



Fire Protection Association New Zealand

# Annual Report

2015



# Fire Safety isn't something you would take a gamble on, is it?

Next time you need advice, servicing, installation, or fire protection products, there's a simple way to ensure you are dealing with professionals with the relevant training, knowledge, ethics and responsibility critical to the safety of lives and the protection of property.

The way to ensure you are not taking an unnecessary gamble with lives, property, or fire safety is to **choose a member of the Fire Protection Association of New Zealand**.

**FPANZ members are proud to belong to an Association which:**

- Sets the standards for the Fire Safety Industry in New Zealand
- Ensures its members operate to professional Codes of Practice and Ethical Conduct
- Pursues continuous professional development for members and their staff
- Has established high-level formal relationships with the New Zealand Fire Service, Government agencies, International Fire Associations and the wider community
- Is active in the ongoing development and review of Fire Codes and Standards.

The Fire Protection Association of New Zealand (FPANZ) is a not-for-profit Incorporated Society governed by a constitution and Board of Directors, with its national head office based in Auckland. The Association is the voice of the industry and responsible for these key areas in the industry:

## **Code of Ethical Conduct**

Under the Association's constitution, all members and companies are bound to the Code of Ethical Conduct. Our members are committed to operating to best practice, and are accountable to the Association for their performance. All members are subject to a fully-documented complaints and disciplinary procedure.

## **Vetting**

All prospective new members of FPANZ must supply detailed information on their company, staff and market activities, including customer references. Additional background checks are also done, then all information is reviewed by the Board of Directors to establish that the applicant meets the requirements to become a member of FPANZ.

## **Insurance**

One of the other benefits of dealing with a member of FPANZ is that all members must carry a minimum of two million dollars in public and product liability insurance.

## **Promoting Industry Training and Education**

The Fire Protection Association of New Zealand works closely with key stakeholders: Competenz, FireTech, and its members to ensure the industry is providing continuous industry development and relevant training to staff.

## **Special Interest Groups**

FPANZ Special Interest Groups (SIGs) provide a forum for sub-groups of members to keep abreast of the latest issues affecting their particular discipline, and to ensure that sector-specific issues and concerns are addressed in a timely and professional manner.

*For more information or to confirm if your Service Provider is a FPANZ Member, visit our website [www.fireprotection.org.nz](http://www.fireprotection.org.nz)*

*or contact: Fire Protection Association NZ, Phone: +64 9 414 4450; Email [fpanz@fireprotection.org.nz](mailto:fpanz@fireprotection.org.nz)*

Fire Protection Association New Zealand

*To make sure you're not leaving it up to a game of chance, ask your service provider if they are a member of the Fire Protection Association of New Zealand.*



# Fire Protection Association New Zealand **OVERVIEW**

## Our Vision

To provide a professional forum, be the unified voice of the fire protection community of New Zealand, and by drawing on our expertise and collective knowledge, reduce the impact of fire in New Zealand.

## Our Mission

To work with our members, government, corporate and community organisations for continuous improvement in legislation, standards, education, awareness, products and services for the protection of life, property and the environment from fire and related emergencies.

## Our Values

- Adopting the highest levels of competence, practice and integrity
- Exercising skill and judgement for the benefit of all stakeholders
- Giving priority to the Health and Safety of employees and the community
- Ensuring staff are adequately trained to competently perform the required tasks
- Behaving ethically and honestly to enhance standards of the industry
- A high standard of product and installation quality and reliable service
- Using quality products that meet the requirements of relevant New Zealand standards

**FPANZ has been representing the fire protection industry in New Zealand since 1975 to promote the protection of people, property and the environment by advancing fire prevention and protection techniques.**

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## A Message from our National President

**I am pleased to provide our members with this year's President's Report for the 2015 Annual General Meeting of the Fire Protection Association NZ.**

It is 13 months now since our last AGM and the decision to separate the AGM from the FireNZ Conference and Trade Show activity has been trialled to allow for better focus on both of these events. Feedback from member exhibitors and conference delegates has been positive as both of these categories have struggled to attend the AGM with so much other activity going on at the annual FireNZ event. It also places additional workload on our small dedicated team at a time when they can least afford to have their focus taken away from running FireNZ.

