Zealand Listener* journalist Rebecca MacFie's excellent reporting on the free trade agreement with China. Ms MacFie's assignment was supported by Asia:NZ.

Asia:NZ also supported reporting by New Zealand Press Association journalists of the China New Zealand free trade agreement signing, and a successful trade and diplomacy visit by the Prime Minister Helen Clark to Seoul and Tokyo.

During the year nearly 30 journalists received support for assignments and work placements in a diverse range of Asian countries including China, India, Pakistan, Indonesia, Bhutan, the Philippines, Japan, Cambodia, Thailand, Malaysia, Singapore and Viet Nam.

The number of work placements for graduate journalists also grew to include new opportunities at CNBC Asia in Singapore, the *Philippines Star* in Manila and CNN IBN in New Delhi.

Asia:NZ also supported three New Zealand graduate journalists from Auckland University of Technology and Massey University to participate in the Australian Consortium of In Country Indonesian Studies (ACICIS) Journalism Professional Practicum, a six-week internship programme in Jakarta to give Australian and New Zealand journalists work experience and a better understanding of Indonesia.

Asia:NZ's research and policy programme continued to lead debate and inform New Zealanders about important and strategic issues about Asia.

Research reports were released on Auckland's large and growing Asian population (*Diverse Auckland*, written by Auckland University geographer Dr Wardlow Friesen) and on Asian demographics in New Zealand (*Asians in New Zealand: Implications of a changing demography* written by New Zealand's leading demographer Professor Richard Bedford and Dr Elsie Ho of the University of Waikato), both of which generated high-level discussion in the media.

Asia:NZ's research director, Dr Andrew Butcher, featured in the domestic and international media responding to comments about Asian immigration into New Zealand and New Zealand's Asian population in Auckland.

In addition to the three regional research reports written for the Asia Aware Principals' Forums on Asian connections in Taranaki, the Bay of Plenty and Canterbury (by Bernard Steeds), a benchmark survey of school principals' awareness of Asia (by Colmar Brunton) was completed. We also held a survey of Asia:NZ's Young Leaders (by UMR research), as well as evaluation surveys of the Diwali and Lantern Festivals, research on New Zealand's sister cities in Asia (Touchpoll) and an annual survey of New Zealanders' perceptions of Asia (by Colmar Brunton).

Grants were awarded for emerging and established researchers and we assisted a number of organisations such as the New Zealand Asian Studies Society, the New Zealand Asia Institute and the Centre for Asian Health Research and Evaluation to deliver speeches, seminars and conferences.

We also hosted visits from Professor Anthony Milner of the Australian National University and delegations from the National Academy of Public Administration in Vietnam and the Shanghai Institute of International Studies.

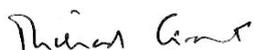
As part of its programme to develop New Zealand's Track II engagement with Asian countries, the Foundation led a team of New Zealand Track II specialists to an initial meeting in Hanoi, Vietnam, in June 2008. This activity, a first for the Foundation, provides a model for engagement with other countries in Asia.

Throughout the year we continued to keep our audiences in New Zealand and overseas up to date on our activities and programmes through our flagship publication, *Review* magazine and via our website - [www.asianz.org.nz](http://www.asianz.org.nz).

As a small, responsive and innovative organisation, Asia:NZ continues to achieve results that belie its size.

Our research shows that New Zealanders are increasingly viewing the Asian region as the most important region to this country's future.

Through partnership and collaboration we look forward to building and sustaining New Zealanders' knowledge and understanding of Asia in 2008/09.



DR RICHARD GRANT  
**Executive Director**  
17 September 2008

*Dr Richard Grant became executive director of Asia:NZ in January 2008. He replaced John Austin, who left Asia:NZ in April 2007.*

A detailed list of the 2007/08 grants can be found on Asia:NZ's website at <http://www.asianz.org.nz/about-us/governance/annual-report>

# GOVERNANCE AND ACCOUNTABILITY STATEMENT

## Role of the Board

The Minister has appointed a governing board. The board's governance responsibilities include:

- Communicating with the Minister and other stakeholders to ensure their views are reflected in Asia:NZ's planning.
- Delegating responsibility for the achievement of specific objectives to the executive director.
- Monitoring organisational performance and the achievement of objectives.
- Accounting to the Minister on plans and progress against them.
- Maintaining effective systems of internal control.
- Setting strategic direction.
- Approving policies.
- Delegating authority to the executive director.

## Structure of the Asia New Zealand Foundation

### **ASIA:NZ OPERATIONS**

The board has appointed the executive director to manage all Asia:NZ operations. All other employees of Asia:NZ have been appointed by the executive director. The board directs the executive director by setting policy and delegating responsibility and authority for the achievement of objectives.

### **MFAT/TREASURY REVIEW OF ASIA:NZ**

During 2006/07, New Zealand Treasury and the Ministry of Foreign Affairs and Trade commissioned a review of Asia:NZ, as directed by Cabinet in the year 2000. The purpose of this review was to evaluate Asia:NZ's effectiveness, processes and capability. The recommendations of the review were presented to Cabinet in July 2007. During 2007/08 Asia:NZ has managed a project to address recommendations of the review and implement changes to its governance and financial management. Asia:NZ will report to the Minister of Foreign Affairs in the third quarter of 2008 on progress.

### **BOARD COMMITTEES**

The board may set up committees to provide a more detailed level of focus on particular issues. Committees are delegated responsibility for governance, policy making and monitoring of the organisation's progress toward meeting objectives stated in policies. Committees do not involve themselves in operational matters. The board has established an Executive Committee to assist in strategy planning, managing and monitoring the performance of the executive director and monitoring organisational performance and reporting. In addition the board maintains an audit committee that meets at least once each year with external auditors. During 2007/08 an executive appointment committee, established in 2006/07, managed the recruitment of the executive director.

### **QUALITY ASSURANCE**

The executive director is responsible for reporting to the board, which in turn reports to the Minister of Foreign Affairs on the achievement of objectives. These are set out in the organisation's strategic plan that is approved by the board.

## Governance Philosophy

### **BOARD MEMBERSHIP**

Board members are appointed by the responsible minister. The board is composed of members who have diverse skills and experience in order to bring a wide range of thought to bear on policy issues. Once appointed, all members are required to act in the best interests of Asia:NZ.

### **CONNECTION WITH STAKEHOLDERS**

The board acknowledges its responsibility to keep in touch with stakeholders, including the responsible minister.

### **DIVISION OF RESPONSIBILITY BETWEEN THE BOARD AND MANAGEMENT**

A key to the efficient running of Asia:NZ is that there is a clear division between the roles of the board and those of management. The board concentrates on setting policy and strategy, and then monitors progress toward meeting objectives. Management is concerned with implementing policy and strategy. The board clearly demarcates these roles by ensuring that the delegation of responsibility and authority to the executive director is concise and complete.

### **ACCOUNTABILITY**

The board held quarterly meetings during 2007/08 to monitor progress toward its strategic objectives and to ensure that the affairs of Asia:NZ are being conducted in accordance with the board's policies.

### **DECLARATIONS OF INTEREST**

The board maintains an interests' register and ensures board members are aware of their obligations to declare interests. A new declaration of interests' policy is being developed as part of responding to the external review of Asia:NZ.

### **INTERNAL CONTROLS**

While many of the board's functions have been delegated, the overall responsibility for maintaining effective systems of internal control ultimately rests with the board. Internal controls include the policies, systems and procedures established to provide assurance that specific objectives of the board will be achieved. The board has acknowledged its responsibility by signing the Statement of Responsibility on page 12 of this report.

### **RISK MANAGEMENT**

The board acknowledges that it is ultimately responsible for the management of risks to Asia:NZ. The board has charged the executive director with operating a risk management programme.

### **LEGISLATIVE COMPLIANCE**

The board acknowledges its responsibility to ensure the organisation complies with all legislation. The board has delegated responsibility to the executive director for the development and operation of a programme to systematically identify compliance issues and ensure that all staff are aware of legislative requirements that are particularly relevant to them.

## STATEMENT OF RESPONSIBILITY FOR THE YEAR ENDED 30 JUNE 2008

The board of Asia:NZ accepts responsibility for the preparation of the financial statements and statement of service performance and the judgements made in them.

The board of Asia:NZ accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the board of Asia:NZ the financial statements and statement of service performance for the year ended 30 June 2008 fairly reflect the financial position and operations of Asia:NZ.



RICHARD NOTTAGE  
**Deputy Chairman**  
17 September 2008



VINO RAMAYAH  
**Trustee**  
17 September 2008

**AUDIT REPORT**

**TO THE READERS OF**

**ASIA NEW ZEALAND FOUNDATION'S**

**FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION**

**FOR THE YEAR ENDED 30 JUNE 2008**

The Auditor-General is the auditor of Asia New Zealand Foundation (Asia:NZ). The Auditor-General has appointed me, Clare Helm, using the staff and resources of Audit New Zealand, to carry out the audit on his behalf. The audit covers the financial statements and statement of service performance included in the annual report of Asia:NZ for the year ended 30 June 2008.

**Unqualified Opinion**

In our opinion:

- The financial statements of Asia:NZ on pages 22 to 46:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - Asia:NZ's financial position as at 30 June 2008; and
    - the results of its operations and cash flows for the year ended on that date.
- The statement of service performance of Asia:NZ on pages 16 to 21:
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects for each class of outputs:
    - its standards of delivery performance achieved, as compared with the forecast standards outlined in the statement of forecast service performance adopted at the start of the financial year; and
    - its actual revenue earned and output expenses incurred, as compared with the forecast revenues and output expenses outlined in the statement of forecast service performance adopted at the start of the financial year.

The audit was completed on 17 September 2008, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board and the Auditor, and explain our independence.

## **Basis of Opinion**

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and statement of service performance did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and statement of service performance. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement and statement of service performance disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance.

We evaluated the overall adequacy of the presentation of information in the financial statements and statement of service performance. We obtained all the information and explanations we required to support our opinion above.

## **Responsibilities of the Board and the Auditor**

The Board is responsible for preparing the financial statements and statement of service performance in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Board as at 30 June 2008 and the results of its operations and cash flows for the year ended on that date. The statement of service performance must fairly reflect, for each class of outputs, the Board's standards of delivery performance achieved and revenue earned and expenses incurred, as compared with the forecast standards, revenue and expenses adopted at the start of the financial year. The Board's responsibilities arise from the Public Finance Act 1989 and the Trust Deed.

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Public Finance Act 1989.

## **Independence**

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit, we have no relationship with or interests in the Foundation.



Clare Helm

### **Audit New Zealand**

On behalf of the Auditor-General  
Wellington, New Zealand

## **Matters Relating to the Electronic Presentation of the Audited Financial Statements and Statement of Service Performance**

This audit report relates to the financial statements and statement of service performance of Asia New Zealand Foundation (Asia:NZ) for the year ended 30 June 2008 included on the Asia:NZ's website. The Asia:NZs Board is responsible for the maintenance and integrity of the Asia:NZs website. We have not been engaged to report on the integrity of the Asia:NZs website. We accept no responsibility for any changes that may have occurred to the financial statements and statement of service performance since they were initially presented on the website.

The audit report refers only to the financial statements and statement of service performance named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements and statement of service performance. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and statement of service performance and related audit report dated 17 September 2008 to confirm the information included in the audited financial statements and statement of service performance presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

## **STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE**

In 2007/08, the Government provided Asia:NZ with funding for one output, under the output class:

### **“Promotion of Asian Skills and Relationships”**

This output can be summarised as follows:

#### ***“The promotion of increased understanding and knowledge of Asia, and the development of skills required by New Zealanders to successfully engage in the region”***

Achieving this output involves:

- advocating attitudinal change, including introduction of public awareness campaign for school communities, promotion of Asian studies in schools and tracking research on New Zealand attitudinal change
- identifying gaps in Asian knowledge alongside research and policy programmes, research on existing expertise in education and academic sectors and analysing business community feedback of Action Asia business summit
- research to promote and contribute to debate, including continuation of the *Outlook* series of research aimed at increasing capability in New Zealand research community
- the administration of grants, fellowships and exchanges that provide professional and personal development and expertise of educators, students, media, business and community leaders, brokering cultural exchange and residency opportunities
- activities to enable Asian communities to contribute and share cultures with wider society, including a project to raise awareness and understanding of Asian Muslim communities
- projects fostering the development of networks between New Zealand institutions, organisations and individuals and their counterparts in Asia (including utilising the Asia:NZ honorary advisers network), including follow-up and leadership on recommendations of working groups at the Action Asia business summit in July 2007, facilitation of an information hub for business, management of New Zealand participation in APEC Business Advisory Council (ABAC), Asia:NZ Young Leaders network and annual forum and development of a Track II strategy.

These activities will contribute to progressing the agenda identified by recommendations and outcomes of the following activities that have been used to inform the development of the forward strategic direction of Asia:NZ:

- Seriously Asia project (2004)
- *Preparing for a Future with Asia* report of the Asia Knowledge Working Group (2006)
- Action Asia business summit (2007)

## STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE (CONTINUED)

Financial performance under this output is summarised below.

	<b>Actual 2008 \$</b>	<b>Budget 2008 \$</b>	<b>Actual 2007 \$</b>
<b>Revenue</b>			
Crown Output Agreement	3,691,786	3,692,000	3,121,489
Other revenue	1,884,326	1,547,100	1,648,739
<b>Total revenue</b>	<b>5,576,112</b>	<b>5,239,100</b>	<b>4,770,228</b>
<b>Total expenses</b>	<b>(5,506,336)</b>	<b>(5,239,100)</b>	<b>(4,180,370)</b>
<b>Net surplus for the period</b>	<b>69,776</b>	-	<b>589,858</b>

All activities are funded either by the Crown output agreement \$3,691,786 (2006/07 \$3,121,489) or from other revenues of \$1,884,326 (2005/06 \$1,648,739).

The output agreement specifies certain activities and outcomes to be achieved with the funding provided. For each activity and outcome, performance measures have been established and results are detailed below. Please note activities funded from other revenues may also contribute towards the same output agreement outcome.

<p style="text-align: center;"><b>Outcome</b></p> <p>Positive business community feedback on Action Asia business summit</p> <p style="text-align: center;"><b>Measure</b></p> <p>Participant survey response show 75 percent rate event as good/excellent</p>	<p style="text-align: center;"><b>Result</b></p> <p>The Action Asia business summit was held on 9 and 10 July 2007 with 47 high profile speakers, including ten international speakers, the Governor-General and the Prime Minister. Feedback was provided through a post-event survey. The speakers and presentations were rated as "excellent" or "very good" by 91 percent of respondents, with an additional 8 percent rating it as "good". 95 percent of respondents "strongly agreed" or "agreed" that the content of summit sessions was appropriate and informative.</p>
<p style="text-align: center;"><b>Outcome</b></p> <p>Follow -up and leadership on recommendations of Action Asia business summit working groups taken up</p> <p style="text-align: center;"><b>Measure</b></p> <p>Action Asia Advisory Group established</p> <p>Development of Action Asia website</p>	<p style="text-align: center;"><b>Result</b></p> <p>The Action Asia Advisory Group was established to run for the three years 2008-2010. It provides a focal point for business leaders in developing greater business involvement with Asia with its members representing business groups, New Zealand companies and individual business leaders. The first meeting of the advisory group was held on 24 April 2008, chaired by Hon Philip Burdon.</p> <p>The Action Asia website was developed during the reporting period. In addition to information on the Action Asia business summit and progress on its working group recommendations the website contains links to business-related research, quarterly newsletters and information on networking opportunities.</p>

## STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE (CONTINUED)

<p style="text-align: center;"><b>Outcome</b></p> <p>Networks in the Asia region are further developed</p> <p style="text-align: center;"><b>Measure</b></p> <p>Asia:NZ honorary adviser network engaged</p> <p>Track II event in Asia region undertaken</p>	<p style="text-align: center;"><b>Result</b></p> <p>Asia:NZ has engaged with its board of honorary advisers through visits by the Chairman and Executive Director and correspondence from the Chairman. A meeting of this board has been scheduled for February 2009.</p> <p>An inaugural Vietnam-New Zealand Track II bilateral dialogue was held in Hanoi on 9-10 June 2008. Led by Asia:NZ Executive Director Dr Richard Grant, the New Zealand delegation included representatives of the Asia:NZ Young Leaders Network, the Centre for Strategic Studies, the New Zealand Institute for International Affairs and Victoria University of Wellington. The dialogue partner was the Diplomatic Academy of Vietnam.</p>
<p style="text-align: center;"><b>Outcome</b></p> <p>Active Young Leaders Network</p> <p style="text-align: center;"><b>Measure</b></p> <p>Active membership of 200 Annual forum participant survey response show 75 percent rate event as good/excellent</p>	<p style="text-align: center;"><b>Result</b></p> <p>Membership of the Asia:NZ Young Leaders' Network (YLN) at 30 June 2008 was 175. Events and activities supported include:</p> <ul style="list-style-type: none"> <li>• 2 YLN members to Tokyo, delegates of Japan New Zealand Partnership Forum</li> <li>• 1 YLN member to Vietnam, delegate of Vietnam New Zealand Track II bilateral dialogue</li> <li>• 6 YLN members to international conferences (Tokyo (2), Vietnam, USA, Australia (2))</li> <li>• 2008 Virtual Trade Mission</li> <li>• United Nations Youth Association of New Zealand's inaugural NZ Model Security Council</li> <li>• Kowiana Association of New Zealand "Kimchi and Marmite" conference</li> <li>• Attendance by 12 Asia:NZ/NZASIA Post-Graduate Research Awards at the 17<sup>th</sup> International New Zealand Asian Studies Conference, University of Otago</li> <li>• AIESEC New Zealand Autumn Conference</li> </ul> <p>Survey of participants at the Asia:NZ second Young Leaders Forum in November 2007 showed 90 percent rated the event as good/excellent.</p>
<p style="text-align: center;"><b>Outcome</b></p> <p>Promotion of Asian studies in schools</p> <p style="text-align: center;"><b>Measures</b></p> <p>School awareness campaign pilot completed and reviewed</p>	<p style="text-align: center;"><b>Result</b></p> <p>Three pilot Principal Forums delivered in New Plymouth, Tauranga and Christchurch with attendance by 130 principals attended. Eighty percent of principals rated the forums as valuable and as having increased their awareness of Asia. Principals discussed ideas for raising awareness of Asia in their schools - promoting resources and presenting to their Board of Trustees ranked highest. Five more forums planned between November 2008 and May 2009 in Dunedin, Wellington, Auckland and Palmerston North. Related to this awareness campaign was the Asia:NZ contribution towards development of the Asia Knowledge website and professional development resources for teachers on Showcase China (Olympic resource) in partnership with the Ministry of Education.</p>

## STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE (CONTINUED)

<b>Outcome</b>	<b>Result</b>
<p>Professional development opportunities in Asia across sectors facilitated</p> <p style="text-align: center;"><b>Measure</b></p> <p>10 educators 10 students/Young Leaders Network members 20 media professionals 5 arts and community professionals</p>	<p>Educators (17):</p> <ul style="list-style-type: none"> <li>• Korea Studies Workshop, Korea (5)</li> <li>• AFS – Malaysia, Indonesia, Thailand, Philippines, India (8)</li> <li>• Japanese language teachers to Japan (4)</li> </ul> <p>Students/Young Leaders' Network members (22):</p> <ul style="list-style-type: none"> <li>• New Zealand Japan Young People's Exchange Programme (16)</li> <li>• Royal Society science and technology (6)</li> <li>• Note: Students from 7 schools supported on study trips to China, Vietnam and Japan</li> </ul> <p>Media (31):</p> <ul style="list-style-type: none"> <li>• work placements – Shanghai Daily, China (2); China Daily Online, Beijing, China (2); Asahi Shimbun, Tokyo, Japan (1); Deccan Herald, Bangalore, India (1); CNN IBN, New Delhi, India (1); Philippines Star, Manila. (1); CNBC, Singapore (1); Phnom Penh Post, Cambodia (3), Jakarta Post, Indonesia (1)</li> <li>• teaching work placement, Asian College of Journalism, Chennai, India (1)</li> <li>• Journalism Professional Practicum, Australian Consortium for In Country Indonesian Studies, Indonesia (3)</li> <li>• Southeast Asia regional media scholarship, Indonesia and Malaysia (2)</li> <li>• East Asia Summit, Singapore (1)</li> <li>• media assignments – Bhutan (1), China (3), India (1), Japan (2), Pakistan (1), South Korea and Japan (1), Thailand (1), Vietnam, Cambodia and Thailand (1)</li> </ul> <p>Arts and Community Professionals (16):</p> <ul style="list-style-type: none"> <li>• Korean Art Curators workshop (2)</li> <li>• research Guilin and Xiamen, China (2)</li> <li>• World Wushu Championships, Beijing, China</li> <li>• Chinese Festival of Theatre for Young People, Tokyo, Japan</li> <li>• IASK Changdong Art Studio residency, Korea</li> <li>• National Art Studio residency, Museum of Contemporary Art, Seoul, Korea</li> <li>• AiR Association Hong Kong International Artists' Workshop</li> <li>• Hong Kong Academy of Performing Arts residency</li> <li>• 14<sup>th</sup> International Symposium of Electronic Arts, Singapore</li> <li>• International Alliance of Women in Music, Beijing, China</li> <li>• International Outdoor Sculpture Festival, Taipei</li> <li>• World Festival of Body Painting, Korea</li> <li>• Min Tanaka Workshop, Japan</li> <li>• 30<sup>th</sup> Bali Arts Festival, Indonesia</li> </ul>

## STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE (CONTINUED)

<p style="text-align: center;"><b>Outcome</b></p> <p>Cultural exchange and residency opportunities identified and facilitated</p> <p style="text-align: center;"><b>Measure</b></p> <p>12 partners involved in exchanges and residencies</p>	<p style="text-align: center;"><b>Result</b></p> <p>Residency opportunities facilitated by Asia:NZ has resulted in working with the 14 following partners: The AiR Association (Hong Kong), Tokyo Wondersite, WARE (Wellington Asia Residency Exchange) programme, Wellington City Arts, Massey University School of Fine Arts, Korea Contemporary Art Museum, Korea Foundation, Long March Project (Beijing), Japan Foundation, Christchurch Arts Centre, Enjoy Gallery (Wellington), Bolton Hotel (Wellington), ParaSite Gallery (Hong Kong) Taiwan National Palace Museum, Auckland War Memorial Museum.</p>
<p style="text-align: center;"><b>Outcome</b></p> <p>Asian culture shared with wider society</p> <p style="text-align: center;"><b>Measure</b></p> <p>Festivals managed with local government partners provide learning experience for 50 percent of attendees</p> <p>Asian Muslim book project advanced (multi-year project)</p>	<p style="text-align: center;"><b>Result</b></p> <p>Diwali Festival of Lights held October 2007 in Wellington (partner Wellington City Council) and Auckland (partner Auckland City) – average 64 percent of attendees had learnt something about Indian culture.</p> <p>Lantern Festivals held February/March 2008 in Auckland (partner Auckland City) and Christchurch (fund contributor Christchurch City Council) – average 60 percent of attendees had learnt something about Chinese culture.</p> <p>Asian Muslim book project (The Crescent Moon: the Asian Face of Islam in New Zealand) was advanced during the reporting period with the book being print-ready, photographic exhibition planned and a launch scheduled for February 2009.</p>
<p style="text-align: center;"><b>Outcome</b></p> <p>New Zealand research community capability increased</p> <p style="text-align: center;"><b>Measure</b></p> <p>Three Outlook papers produced and disseminated</p>	<p style="text-align: center;"><b>Result</b></p> <p>Asia:NZ Outlook reports are commissioned to strengthen New Zealand's research and policy analysis capability, share New Zealand-Asia related research and policy information across sectors, stimulate debate among policy makers and improve dialogue between researchers, policy makers and practitioners. During the reporting period three Outlook papers were produced and disseminated through launch events, media reporting, newsletters and the Asia:NZ website.</p> <p>Outlook 05 – <i>Friends and Allies: The Impacts of Returning Asian Students on New Zealand-Asia Relationships</i>, by Terry McGrath, International Student Ministries New Zealand; Paul Stock, Massey University; Dr Andrew Butcher, Asia:NZ</p> <p>Outlook 06 – <i>Diverse Auckland: The Changing Face of New Zealand in the 21<sup>st</sup> Century</i>, by Dr Wardlow Friesen, University of Auckland</p> <p>Outlook 07 – <i>Asians in New Zealand: Implications of a Changing Demography</i>, by Professor Richard Bedford and Dr Elsie Ho, University of Waikato</p>

## STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE (CONTINUED)

<p style="text-align: center;"><b>Outcome</b></p> <p>Attitudinal change of perception of Asia in New Zealand</p> <p style="text-align: center;"><b>Measure</b></p> <p>Tracking study shows more New Zealanders see Asia as important to New Zealand's future</p>	<p style="text-align: center;"><b>Result</b></p> <p>The 2007 tracking study commissioned by Asia:NZ showed 71 percent of New Zealanders saw the Asia region as being important to New Zealand. The difference between the 2006 and 2007 surveys are not statistically relevant. These results have a margin of error of +/-3.1 percent at the 95 percent confidence level.</p>
<p style="text-align: center;"><b>Outcome</b></p> <p>Asia:NZ website used as a source of information and links</p> <p style="text-align: center;"><b>Measure</b></p> <p>250,000 visits to Asia:NZ websites</p>	<p style="text-align: center;"><b>Result</b></p> <p>During the reporting period Asia:NZ changed the diagnostic software used to measure visitors to its websites. The tool being used to analyse this data is more accurate in defining visitors. For the period there were 71,023 unique visits and 19,126 return visits totalling 90,149 visits.</p>

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2008

	Note	Actual 2008 \$	Budget 2008 \$	Actual 2007 \$
<b>Income</b>				
Crown revenue	3	3,800,507	3,737,000	3,255,398
Project funding	3	931,651	911,800	786,261
Interest income		259,231	270,300	319,318
Core sponsorship		145,000	145,000	170,000
Donated income	3	419,579	175,000	218,914
Other revenue		20,144	-	20,337
<b>Total income</b>		<b>5,576,112</b>	<b>5,239,100</b>	<b>4,770,228</b>
<b>Expenditure</b>				
Crown funded activities		4,235,456	3,738,678	2,838,401
Project expenditure		1,148,344	1,107,080	1,018,025
Other expenditure		220,315	494,398	425,094
Less: Management Income	3	(97,779)	(101,056)	(101,150)
<b>Total expenditure</b>		<b>5,506,336</b>	<b>5,239,100</b>	<b>4,180,370</b>
<b>Net surplus/(deficit) for the period</b>		<b>69,776</b>	<b>-</b>	<b>589,858</b>

Explanations of significant variances against budget are detailed in note 25.

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2008

	Actual 2008 \$	Budget 2008 \$	Actual 2007 \$
<b>Accumulated funds as at 1 July</b>	<b>3,625,223</b>	<b>3,010,664</b>	<b>3,035,365</b>
Amounts recognised directly in equity			
Net surplus/(deficit) for the year	69,776	-	589,858
Total recognised revenues and expenses for the year ended 30 June	69,776	-	589,858
<b>Accumulated funds as at 30 June</b>	<b>3,694,999</b>	<b>3,010,664</b>	<b>3,625,223</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2008

	Note	Actual 2008 \$	Budget 2008 \$	Actual 2007 \$
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	6	90,950	21,520	321,762
Trade and other receivables	7	57,019	65,912	199,118
Investments	8	4,489,373	2,811,800	3,161,654
GST		-	-	3,604
<b>Total current assets</b>		<b>4,637,342</b>	<b>2,899,232</b>	<b>3,686,138</b>
<b>Non-current assets</b>				
Property, plant & equipment	9	212,874	163,508	164,575
Intangible assets	10	4,783	26,627	4,449
Investments	8	619,569	1,323,200	1,541,866
<b>Total non-current assets</b>		<b>837,226</b>	<b>1,513,335</b>	<b>1,710,890</b>
<b>Total assets</b>		<b>5,474,568</b>	<b>4,412,567</b>	<b>5,397,028</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	11	382,790	230,000	532,339
Employee entitlements	12	91,224	75,000	72,675
GST		120,192	20,000	-
NZ / Japan YPEP Trust	14	19,240	5,000	2,548
<b>Total current liabilities</b>		<b>613,446</b>	<b>330,000</b>	<b>607,562</b>
<b>Non-current liabilities</b>				
Provisions	13	90,366	73,250	70,818
<b>Funds managed by Asia:NZ</b>				
Korea Studies Programme	15	783,867	753,000	752,952
Orion Fund	16	243,731	245,653	295,983
Mervyn Barnett Fund	17	48,159	-	44,490
<b>Total non-current liabilities</b>		<b>1,166,123</b>	<b>1,071,903</b>	<b>1,164,243</b>
<b>Total liabilities</b>		<b>1,779,569</b>	<b>1,401,903</b>	<b>1,771,805</b>
<b>NET ASSETS</b>		<b>3,694,999</b>	<b>3,010,664</b>	<b>3,625,223</b>
<b>ACCUMULATED FUNDS</b>				
<b>General funds</b>		<b>3,694,999</b>	<b>3,010,664</b>	<b>3,625,223</b>
<b>TOTAL ACCUMULATED FUNDS</b>		<b>3,694,999</b>	<b>3,010,664</b>	<b>3,625,223</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