We are now into the fifth month of our financial year. As such some information - especially financial reports - relate to our last financial year ending 30th June. Much has changed in this short time to dramatically improve the member services delivered and financial results achieved. Increased membership subscriptions and the financial success of this year's FireNZ will be reflected in the current year accounts.

Financial, Operational and Technical reports from our Treasurer, Executive Director and special interest groups (SIG's) are tabled. As such I commend these to your attention. The achievements of the organisation and the special interest groups will be evident from taking a moment to read these.

This year in response to the needs of members, two new SIG Groups have been formed. The Inspectorate SIG is well under way and the new Education and training SIG is launching now.

Membership continues to grow and it is encouraging to see the range of non-contractor based organisations who are seeing value in becoming engaged with our group. Membership renewals are strong this year and well ahead of recent years which is a good indicator of the perceived value members are experiencing.

Today the FPANZ is deeply involved in the organising and management of FIRENZ, along with numerous seminars and technical / educational workshops throughout the country. In addition, our involvement in and the need to work with the development and delivery of training has become

prevalent. The monthly newsletter is a vital link with members and has been produced monthly and grown from strength to strength this year. The new website has been popular as well with many members choosing to use this as part of their resource material.



I believe the FPANZ has been very fortunate to have had the services of Keith Blind to work in the role of Executive Director for the last two years. Keith's personal capability, along with his extensive industry knowledge and experience are evident in the progress we are making with the many initiatives recently introduced or well under way. Keith has been supported by Amelia Lowe and Scott Lawson who also have worked hard to bring so much to the association this year.

The FPANZ Board as a group works well to ensure that the governance needs and strategic goals and direction of the FPANZ are being achieved.

I make the observation that the FPANZ members are extremely fortunate to have Council and Board members of such ability volunteering to work in this way for the betterment of our industry. Their passion, drive and commitment to pursuing what is in the best interests of the industry are to be commended.

Past Presidents remain supportive of the FPANZ. Mitchell Brown as the immediate past president is still actively involved with the board and very importantly continues to represent the FPANZ on the FIRENZ organising team.

The FPANZ Council and the Sector Industry Groups (SIG's) are the 'engine room' of the FPANZ. The SIG



## A Message from our National President

committees have worked diligently throughout the year in matters of importance to each sector group. Separate reports from each SIG Chairperson are included with these papers. The chairperson of each sector group is a member of FPANZ Council, where they are able to discuss the needs and progress of their sector with the full Council.

In this global economy we are frequently reminded that much of what we do is also being done or may have been done in other parts of the civilised world. We continue to have close working relationships with other countries - particularly Australia where we have so much in common. A number of Australians attend our conference regularly and vice versa. A number of exploratory meetings have been held at Executive level between FPANZ and FPAA in Australia. It is clear that many similarities exist and that working closer together will provide real benefits particularly for NZ. I encourage the new board to continue this dialogue with Australia and will support those initiatives in any way I can.

We seek to learn from overseas experiences and to make sure we are not putting resource into reinventing the wheel as it were. Soon we move to automated on line registration for many services.

Thank-you for your support of FPANZ and I look forward to the year ahead being another of advancement and achievement, building on the progress we have seen to date.

This has been my second and final year as President of the FPANZ. I extend my personal thanks to the outgoing Board and Council members as well as our team in the Albany office for all the work and contributions you have made. It has been a pleasure working with you. To those continuing or joining the Board or Council, I wish you well and every success. You are to be congratulated on being prepared to be part of the team that leads our industry and shapes its future.

**David Nathan**, *President, FPANZ*  
(2013-2015)

## Treasurer's Report

The Association has made significant investment in the 2015 Financial Year, in the new Membership Structure, Rebranding, Website, and further development of schemes, and has started to see success with growth in income of 15% on the prior year, and further growth forecast in the 2015/16 Financial Year.

The Net Loss Position of \$142k also includes accounting adjustments in terms of recognition of subscription income, and deferred income from Halon. The Net Loss reflects a net change / deficit in the cash position of the Association of \$89k which reflects the investment the Association has undertaken in the current year.

The Financial Statements have been audited by DFK Oswin Griffiths Chartered Accountants, as voted by the members and their Audit Report is included as part of the Financial Statements.

The current results reflect a surplus of \$82k, due to a very successful conference in Wellington, and now forecasting to exceed the current target of \$17k full year surplus. The current year results, and improved timing of cash-flow compared to the prior year has resulted in a significant improvement in the cash position of the Association.

**Geoff Cardale** *CA, Treasurer, FPANZ*

## A Message from our Executive Director

**As the national voice of the fire protection industry since 1975 we lead important fire initiatives and provide ongoing support to our members. We continue to see the FPA NZ brand continue to grow in value as our reputation as the leading body for fire protection issues. We celebrate 40 years this year and have spent a significant amount of time energy and funds in improving our brand awareness, media engagement, education, location, membership and strategic plans.**

It is important to note that all financial decisions with our limited funds have been made in a calculated and strategic manner in order to ensure the association is best placed to deliver on its key objectives. It is critical that our association remains in front of the key issues that we face in our industry and continues to invest in fire related and legislative activity. FPA NZ will need to leverage a variety of funding models in the future to enable it to achieve what the industry sees as key areas for development in education and training, legislative change, and ongoing membership benefits for all.

We have been successful in securing funding for a variety of initiatives including Halon and the guideline documents for Passive, and we are continuing to see the need for supporting MBIE and the fire projects they now have identified for the building code updates.

Halon recovery, whilst in part being funded, continues to be a challenge and we need your support in getting this material out of the country.

The industry continues to see a shortage of skilled staff and lack of investment in educational activities. We are no different to a number of other trade industries in this respect however as contractors and service agents we don't do enough to sell our value proposition of safety and protection with the right people to get a better margins in the market. A number of our non-members are selling to the lowest dollar and not value adding services. I continue to see examples of shortcuts and poor installation practises as companies are pushed to the lowest price or employ people who are not suitably trained or equipped to perform the job function.

Training for industry is a key strategic focus and one we are keen to see a significant level of engagement occurring. It is up to you as member companies to

support the training model for industry and make sure that it works for you and your staff.

As the economic indicators change we see some movement in the unemployment rate. The OCR is coming down and investment in housing and construction sectors remain strong. The opportunity to take on trades staff continues to be a key opportunity that is currently for some business owners a key restriction on growth opportunities.

The collective groups of our council and SIG groups remain the key to driving opportunities and we are pleased to announce the formation of our latest SIG group focused on training and educational opportunities. This collective will leverage and develop what's best for industry for its training needs in the future - so if you are passionate about it, then we welcome your involvement.

As I write this piece, the All Blacks have just won the World Cup and are being celebrated and touted as the greatest team on earth. It just goes to prove that you don't have to be the biggest sporting nation to win on a global stage.

As the Fire Protection community, we are also small but have the ability to win on a larger stage. However, we can only achieve this with a strong team.

I challenge you to be a part of it and we can make a difference together.

**Keith Blind, Executive Director, FPA NZ**



# FPANZ Functions & Departments

The Fire Protection Association plays a pivotal role in providing advice and information on all aspects of fire protection and safety topics through a range of services to the industry, FPANZ members and the wider community.

## Training and Seminars

FPANZ liaises with a number of training organisations, manufacturers, suppliers and industry specialists both in New Zealand and globally to bring training and development seminars to its members.