	Note	Actual 2008 \$	Budget 2008 \$	Actual 2007 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Cash was provided from:</b>				
Supply of outputs to the Crown		3,691,786	3,692,000	3,121,489
Other income		974,934	935,000	880,782
Income on behalf of funds		634,721	129,000	547,621
Net GST received		123,154	-	13,481
		<b>5,424,595</b>	<b>4,756,000</b>	<b>4,563,373</b>
<b>Cash was distributed to:</b>				
Payments to suppliers		(3,523,861)	(3,600,477)	(2,539,826)
Payments to employees		(1,292,957)	(1,372,634)	(1,196,268)
Payments on behalf of funds		(679,679)	(184,650)	(635,853)
Net GST paid		-	(103,359)	-
		<b>(5,496,497)</b>	<b>(5,261,120)</b>	<b>(4,371,947)</b>
Net cash flow from operating activities	18	<b>(71,902)</b>	<b>(505,120)</b>	<b>191,426</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Cash was provided from:</b>				
Interest received		383,953	270,300	395,508
Investments maturing		5,080,000	4,500,000	5,307,100
		<b>5,463,953</b>	<b>4,770,300</b>	<b>5,532,608</b>
<b>Cash was distributed to:</b>				
Acquisition of Investments		(5,514,000)	(4,160,000)	(5,370,000)
Purchase of fixed assets		(107,724)	(74,633)	(64,898)
Purchase of Intangible assets		(1,139)	(22,185)	(3,909)
		<b>(5,622,863)</b>	<b>(4,256,818)</b>	<b>(5,438,807)</b>
Net cash flow from investing activities		<b>(158,910)</b>	<b>513,482</b>	<b>(93,801)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(230,812)	8,362	285,227
Plus opening cash		321,762	13,158	36,535
<b>Cash and cash equivalents at the end of the period</b>		<b>90,950</b>	<b>21,520</b>	<b>321,762</b>
Cash and bank		40,950	21,520	16,762
Short-term investments <3 months at inception		50,000	-	305,000
<b>Closing cash and cash equivalents</b>	6	<b>90,950</b>	<b>21,520</b>	<b>321,762</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Note 1 : Statement of accounting policies for the year ended 30 June 2008**

#### **Reporting entity**

Asia:NZ is a fourth schedule entity in terms of the Public Finance Act 1989. These financial statements have been prepared in accordance with the Public Finance Act 1989 and Crown Entities Act 2004. In addition, Asia:NZ has reported on the funding administered on behalf of the Crown in the Statement of Objectives and Service Performance.

Asia:NZ's primary objective is to provide public services to the New Zealand public, as opposed to that of making a financial return.

Asia:NZ is a Public Benefit Entity in terms of the International Financial Reporting Standards and as such has applied the appropriate clauses in those standards.

The financial statements for Asia:NZ are for the year ended 30 June 2008, and were approved by the Audit Committee (as delegated by the Board) on 17 September 2008.

#### **Measurement base and statement of compliance**

The financial statements have been prepared in accordance with NZ GAAP. The financial statements have been prepared on a historical cost basis and are presented in New Zealand dollars, being the functional currency of Asia:NZ.

They comply with New Zealand equivalents to IFRS (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities. This is the first set of financial statements prepared using NZ IFRS and comparatives for the year ended 30 June 2007 have been restated to NZ IFRS accordingly. A reconciliation of equity and cash flows for the year ended 30 June 2007 under NZ IFRS is detailed in Note 2.

#### **Standards, amendments and interpretations issued that are not yet effective and have not been early adopted**

Standards, amendments and interpretations issued but not yet effective that have not been early adopted and which are relevant to Asia:NZ include:

NZ IAS 1 Presentation of Financial Statements (revised 2007) replaces New Zealand IAS 1 Presentation of Financial Statements (issued 2004) and is effective for reporting periods beginning on or after 1 January 2009. The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. This will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with the Crown in its capacity as "owner". Asia:NZ intends to adopt this standard for the year ending 2010.

#### **Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing an opening NZ IFRS statement of financial position as at 1 July 2006 for the purposes of the transition to NZ IFRS.

## **Revenue**

Revenue is measured at the fair value of consideration received.

### ***Outputs to the Crown***

Asia:NZ derives revenue through the provision of outputs to the Crown. A schedule detailing the timing of this revenue stream is agreed with the Ministry of Foreign Affairs and Trade (MFAT) at the beginning of the year and income is recognised according to this schedule.

### ***Interest income***

Interest income is recognised using the effective interest method.

### ***Other revenue***

Asia:NZ also receives revenue from core sponsorship and specific project funding from third parties. Such revenue is recognised when earned and is reported in the financial period to which it relates.

### ***Donated assets and services***

Asia:NZ also receives revenue from donated goods. Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets donated to Asia:NZ are recognised as revenue when control over the asset is obtained.

Asia:NZ receives revenue from donated services. These are valued, using either a third party valuation or a similar service as a proxy, and are included in the statement of financial performance. The total value of donated services is shown as both income and expenditure in the statement of financial performance. Services donated to Asia:NZ are recognised as revenue when the service has been delivered.

### ***Grant expenditure***

Discretionary grants are those grants where Asia:NZ has no obligation to award on receipt of the grant application. These grants are only recognised as expenditure when a successful applicant has been notified of the Asia:NZ approval.

## **Foreign currency**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses arising from the settlement of these transactions are recognised in the statement of financial performance.

## **Income tax**

Asia:NZ is a public authority in terms of the Income Tax Act 2004 and consequently is exempt from income tax. Accordingly, no charge for income tax has been provided for.

## **Leases**

### ***Finance and operating leases***

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the commencement of the lease term, Asia:NZ recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments. The finance charged is charged to the statement of financial performance over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether ownership is transferred at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held on call with banks and term deposits with original maturities of three months or less.

### **Trade and other receivables**

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that Asia:NZ will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted using the effective interest method.

### **Investments**

Asia:NZ classifies its financial assets as either held-to-maturity investments or loans and receivables.

Held to maturity investments are term deposits with fixed or determinable payments and fixed maturities that Asia:NZ has the positive intention and ability to hold until maturity. After initial recognition, they are measured at amortised cost using the effective interest method. Gains or losses when the asset is impaired or derecognised are recognised in the income statement. Investments in this category include term deposits with maturities in excess of three months.

Purchases and sales of investments are recognised on trade-date, the date on which Asia:NZ commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred.

Management determines the classification of its financial assets at initial recognition and reviews the classifications at each reporting date.

### **Property, plant and equipment**

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses

#### *Additions*

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, the future service potential associated with the item will flow to Asia:NZ. Where an asset is acquired at no cost, or nominal cost, it is recognised at fair value as at the date of acquisition.

#### *Disposals*

Gains and losses on disposals are measured by comparing the proceeds with the carrying value of the asset. Gains and losses on disposal are included in the statement of financial performance.

#### *Subsequent costs*

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Asia:NZ and the costs of the item can be measured reliably.

## Depreciation

Depreciation is provided on a straight line basis on all plant and equipment, at rates that will write off the cost of the assets to their estimated residual values over their useful lives. Only items, or groups of items, purchased with a value above \$500 are capitalised. Those under \$500 are expensed.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Leasehold improvements	5.5 years	18%
Furniture and fittings	3.8 – 9 years	11 - 26%
Office equipment	3.5 – 6.7 years	15 - 29%
Computer equipment	2.8 – 3.5 years	29 - 36%
Festival equipment	2 – 5 years	20 - 50%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at the end of each financial year end. The cost of leasehold improvements is capitalised and depreciated over the un-expired period of the lease or the estimated remaining useful lives of the improvements, whichever is shorter.

## Intangible assets

### *Software acquisition and development*

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with the development and maintenance of Asia:NZ's website are recognised as an expense when incurred.

Staff training costs are recognised as an expense when incurred.

## Amortisation

The carrying value of the software with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is ready for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the statement of financial performance. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	3 years	33%
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## Impairment of non-financial assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the statement of performance for the amount by which the asset's carrying amount exceeds its fair value.

## Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

## **Employee benefits**

Employee benefits that Asia:NZ expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages, annual leave earned to, but not yet taken at balance date and sick leave.

Asia:NZ recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at the balance date, to the extent that Asia:NZ anticipates that it will be used by staff to cover those future absences.

Asia:NZ recognises a liability and expense for bonuses where they are contractually obliged.

### *Defined contribution superannuation schemes*

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the statement of financial performance when incurred.

## **Provisions**

Asia:NZ recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

## **Goods and Services Tax (GST)**

All items in the financial statements are exclusive of GST, with the exception of accounts receivable and accounts payable which are stated with GST included. Where GST is irrecoverable as an input tax, then it is recognised as part of the related asset or expense.

The net GST paid to or received from the Inland Revenue Department, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

## **Budget figures**

The budget figures are those approved by the Board prior to the beginning of the year. The budget figures have been prepared in accordance with NZ IFRS, using accounting policies that are consistent with those adopted by Asia:NZ for the preparation of the financial statements.

### **Critical accounting estimates and assumptions**

The preparation of financial statements in conformity with NZ IFRS requires estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below:

#### *Provisions*

At each balance date Asia:NZ reviews the carrying amount of the make good provision for both the Auckland and Wellington offices. The carrying amount is based on information provided by third parties, and takes into account relevant market factors.

An incorrect estimate in the make good calculation will impact the depreciation expense in the statement of financial performance, and the carrying amount of the leasehold improvements asset in the statement of financial position.

### **Critical judgements in applying Asia:NZ accounting policies**

Management has exercised the following critical judgements in applying Asia:NZ accounting policies for the period ended 30 June 2008:

#### *Financial asset classification*

There are four classification categories for financial assets. Determining Asia:NZ investments fit into the "held to maturity" category, requires judgement as to whether there are fixed or determinable payments and "fixed maturity" that Asia:NZ has the positive intent and ability to hold to maturity.