For 2015 both Viking and Victaulic provided valuable industry training in support of FPANZ. The investment in ongoing training provides industry members with a continued process for improved knowledge and up skilling of the industry workforce. We are seeing increasing demand for FPANZ to provide seminars and training workshops. For 2016 we are planning to hold 2 Seminar Events throughout the country.

## Industry Communications

FPANZ Communications Department is responsible for producing the monthly FPANZ Member Newsletter along with two Fire NZ Industry Magazines per year.

The Communications Department also oversees development and delivery of all FPANZ external communications, including media releases and important announcements and is also responsible for the ongoing enhancement of the FPANZ website [www.fireprotection.org.nz](http://www.fireprotection.org.nz), as well as related sites and social media channels.

## FPANZ Events

The FPANZ Events Department aims to educate industry members and the broader community by delivering current information on all matters relevant to the fire protection industry and related industries.

FPANZ events cover a wide range of industry related topics and feature highly engaging speakers to enable attendees to stay up-to-date and meet continuous professional development requirements.

These events include an annual national conference "**FireNZ**" with seminars that provide ideal forums to meet and socialise with industry members and key stakeholders. For 2015 "**Transforming the Fire Triangle**" was the key theme and proven to be a successful event in Wellington with over 200 delegates and 50 exhibitor's it proved to be a drawcard for visitors and those who have a keen interest in fire protection. With the support from IFE & SFPE we continue to see a bright future for the event in 2016 Auckland Fire NZ.

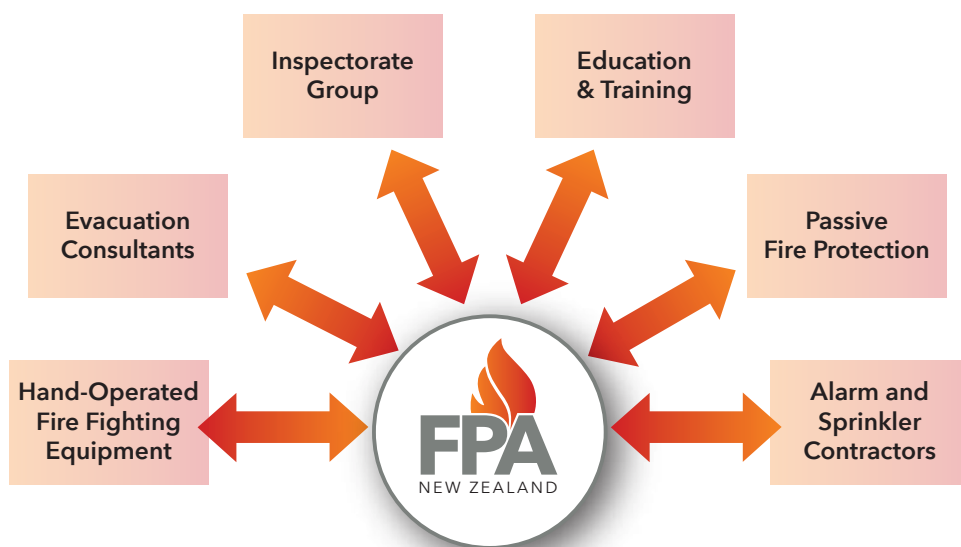


## Special Interest Groups

FPANZ has the following special interest groups (SIGs):

- › Alarm and Sprinkler Contractors Group
- › Passive Fire Protection Group
- › Evacuation Consultants Group
- › Hand Operated Fire Fighting Equipment Group
- › Inspectorate Group (new for 2015)
- › Education and Training (new for 2016)

Membership of these groups is open to Individual, Corporate & Organisation members who are able to demonstrate a professional connection to the work of the particular group. Their purpose is to provide a forum for members to raise issues and concerns to bring together FPANZ members with allied interests, keeping them up to date and improve the flow of industry-specific information to and from members.



## Inspectorate SIG Report

The Inspectorate SIG has had very good turnout at our meetings this year, with excellent support from six of the seven inspection companies from around the country. We have set two main goals:

- **Training** - helping the industry to up-skill.
  - We are still working towards this goal, with little traction being made around ideas for an inspectorate based FPANZ road show.
- **Communication** - improving communication within the Inspectorates and getting information from the inspectorates to the industry.
  - This is heading in the right direction with some lively debates taking place amongst the

inspectorates, some well-received sessions with the Contractors group, as well as articles in the FPA newsletter.

As a group, we are dealing with a number of technical issues around compliance to the various standards we work to. Some we have been able to clarify (AFAM CTU), others we are still working towards resolving.

At this point, we are doing well and hope to build momentum from here, to achieve the goals that we have been sent.

*Regards, Jason Godsmark*

## Passive Fire Protection SIG Report

Meetings held for the Passive SIG Group have been well attended. Unfortunately achievement of our goals was not as successful.

Two goals were set by the passive SIG Group with one being to produce a Code of Practice or more accurately a 'Passive Guide' which is for the construction industry. Second goal was to undertake training for the FPA members.

The 'Passive Guide' has had input from FPA and is being drafted by BRANZ which is estimated for completion mid-2016 followed by a road show.

Unfortunately the planned training has been delayed with a new date to be agreed.

Many articles for the magazine were produced with a quiz or questions for feedback hoping to grab readers attention. The feedback was very poor with one or no response per article. I am hoping that members are reading the article but just too busy to reply.

Within the construction industry there is more awareness of fire stopping requirements however there are still too many non-compliant fire stopping being installed. There are few well trained and experienced fire stopping installation companies with one well known company being fraudulent by installing labels on work that would not achieve 5 minutes FRR never mind the 60 minutes claimed. Fire Stopping has been 'cheap' because basically it has not been completed correctly.



We look forward to the Passive Guide helping to assist the construction industry in knowing the fundamentals of good Passive Fire Protection.

*Ron Green*

## Fire Evacuation Consultant SIG Report

At the beginning of this term and during the second quarter of this year the chair dynamic moved from co-chairing office holders Jenny Maxwell and Ela Langford, to latter as single office holder. As the chair I thank and acknowledge Jenny for her contribution.

The work for the Evacuation Consultant Group for the year 2015 has been outlined and presented to the council at the beginning of term. Goals identified area a continuum of the annual report presented in 2014. This report outlined the need to create greater exposure and awareness of the expert contributions of our profession, the need for continuing education and an improved framework for accountability.

### Action and Process Summary

Discussions within SIG group meetings throughout the year have highlighted current technical, legislative and professional skill criteria for the certification process to be perceived as inadequate.

Accordingly the need to formulate and establish a standard using the vehicle of a supportive Code of Practice, was identified and agreed upon.

Following adoption, this document envisions replacement of the first edition (2012) and to align COP with the evacuation consultant certification process. It will also guide the development of future training models and enable a recognised national certification for the Evacuation Consultants to be established. Additional changes have been made to the required re-certification cycle, which has been extended to a two-year period.

The process chosen to achieve a new Code of Practice involved SIG and industry consultations and reviews. A rewrite of the first edition, in consultation with FPA and NZFS has been completed. A further review to the wider industry has been launched, to seek written commentary before final adoption.

The first edition was reviewed and rewritten by the chair, with FPA making much needed resources available in a timely manner. As the chair and on behalf of the Evacuation Consultants I express a special thank you to CEO FPANZ Keith Blind and his team for their support, without which EVAC SIG would not have been able to accomplish this major milestone.

The new Code of Practice has been contextually reframed to better reflect the scope of work

Evacuation Consultants provide, and the technical and legislative expertise required in achieving a good practice standard.

The scheduled review and task to bring the COP into alignment with the evacuation consultant certification process has been slow to get under way. The future certification criteria will be based on the new COP and include extensive requirements of relevant technical and legislation knowledge. Particular acknowledgment has been given to the needs of Evacuation Consultants wanting to obtain certification Level 3 and 4.