Asia:NZ has exercised its judgement on the appropriate classification of our financial assets as held to maturity.

#### *Lease classification*

Determining whether a lease agreement is a finance or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to Asia:NZ.

Judgement is required to various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include the renewal options in the lease term and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as plant and equipment, whereas for an operating lease no such asset is recognised.

Asia:NZ has exercised its judgement on the appropriate classification of equipment leased and determined the lease arrangement as an operating lease.

### **Cost of service statements**

Asia:NZ has a single output. Therefore, all costs shown in the cost of service statement, as reported in the statement of objectives and service performance, are allocated directly to that output.

## **Managed funds**

Asia:NZ has a number of funds that it manages. Each one is described below.

### *New Zealand-Japan Young People's Exchange Programme Trust Account*

The funds managed under this Trust account are held separately from the Asia:NZ investments. Interest earned is paid directly to the fund. Grants paid from the fund are accounted for when approved. Administration fees are paid to Asia:NZ on an annual basis. On 30 June 2008 this trust was wound up, all funds managed will be included as part of Asia:NZ investments (approx \$581,000) as at 1 July 2008. Asia:NZ will allocate interest to the fund throughout the year and charge a 10 percent management fee based on total expenditure.

### *Korea Studies Programme*

This fund is included as part of the Asia:NZ investments. Asia:NZ allocates interest to the fund throughout the year. Third party donations are credited directly to the fund. Asia:NZ charges a 10 percent management fee based on total expenditure in the year.

### *Mervyn Barnett Fund*

This fund is included as part of the Asia:NZ investments. Asia:NZ allocates interest to the fund at the end of each financial year. Third party donations are credited directly to the fund and interest is earned from the day the donation is received. Asia:NZ charges a 10 percent management fee based on total expenditure in the year.

### *Orion Fund*

This fund is included as part of the Asia:NZ investments and represents the balance of a \$1 million donation originally received by Asia:NZ from an anonymous Japanese benefactor. The donation was originally given for whatever purpose Asia:NZ felt appropriate and interest earned on the fund could be used by Asia:NZ for the same purpose. This was the situation up until June 2002. However, the benefactor then asked that the remaining funds be used on an alternative project in New Zealand, not necessarily within the scope of Asia:NZ. This project was not forthcoming. In 2008, a meeting was held with the benefactor, where it was decided that an additional contribution would be made and the whole fund would be made available for projects involving people to people exchanges with the Kansai area of Japan.

## **Management fees for funds managed**

Fees are charged either at an agreed rate or a flat fee of 10 percent of total expenditure incurred during the year. These fees are deducted from other expenditure on the statement of financial performance.

## **Changes in accounting policy**

There have been no changes in the accounting policies since the date of the last audited financial statements, other than the adoption impacts of NZ IFRS.

## Note 2: Explanation of transition to New Zealand IFRS

As stated in note 1, these are the first financial statements to be prepared in accordance with NZ IFRS by Asia:NZ. Asia:NZ's transition date is 1 July 2006 and the opening NZ IFRS balance sheet has been prepared as at that date. Asia:NZ's NZ IFRS adoption date is 1 July 2007.

Asia:NZ's financial statements for the year ended 30 June 2008 are the first financial statements that comply with NZ IFRS. Asia:NZ has applied NZ IFRS 1 in preparing these statements.

### Exemptions from full retrospective application elected by Asia:NZ

In preparing these financial statements in accordance with NZ IFRS 1, Asia:NZ has not applied any optional exemptions to full retrospective application of NZ IFRS.

### Reconciliation of equity

The following table shows the changes in equity, resulting from the transition from previous NZ GAAP to NZ IFRS as at 1 July 2006 and 30 June 2007.

	Note	Previous NZ GAAP 1 July 2006 \$	Effect on transition to NZ IFRS \$	NZ IFRS 1 July 2006 \$	Previous NZ GAAP 30 June 2007 \$	Effect on transition to NZ IFRS \$	NZ IFRS 30 June 2007 \$
<b>ASSETS</b>							
<b>Current assets</b>							
Cash and cash equivalents	a	36,535	-	36,535	16,762	305,000	321,762
Trade and other receivables	b	237,265	(197,627)	49,233	372,637	(173,519)	199,118
Investments	c	-	840,598	840,598	-	3,161,654	3,161,654
GST		9,594	-	9,594	3,604	-	3,604
Short-term deposits	a, b, c	4,297,100	(4,297,100)	-	4,835,000	(4,835,000)	-
<b>Total current assets</b>		<b>4,580,494</b>	<b>(3,654,129)</b>	<b>926,365</b>	<b>5,228,003</b>	<b>(1,541,865)</b>	<b>3,686,138</b>
<b>Non-current assets</b>							
Property, plant & equipment	d, g	89,966	77,440	167,406	169,025	(4,449)	164,575
Intangible assets	d	-	2,360	2,360	-	4,449	4,449
Investments	e	-	3,654,129	3,654,129	-	1,541,866	1,541,866
<b>Total non-current assets</b>		<b>89,966</b>	<b>3,733,929</b>	<b>3,823,895</b>	<b>169,025</b>	<b>1,541,866</b>	<b>1,710,890</b>
<b>Total assets</b>		<b>4,670,460</b>	<b>79,800</b>	<b>4,750,260</b>	<b>5,397,028</b>	<b>-</b>	<b>5,397,028</b>
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Trade and other payables	f	425,465	-	425,465	545,609	(13,270)	532,339
Employee benefit liabilities	f	71,323	-	71,323	59,405	13,270	72,675
NZ / Japan YPEP Trust		9,482	-	425,465	2,548	-	2,548
<b>Total current liabilities</b>		<b>506,270</b>	<b>-</b>	<b>506,270</b>	<b>607,562</b>	<b>-</b>	<b>607,562</b>
<b>Non-current liabilities</b>							
Provisions	g	-	79,800	79,800	70,818	-	70,818
<b>Funds managed by Asia:NZ</b>							
Korea Studies Programme		757,593	-	757,593	752,952	-	752,952
Orion Fund		329,981	-	329,981	295,983	-	295,983
Mervyn Barnett Fund		41,251	-	41,251	44,490	-	44,490
<b>Total non-current liabilities</b>		<b>1,128,825</b>	<b>79,800</b>	<b>1,208,625</b>	<b>1,164,243</b>	<b>-</b>	<b>1,164,243</b>
<b>Total liabilities</b>		<b>1,635,095</b>	<b>79,800</b>	<b>1,714,895</b>	<b>1,771,805</b>	<b>-</b>	<b>1,771,805</b>
<b>NET ASSETS</b>		<b>3,035,365</b>	<b>-</b>	<b>3,035,365</b>	<b>3,625,223</b>	<b>-</b>	<b>3,625,223</b>
<b>ACCUMULATED FUNDS</b>							
<b>General funds</b>		<b>3,035,365</b>	<b>-</b>	<b>3,035,365</b>	<b>3,625,223</b>	<b>-</b>	<b>3,625,223</b>
<b>TOTAL ACCUMULATED FUNDS</b>		<b>3,035,365</b>	<b>-</b>	<b>3,035,365</b>	<b>3,625,223</b>	<b>-</b>	<b>3,625,223</b>

### Explanatory Notes - Reconciliation of equity

#### a. Cash and cash equivalents

Those term deposits with maturities less than three months have been reclassified as cash and cash equivalents, previously short term deposits.

#### b. Trade and other receivables

Trade and other receivables includes interest receivable, however Asia:NZ's term deposits with maturities greater than three months have been classified as held to maturity investments and are subsequently carried at their amortised value, reducing the interest receivable balance.

c. Current investments

Those term deposits with maturities between four and 12 months at inception have been classified as held to maturity investments and are carried at their amortised value under current assets.

d. Intangible assets

Computer software was previously classified as property, plant and equipment under New Zealand GAAP. The net book value of computer software reclassified as an intangible asset on transition to New Zealand IFRS is \$2,360 and at 30 June 2007 is \$4,449.

e. Non current investments

Those term deposits with maturities over 12 months at inception have been classified as held to maturity investments and are carried at their amortised value under non-current assets.

f. Employee benefit liabilities

Accruals specifically related to employees salary and wage expenses have been moved from trade and other payables to employee benefit liabilities.

g. Provisions

Asia:NZ had previously not recognised the contractual obligation to restore the leased premises to their original condition upon expiration of the lease term. A provision and an asset have been created two years into a six year lease.

**Reconciliation of surplus for the year ended 30 June 2007**

There have been no material adjustments to the income statement for the year ended 30 June 2007, on transition to NZ IFRS.

## Reconciliation of cash flows

The following table shows the changes in cash flows, resulting from the transition to New Zealand IFRS as at 1 July 2006.