The search to obtain training and expert knowledge support for certification within our industry is essential. Initial conversations concerning establishment of Training SIG has begun.

The lack of cross-communication and collaboration of industry expertise has been identified as a predicament in progressing industry resources and knowledge. FireNZ Conference 2015 presented the opportunity to amend this problem. This resulted in the HOFFE SIG and EVAC SIG to co-present on the COP subject matter. As chair of EVAC SIG I express appreciation to SIG Chair Lance Hunt for superb teammanship. Plans are in progress for future co-presentations.

This issue has also been addressed via publications in the monthly FPANZ Newsletter, exposure in the NZ Fire Magazine and a summary presentation of COP at the conference.

SIG additionally gained respectable exposure to the wider industry at the conference Q&A sessions. Featuring John Buckheit, David Youssef, Daryn Glasgow and Ela Langford, these explored the topic of tall buildings and evacuation.

The New Zealand Fire Service under the guidance of Todd O'Donoghue and Simon Herbert, achieved a milestone in turn-around time and a hundred percent scheme application-processing rate during this year. I congratulate them and their team for their continuing support and relationship and express our appreciation on behalf of the Evacuation Consultants Group.

I also thank my colleagues for valuable and cheerful support throughout the year.

*Ela Langford*

## NZ Specialist Trades Contractors Federation Report

The STCF represents the interests of all Specialist Trades on many industry organisations, in particular:

- Construction Industry Council
- Building Research Advisory Council
- Construction Strategy Group
- Construction Safety Council
- Canterbury Safety Charter

Over the last 12 months there have been some notable advancements of specialist trades causes. In particular I draw your attention to the following:

- **A Supreme Court overturn of a Court of Appeal ruling regarding voidable transactions**

The Court of Appeal decision had interpreted the law to say that any goods or services provided on credit were able to be treated as voidable transactions if the client was placed in receivership or liquidation within 2 years. The STCF and others argued that this was not the intent of the law and this argument was upheld by the Supreme Court.

Please note that voidable transactions still exist. There is some concern amongst those "in the know" that some liquidators may attempt to use records of demand for overdue payments as proof creditors knew a client was insolvent at the time the collection was made, thus making the payment voidable if the client is placed in liquidation within 2 years of the payment.

- **Retentions** - as this report is being written, Parliament is going through the final phases of passing this legalisation and it is hoped it will be law before Christmas.

The amendment to the Construction Contracts Act means:

- those holding retentions must hold these retentions "in trust"
- they have to hold in "cash" the net balance of the retentions they owe and the retentions owed to them
- the person owed the retentions has the right to see how their payer of retentions is holding their retentions
- retentions must be paid out when due and can only be withheld if the payee has defects to remedy
- Directors who misuse retentions can be criminally prosecuted for doing so

At the 2015 AGM, FPANZ had two representatives nominated to the Federation - **Jacqui Bensemman** as President of STCF and **Brigitte Knill** as representing the FPANZ Contractors.

**Projects for 2015/2016 include:**

- Focusing on a health and safety initiative developed by the Construction Industry Council. This involves an on-site assessment programme and associated "card". This programme is currently being trialled by NZTA on their Transmission Gully and Auckland Rail tunnel sites.
- Development of a new standard subcontract agreement to include the changes to the Construction Contracts Act.

*Represented by Jacqui Bensemman*

## Construction Industry Council Report

The Construction Industry Council was established to:

- promote the interests of the broader construction industry to central Government
- create conditions in which the sector can prosper
- work together for the general good

The Construction Industry Council met throughout the year and discussed matters relevant and of interest to the construction industry. Of particular interest over this last year has been on the housing situation and affordability of housing.

At the AGM in June, a key structural change was proposed and voted on and accepted. This key structural change involves forming an Executive Group to drive the NZCIC's work programme and to deliver tangible outputs and outcomes. It will be composed of a maximum of eight people and will be meeting on a monthly to six weekly basis to further the work of the NZCIC. Minutes from these meetings will be distributed to all Council members.