	Note	Previous NZ GAAP 30 June 2007	Effect on transition to NZ IFRS	NZ IFRS 30 June 2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Cash was provided from:</b>				
Supply of outputs to the Crown		3,121,489		3,121,489
Other income		880,782		880,782
Interest received	a	395,508	(395,508)	-
Income on behalf of funds		547,621		547,621
Net GST received		13,481		13,481
		<b>4,958,881</b>	<b>(395,508)</b>	<b>4,563,373</b>
<b>Cash was distributed to:</b>				
Payments to suppliers		(2,539,826)		(2,539,826)
Payments to employees		(1,196,268)		(1,196,268)
Payments on behalf of funds		(635,853)		(635,853)
		<b>(4,371,947)</b>	<b>-</b>	<b>(4,371,947)</b>
Net cash flow from operating activities		<b>586,934</b>	<b>(395,508)</b>	<b>191,426</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Cash was provided from:</b>				
Interest received	a	-	395,508	395,508
Investments maturing	b	-	5,307,100	5,307,100
		-	<b>5,532,608</b>	<b>5,532,608</b>
<b>Cash was distributed to:</b>				
Acquisition of Investments	b	-	(5,370,000)	(5,370,000)
Purchase of fixed assets	c	(68,807)	3,909	(64,898)
Purchase of Intangible assets	c	-	(3,909)	(3,909)
		<b>(68,807)</b>	<b>(5,370,000)</b>	<b>(5,438,807)</b>
Net cash flow from investing activities		<b>(68,807)</b>	<b>162,608</b>	<b>(93,801)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		518,127	(232,900)	285,227
Plus opening cash		16,762	(4,297,100)	36,535
<b>Cash and cash equivalents at the end of the period</b>		<b>4,851,762</b>	<b>(4,530,000)</b>	<b>321,762</b>
Cash and bank		16,762	-	16,762
Short-term investments		4,835,000	(4,835,000)	-
Short-term investments <3 months at inception			305,000	305,000
<b>Closing cash and cash equivalents</b>		<b>4,851,762</b>	<b>(4,530,000)</b>	<b>321,762</b>

### Explanatory Notes - Reconciliation of cash flows

a. Interest received

Interest received from investments has moved to investing activities as it better reflects the nature of the transactions.

b. Maturity and acquisition of investments

Asia:NZ previously included all term deposits in the cash and cash equivalents total, however on transition to NZ IFRS cash equivalents is defined as short term highly liquid investments, with terms of less than three months. The movement of investments with terms longer than three months is now shown within investing activities.

c. Purchase of intangible assets

Computer software has been classified as an Intangible asset, therefore the movements are shown separately for cash flow purposes.

### Note 3: Analysis of revenue

	2008 \$	2007 \$
<b>CROWN REVENUE</b>		
<i>From the Ministry of Foreign Affairs &amp; Trade</i>		
Output Agreement	3,691,786	3,312,889
Funds returned to MFAT	-	(191,400)
	<u>3,691,786</u>	<u>3,121,489</u>
Funding brought forward from prior year	-	16,154
Additional funding	45,132	18,500
ABAC travel funding	63,589	99,255
<b>Total Crown Revenue</b>	<b>3,800,507</b>	<b>3,255,398</b>
<b>PROJECT FUNDING</b>		
Lantern Festivals	467,761	426,122
Diwali Festivals	281,231	253,150
Singapore Scholarships	68,342	56,989
Action Asia sponsorship	114,317	50,000
<b>Total project funding</b>	<b>931,651</b>	<b>786,261</b>
<b>DONATED INCOME</b>		
<i>Donated Services:</i>		
Management Services	30,532	-
Lantern Festivals	88,502	122,344
Diwali Festivals	113,891	96,570
Action Asia	172,706	-
	<u>405,631</u>	<u>218,914</u>
<i>Donated Assets:</i>		
Lantern Festivals	13,948	-
<b>Total donated income</b>	<b>419,579</b>	<b>218,914</b>
<b>MANAGEMENT INCOME</b>		
Lantern Festivals	50,000	49,900
Diwali Festivals	30,800	31,500
Singapore Scholarships	7,071	6,854
Korean Fund	2,859	5,892
NZ/Japan YPEP Fund	5,056	5,055
Orion project	1,993	1,949
<b>Total management income</b>	<b>97,779</b>	<b>101,150</b>

### Note 4: Employee benefit expenses

	2008 \$	2007 \$
Salaries and wages	1,284,132	1,195,018
Kiwisaver Employer Contributions	18,041	-
Increase/(decrease) in employee benefit liabilities	18,549	(15,898)
<b>Total employee benefit expenses</b>	<b>1,320,722</b>	<b>1,179,120</b>

**Note 5: Total expenditure**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<i>Fees paid to auditors</i>		
Audit fees for financial statement audit	26,550	20,411
Audit fees for New Zealand IFRS transition	5,000	4,500
	<hr/>	<hr/>
	31,550	24,911
Depreciation and amortisation	61,037	68,869
Operating lease payments	221,873	175,085
Board of Trustees expenses (Note: No fees were paid to the Trustees)	50,722	32,675

**Note 6: Cash and cash equivalents**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
Cash and bank	40,950	16,762
Investments - with maturities <three months at inception	50,000	305,000
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>90,950</b>	<b>321,762</b>

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value.

**Note 7: Trade and other receivables**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
Trade receivables	21,415	120,828
Prepayments	35,039	76,183
Interest receivable	565	2,106
	<hr/>	<hr/>
<b>Total trade and other receivables</b>	<b>57,019</b>	<b>199,118</b>

*Fair value*

Trade receivables are non-interest bearing and receipt is normally on 30-day terms, therefore the carrying value of trade receivables approximates their fair value.

The status of trade receivables as at 30 June 2008 and 2007 are detailed below:

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
Not past due	21,415	120,828
Past due 1-30 days	-	-
Past due > 30 days	-	-
	<hr/>	<hr/>
<b>TOTAL</b>	<b>21,415</b>	<b>120,828</b>

## Note 8: Investments

	2008 \$	2007 \$
<b>Current portion</b>		
<i>Held to maturity</i>		
Term deposits with maturities between four and 12 months at inception	4,489,373	3,161,654
<b>Non-current portion</b>		
<i>Held to maturity</i>		
Term deposits with maturities over 12 months	619,569	1,541,866
<b>Total investments</b>	<b>5,108,942</b>	<b>4,703,520</b>

The carrying value of term deposits with terms greater than three months approximates their amortised cost using the effective interest method. There were no impairment provisions for investments.

### ***Maturity analysis and effective interest rates***

The maturity dates for held to maturity investments are as follows:

<b>Maturity at inception</b>	<b>4-12 months</b>	<b>&gt;12 months</b>
<b>2008</b>		
Term deposits	4,489,373	619,569
Average maturity	279 days	386 days
Weighted average effective interest rate	8.76%	8.59%
<b>2007</b>		
Term deposits	3,161,654	1,541,866
Average maturity	321 days	383 days
Weighted average effective interest rate	7.83%	8.18%

The carrying amount of term deposits approximates their amortised cost using the effective interest method, an increase or decrease in interest rates during the period would not impact the measurement of the investments and hence there would be no impact on the surplus/deficit or equity.

## Note 9: Property, plant and equipment

2008	Leasehold improvements \$	Computer equipment \$	Festival equipment \$	Furniture & fittings \$	Office equipment \$	Total \$
<b>At 1 July 2007</b>						
Cost	101,838	109,675	188,073	64,567	35,401	499,554
Accumulated depreciation	(52,264)	(83,122)	(111,227)	(58,218)	(30,148)	(334,979)
<b>Net book value</b>	<b>49,574</b>	<b>26,553</b>	<b>76,846</b>	<b>6,349</b>	<b>5,253</b>	<b>164,575</b>
Additions	27,629	18,821	59,952	14,707	5,421	126,530
Disposals	(19,574)	(17,773)	(743)	-	(3,100)	(41,190)
Eliminate on disposals	-	17,773	720	-	3,100	21,593
Depreciation charge	(7,845)	(15,598)	(28,311)	(4,180)	(2,700)	(58,634)
<b>Closing net book value</b>	<b>49,784</b>	<b>29,776</b>	<b>108,464</b>	<b>16,876</b>	<b>7,974</b>	<b>212,874</b>
<b>At 30 June 2008</b>						
Cost	109,893	110,723	247,282	79,274	37,722	584,893
Accumulated depreciation	(60,109)	(80,946)	(138,818)	(62,398)	(29,748)	(372,019)
<b>Net book value</b>	<b>49,784</b>	<b>29,777</b>	<b>108,464</b>	<b>16,876</b>	<b>7,974</b>	<b>212,874</b>
<b>2007</b>						
<b>At 1 July 2006</b>						
Cost	102,320	95,980	146,482	64,567	35,401	444,750
Accumulated depreciation	(22,520)	(78,348)	(94,579)	(54,483)	(27,414)	(277,343)
<b>Net book value</b>	<b>79,800</b>	<b>17,632</b>	<b>51,903</b>	<b>10,084</b>	<b>7,987</b>	<b>167,406</b>
Additions	79,318	22,499	43,563	-	-	145,380
Disposals	(79,800)	(8,804)	(1,972)	-	-	(90,576)
Eliminate on disposals	-	8,804	600	-	-	9,404
Depreciation charge	(29,744)	(13,578)	(17,248)	(3,735)	(2,734)	(67,039)
<b>Closing net book value</b>	<b>49,574</b>	<b>26,554</b>	<b>76,846</b>	<b>6,349</b>	<b>5,253</b>	<b>164,575</b>
<b>At 30 June 2007</b>						
Cost	101,838	109,675	188,073	64,567	35,401	499,554
Accumulated depreciation	(52,264)	(83,122)	(111,227)	(58,218)	(30,148)	(334,979)
<b>Net book value</b>	<b>49,574</b>	<b>26,553</b>	<b>76,846</b>	<b>6,349</b>	<b>5,253</b>	<b>164,575</b>

## Note 10: Intangible assets

<b>2008</b>	<b>Software</b>
	<b>\$</b>
<b>At 1 July 2007</b>	
Cost	42,958
Accumulated amortisation	(38,509)
<b>Opening carrying value</b>	<b>4,449</b>
Year ended 30 June 2008	
Additions	2,737
Disposals	-
Amortisation charge	(2,403)
<b>Closing carrying value</b>	<b>4,783</b>
<b>Balance at 30 June 2008</b>	
Cost	45,695
Accumulated amortisation	(40,912)
<b>Closing carrying value</b>	<b>4,783</b>
<b>2007</b>	
<b>At 1 July 2006</b>	
Cost	39,049
Accumulated amortisation	(36,679)
<b>Opening carrying value</b>	<b>2,370</b>
Year ended 30 June 2007	
Additions	3,909
Disposals	-
Amortisation charge	(1,830)
<b>Closing carrying value</b>	<b>4,449</b>
<b>Balance at 30 June 2007</b>	
Cost	42,958
Accumulated amortisation	(38,509)
<b>Closing carrying value</b>	<b>4,449</b>

## Note 11: Trade and other payables

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Trade payables	101,182	286,527
Grants payable	127,195	116,616
Revenue in advance	25,500	92,699
Accrued expenses	128,913	36,497
<b>Total payables and accruals</b>	<b>382,790</b>	<b>532,339</b>

Trade and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payables approximates their fair value.

## Note 12: Employee entitlements

	2008 \$	2007 \$
Accrued salary and wages	17,099	13,270
Annual leave	74,125	59,405
Sick Leave	-	-
<b>Total employee benefit liabilities</b>	<b>91,224</b>	<b>72,675</b>

No liability has been recognised for sick leave, as Asia:NZ does not anticipate future absence to be significant

## Note 13: Provisions

	2008 \$	2007 \$
Non-current provisions : Lease make good provision		
Opening balance	70,818	79,800
Additional provisions made during the year	19,548	-
Amounts used during the year	-	-
Discount unwinding	-	(8,982)
<b>Closing balance</b>	<b>90,366</b>	<b>70,818</b>

The property lease agreements in both Wellington and Auckland require Asia:NZ to reinstate the office spaces to their original conditions, upon termination of the leases. This would include removing partitioning, redecorating and replacing carpets.

## Note 14: New Zealand-Japan Young People's Exchange Programme (YPEP) Trust Account

Asia:NZ manages this independent trust. The movements on the trust account during the year are as follows:

	2008 \$	2007 \$
<b>Balance of trust account at 1 July</b>	<b>568,798</b>	<b>559,482</b>
<b>Income</b>		
Interest received on investments	57,156	38,371
Donation from Nakashimato Scholarship Foundation	26,500	26,500
<b>Total income</b>	<b>83,656</b>	<b>64,871</b>
<b>Less: Expenditure</b>		
Grants awarded	21,500	25,500
Nakato Scholarship grants awarded	25,000	25,000
Administration expenses	5,584	5,055
<b>Total Expenditure</b>	<b>52,084</b>	<b>55,555</b>
<b>Balance of trust account at 30 June</b>	<b>600,370</b>	<b>568,798</b>
<b>Represented by:</b>		
Investments	581,130	465,000
Balance with Asia:NZ	19,240	2,548
GST refund due	-	1,250
<b>Balance of trust account at 30 June</b>	<b>600,370</b>	<b>568,798</b>

The carrying amount of investments approximates their amortised cost using the effective interest method, an increase or decrease in interest rates during the period would not impact the measurement of the investments.

On 30 June 2008 this trust was wound up, all funds managed will be included as part of Asia:NZ investments (approx \$565,000) as at 1 July 2008. Asia:NZ will allocate interest to the fund throughout the year and charge a 10 percent management fee based on total expenditure.

## Note 15: Korea Studies Programme

Asia:NZ has been responsible for the Korea Studies Programme since 1995. It was formerly managed by Victoria University of Wellington and the New Zealand Institute of International Affairs, under the supervision of an informal advisory board. Funds held are in the nature of an endowment fund, with activity being financed primarily from interest on investments. Asia:NZ receives a 10 percent management charge based on total expenditure from the fund.

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July</b>	<b>752,952</b>	<b>757,593</b>
<b>Income</b>		
Interest apportioned	62,097	59,451
Grants returned	268	715
<b>Total Income</b>	<b>62,365</b>	<b>60,166</b>
<b>Less: Expenditure</b>		
Grants & scholarships	28,591	58,915
Management fee	2,859	5,892
<b>Total Expenditure</b>	<b>31,450</b>	<b>64,807</b>
<b>Balance at 30 June</b>	<b>783,867</b>	<b>752,952</b>

## Note 16: Orion Fund

The fund is used for the promotion of people to people exchanges between New Zealand and the Kansai region of Japan. Asia:NZ is entitled to the interest on this fund. A management fee of 10 percent of the project cost will be charged by Asia:NZ for the programme managed by Asia:NZ staff.

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>Balance of fund at 1 July</b>	<b>295,983</b>	<b>329,981</b>
<b>Expenditure:</b>		
Japanese teachers to New Zealand Programme (managed by Kansai NZ centre, Japan)	30,331	12,557
New Zealand Language Teachers to Japan Programme (managed by Asia:NZ)	19,928	19,492
Management fee paid to Asia:NZ	1,993	1,949
<b>Total expenditure</b>	<b>52,252</b>	<b>33,998</b>
<b>Balance of fund at 30 June</b>	<b>243,731</b>	<b>295,983</b>

## Note 17: Mervyn Barnett Fund – Endowment Fund

This fund is for mutually agreed upon projects that relate to private sector links with the Asian region. Asia:NZ does not have the right to income from this fund and interest is apportioned to it each year. Asia:NZ takes a management charge of 10 percent of expenditure when the fund is allocated to a specific project.

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>Balance of fund at 1 July</b>	<b>44,490</b>	<b>41,251</b>
Interest apportioned	3,669	3,239
<b>Balance of fund at 30 June</b>	<b>48,159</b>	<b>44,490</b>

**Note 18: Reconciliation of the net surplus from operations with the net cash flows from operating activities**

	2008 \$	2007 \$
<b>Net surplus/(deficit) from operations</b>	<b>69,776</b>	<b>589,858</b>
<b>Add/(less) non-cash items:</b>		
Depreciation	61,037	68,869
Fund management charges	(8,408)	(11,397)
Interest from lease provision	19,548	8,500
Donated assets income	(13,948)	-
Debts written off	450	-
Other non-cash items	-	(10,218)
<b>Total non-cash items</b>	<b>58,679</b>	<b>55,754</b>
<b>Add/(less) movements in working capital items:</b>		
Decrease/(increase)/ in receivables (incl interest)	129,531	(89,172)
(Increase)/decrease in prepayments	41,144	(46,199)
(Decrease)/increase in payables	(160,810)	134,626
(Decrease)/increase in grants payable	10,579	(10,502)
Increase/(decrease)in employee entitlements	18,549	(15,898)
(Decrease)/increase in GST liability	123,795	(5,990)
<b>Net working capital movements</b>	<b>162,788</b>	<b>(33,135)</b>
<b>Add/(less) Investing activities</b>		
Interest received	(383,953)	(395,508)
	<b>(383,953)</b>	<b>(395,508)</b>
<b>Add/(less) movements in Funds Managed:</b>		
Payments made on behalf of funds	(679,679)	(635,853)
Interest received on behalf of funds	65,766	62,689
Other income received on behalf of funds	634,721	547,621
<b>Net movements in Funds Managed</b>	<b>20,808</b>	<b>(25,543)</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>(71,902)</b>	<b>191,426</b>

**Note 19: Capital commitments and operating leases**

	2008 \$	2007 \$
<b>Capital Commitments</b>		
Festival equipment	987	9,620
	<b>2008</b>	<b>2007</b>
<b>Operating leases as lessee:</b>	<b>\$</b>	<b>\$</b>
Not later than one year	244,724	163,784
Later than one year and not later than five years	457,642	605,725
Later than five years	-	-
<b>TOTAL</b>	<b>702,366</b>	<b>769,509</b>

Operating leases include a photocopier lease and the office premises lease on both the Wellington and Auckland offices. The Auckland office lease became effective on 1 April 2008. This is a three year lease with two rights of renewal for a total of six years. The Wellington office lease became effective on 1 April 2005. This lease is for a six year period with one right of renewal for a further six years. The rental will be reviewed at two yearly intervals. The current rent review is in negotiation, the commitment above represents the current rental payable.

## Note 20: Contingent Liabilities

There were no contingent liabilities as at 30 June 2008 (2007 – Nil).

## Note 21: Related party transactions

Asia:NZ is an entity of the Crown under the Public Finance Act 4th Schedule. The Government provides funding to Asia:NZ through the Ministry of Foreign Affairs and Trade. The Board has entered into a number of transactions with government departments, Crown agencies and state-owned enterprises on an arm's length basis. Where those parties are acting in the course of their normal dealings with Asia:NZ, related party disclosures have not been made.

New Zealand Trade and Enterprise (NZTE) contributed \$70,000 as core sponsorship to Asia:NZ. Board member Tim Gibson is the chief executive officer of NZTE.

Fonterra Cooperative Group contributed \$75,000 as core sponsorship to Asia:NZ. Board member Henry van der Heyden is the chairman of Fonterra.

Asia:NZ received two anonymous donations totalling \$12,000 during the year which contributed towards two grants, one to support the Quing Mei Jing Yue concert and one for the Bolton Street Cottage Artist's residency in partnership with the Asia:NZ and the Wellington City Council. In each instance a trustee of the donating trust was a family member of an Asia:NZ trustee.

Asia:NZ places some of its term deposits with Kiwibank. Leigh Taggart, who was accountant during the reporting period, has held delegated authority to manage the investment portfolio for Asia:NZ. Her husband holds a senior finance role within Kiwibank. All transactions with the bank are conducted on a commercial basis within the terms of the Funds Management Policy.

During the year a grant was made to the Virtual Trade Mission Trust \$10,000 towards the costs of the trust's annual mission held in Christchurch. Board members, Lex Henry and Tony Nowell, are represented on the board of the Virtual Trade Mission Trust. Decisions on grants to this organisation are made by executive management. Lex Henry and Tony Nowell did not take part in the discussion or decision making process for this grant.

<b>Key management personnel compensation</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Salaries and other short term employee benefits	747,181	636,943
Termination benefits	-	41,834
<b>Total</b>	<b>747,181</b>	<b>678,777</b>

Key management personnel include the executive director, deputy executive director, five programme directors the accountant and members of the Board of Trustees

<b>Employee Remuneration</b>	<b>Number of Employees</b>	
	<b>2008</b>	<b>2007</b>
<b>Total Remuneration paid</b>		
\$100,000 - 109,999		1
\$110,000 - 119,999	1	
\$120,000 - 129,999		1
\$130,000 - 139,999		
\$140,000 - 149,999		1
\$150,000 - 159,999	1	
	<b>2</b>	<b>3</b>

## Note 22: Events after the balance date

There were no significant events after the balance sheet date.

## Note 23: Financial instrument categories

The carrying amount of financial assets and liabilities in each of the NZ IAS 39 categories are as follows:

	2008	2007
	\$	\$
<b>Financial Assets</b>		
<i>Loans and receivables</i>		
Cash and cash equivalents	90,950	321,762
Trade and other receivables	57,019	199,118
	<u>147,969</u>	<u>520,880</u>
<i>Held to maturity</i>		
Investments	5,108,942	4,703,520
<b>Financial Liabilities</b>		
<i>Financial liabilities at amortised cost</i>		
Trade and other payables	382,790	532,339

## Note 24: Financial instrument risks

Asia:NZ has a series of policies providing risk management for interest rates, operating and capital expenditures denominated in a foreign currency, and the concentration of credit. Asia:NZ is risk averse and seeks to minimise exposure from its treasury activities. Its policies do not allow any transactions which are speculative in nature.

### Market Risk

The interest rates on Asia:NZ investments are disclosed in note 8.

#### *Fair value Interest rate risk*

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Asia:NZ's exposure to fair value interest rate risk is limited to its bank deposits which are held at a fixed rate of interest.

#### *Cash flow interest rate risk*

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Asia:NZ currently has no variable interest rate investments (2007 - Nil).

Asia:NZ's investment policy requires investment maturity dates to be spread based on operational and investment fund requirements, this limits exposure to short term interest rate movements. Asia:NZ currently has no variable interest rate investments.

#### *Currency risk*

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Asia:NZ has minimal exposure to currency risk.

#### *Sensitivity analysis*

As at 30 June 2008, if market interest rates had decreased by 50 basis points with all other variables held constant, the surplus for the year would have remained unchanged.

## Credit risk

Credit risk is the risk that a third party will default on its obligation to Asia:NZ, causing Asia:NZ to incur a loss. Financial instruments which potentially subject Asia:NZ to risk consist principally of cash, investments, and trade receivables.

Asia:NZ places its investments with institutions that have a Standard and Poor's credit rating of at least 2A. It also reduces its exposure to risk by limiting the amount that can be invested in any one institution. Asia:NZ believes that these policies reduce the risk of any loss which could arise from its investment activities. Asia:NZ does not require any collateral or security to support financial instruments.

### *Maximum exposure to credit risk*

Asia:NZ's maximum credit exposure for each class of financial instrument is as follows:

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and Investments	5,199,892	5,025,282
Trade and other receivables	57,019	199,118
<b>TOTAL</b>	<b>5,256,911</b>	<b>5,224,400</b>

### *Credit quality of financial assets*

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings:

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Counterparties with credit ratings		
Cash at bank and Investments		
AA	3,907,809	3,865,016
AA-	1,292,083	1,160,266
<b>TOTAL</b>	<b>5,199,892</b>	<b>5,025,282</b>

## Liquidity Risk

Liquidity risk is the risk that Asia:NZ will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

In meeting its liquidity requirements, Asia:NZ maintains a target level of investments that mature within specified timeframes.

### *Contractual maturity analysis of financial liabilities*

The table below analyses Asia:NZ's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows:

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Trade and other payables		
Less than one year	382,790	532,339
More than one year	-	-
<b>TOTAL</b>	<b>382,790</b>	<b>532,339</b>

## **Note 25: Explanation of significant variance against budget**

2007-08 was a year of significant change for Asia:NZ, with both the development of a new strategic plan and changes in several key staffing positions, including the arrival of a new Executive Director. This resulted in several significant variances for the year.

### *Statement of financial performance*

Donated income higher than budgeted due to the 2006/07 Action Asia project being rescheduled into the 2007/08 year (\$173,000).

Crown funded expenditure is higher than budgeted due to the Action Asia and Islam research projects, both were funded in 2006/07. Total unbudgeted expenditure of \$315,000 was funded by the prior year's surplus (\$590,000).

Other expenditure is lower than budgeted (\$274,000), as the development of a new strategic plan during the year delayed spending. The output agreement was subsequently amended in March 2008, and line items previously budgeted as other expenditure reclassified as Crown funded activities.

## ORGANISATION INFORMATION

### Board of Trustees (as at 30/6/2008)

**Chairman:** Hon Philip Burdon

**Deputy Chairmen:** Ken Douglas ONZ and Richard Nottage

Jo Brosnahan, Mai Chen, Ruth DeSouza, Gavin Ellis, Tim Gibson, Lex Henry, Dr Manying Ip, Simon Murdoch, Rob McLeod, Tony Nowell, Michael Park, Vino Ramayah, Karen Sewell, Ken Stevens, Wally Stone, Henry van der Heyden and Pansy Wong MP

### Board of Honorary Advisers (as at 30/6/2008)

**Chairman:** Rt Hon Winston Peters, Minister of Foreign Affairs

**China:** Huang Hua; Professor Zhou Guangzhao

**Hong Kong:** Dr Victor K Fung; Mr John CC Chan

**India:** Raghupati Singhanian

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**Thailand:** Dr Ajva Taulananda; Dr Supachai Panitchpakdi

**Vietnam:** Tran Ba Tuoc

### Asia:NZ Staff and Key Contractors (as at 30/6/2008)

**Executive Director,** Dr Richard Grant

**Deputy Executive Director,** Adele Mason

**Director, Culture,** Jennifer King

**Director, Communications,** John Saunders

**Director, Education,** Vanessa Lee

**Director, Business,** James Penn

**Director, Policy and Research,** Dr Andrew Butcher

**Media Adviser,** Charles Mabbett

**Schools Coordinator,** Janine Chin

**Young Leaders Network Coordinator,** Melanie Crawford

**Web Content Manager,** Antonia Kokalova-Gray

**Project Manager, Finance and Governance,** Leigh Taggart

**Project Officer, Culture,** Monica Turner

**Accountant,** Sunita Soma

**Executive Assistant,** Paula McLaughlin

**Administration Assistant,** Deborah Dredge

**Auckland Office Manager,** Ezra Low

**Project Officer, Policy and Research,** Heather Judson

**ABAC Senior Adviser:** Brian Lynch

**Review Editor:** Susie Buxton

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Asia:NZ has sought to build partnerships with the New Zealand government and the business community. We receive contributions from the following partners:

### **Partners:**

Fonterra  
Ministry of Foreign Affairs and Trade  
New Zealand Trade and Enterprise

### **Sponsors:**

The following made major monetary or in-kind contributions to specific Asia:NZ 2007/08 projects:]

#### *Action Asia Business Summit*

The Business Summit principal sponsor was ANZ with support from Export Year 07, TV3, Radio Live, The Independent Financial Review, Sunday Star Times, Maxim, The Boston Consulting Group, Schenker, Tasman Orient and Ministry of Foreign Affairs and Trade.

#### *Diwali Festival 2007*

The Diwali Festival of Lights was held in partnership with Auckland City in Auckland and Wellington City Council in Wellington. Main sponsors were Accident Compensation Corporation (ACC), Barfoot and Thompson, TV3, LatitudeFX, SkyCity Auckland, Lion Foundation, ASB Community Trust, Community Trust of Wellington, Unison Trust, Perry Foundation, More FM Auckland and Wellington, Radio Tarana, COSCO (New Zealand), Indian Council for Cultural Relations and High Commission of India.

The Festival also received support from Capital E Wellington, City Gallery Wellington, Pataka Museum of Arts and Culture, Porirua, Auckland Art Gallery and Auckland City Library.

#### *Chinese Lantern Festival 2008*

The Lantern Festival was held in partnership with Auckland City in Auckland and supported by Christchurch City Council in Christchurch. HSBC was the Festival's core sponsor. The other sponsors were Lee Kum Kee, SkyCity Auckland, Cathay Pacific, More FM Auckland and Canterbury, COSCO (New Zealand), ACC, TV3, Hong Kong Economic and Trade Office, Barfoot and Thompson, Lion Foundation and Castle Trust.

The Festival also received support from Pride of Auckland, Empress Garden Restaurant, Auckland and Marina Restaurant, Christchurch.

#### *Singapore Scholarship Programme*

The Lee Foundation (Singapore).

#### *New Zealand Japan Young Person's Exchange*

Nakashimato Company Limited Fund.

**Asia:NZ also acknowledges the following supporters:**

ANZ  
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Bell Gully  
Korean contributors of the Korea Studies Programme  
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New Zealand Immigration Service  
The Orion Programme

**DIRECTORY**

Asia New Zealand Foundation  
ABN Amro House, Level 7, 36 Customhouse Quay  
PO Box 10 144  
WELLINGTON 6143

Telephone: +64 4 471 2320  
Facsimile: +64 4 471 2330

Email: [asianz@asianz.org.nz](mailto:asianz@asianz.org.nz)  
Website: [www.asianz.org.nz](http://www.asianz.org.nz)

**Auckland Office**

Level 4, 58 Symonds Street  
PO Box 92 019  
AUCKLAND, 1142

Telephone: +64 9 368 1435  
Facsimile: +64 9 369 5017

Email: [auckland@asianz.org.nz](mailto:auckland@asianz.org.nz)  
Website: [www.asianz.org.nz](http://www.asianz.org.nz)

**Auditor**

Audit New Zealand, Wellington  
On behalf of the Auditor-General

**Banker**

ANZ Bank, Wellington

**Solicitor**

Bell Gully, Wellington

**Insurer**

NZI, Wellington



Level 7  
36 Customhouse Quay  
PO Box 10 144  
Wellington 6143  
NEW ZEALAND  
Telephone: 64 4 471 2320  
Facsimile: 64 4 471 2330  
Email: [asianz@asianz.org.nz](mailto:asianz@asianz.org.nz)  
[www.asianz.org.nz](http://www.asianz.org.nz)