The Council will continue to meet on a quarterly basis. The Council's members will be co-opted on an as needed basis to provide assistance and support on key initiatives.

Members of the Executive Group (made up of sector drivers) were selected to represent a sector interest wheel, of which there are eight:

- Design
- Engineering
- Materials
- Compliance
- Built
- Research
- Property
- Other

The outcome of the first election is as follows:

- **Graham Dilks** - Engineering
- **Teena Hale-Pennington** - Design (also as Deputy Chair (Design position to be confirmed in agreement with ADNZ and DINZ)
- **David Kelly** - Built (also as Chair)

- **Bruce Kohn** - Materials
- **Nick Hill** + seconded by **Alison Molloy** - Pan-industry
- **Connal Townsend** - Property (to be confirmed)
- **Alex Cutler** - Past Chair (to be confirmed)
- **Chelydra Percy** - Research (to be confirmed) OR BRANZ as Associate / Partner(to be confirmed)

A Strategy Session was held in July to review and discuss the current strategic plan. Documents and minutes from this meeting are yet to be received.

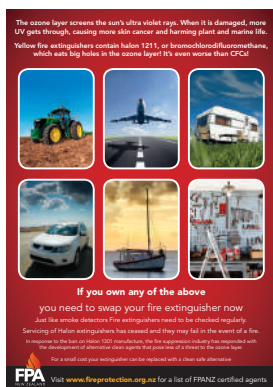
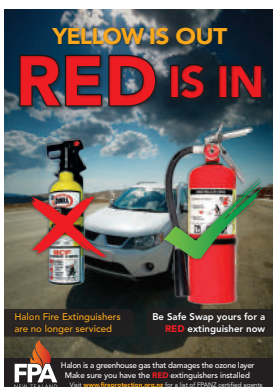
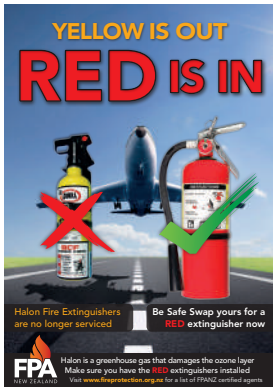
- Comment on CSG Priorities and discussion on how CIC Priorities should relate:
  1. Boom / Bust (next study to be from PWC following on from 2010 economic impact report)
  2. Industry Regulation (and the Cost: Benefit analysis)
  3. Government Procurement
  4. Proportional versus Joint and Several Liability
  5. Housing Affordability
- Strategy session ideas:
  1. Speaker suggestions from MBIE, land representation, H&S
  2. CIC Priorities to be complimentary to CSG
  3. Update on Standards
  4. Revisit priority list from February 2014:
    - a. Affordable housing
    - b. H&S
    - c. Skills
    - d. Boom / Bust
    - e. Quality
    - f. Productivity

The CIC Design Guidelines are undergoing a review which will include a review of the Fire Design Guidelines. We have expressed our interest in being part of this review process of these guidelines.

*Jacqui Bensemenn*



# Halon Disposal Project



## Halon Disposal Update

This halon disposal program in conjunction with the waste minimisation fund has been in place since March 2015. To date we have recovered over 1500 kgs of Halon, of which over 800kg has been disposed of via AGAS in Australia. The program has seen over 4500 kg of Halon 1211 /1301 identified within New Zealand that may be secured and disposed of over time.

We are committed to removing this gas not only from the commercial sector but also from the private households around New Zealand. We have launched several media campaigns on social media and specific targeted publications such as the boating and caravanning community who have used this product in the past. The Fire NZ Halon Promotion was a success with over 100 extinguishers swapped out from the public arena.

We expect to meet our plans for recovery over the next 12 months and look forward to saving over 225 million tonnes of Ozone.

## The effects of halons on the ozone layer

The ozone layer occurs in the upper atmosphere (the stratosphere) 15-30 kilometers above the surface of the earth, and protects life on earth by absorbing ultra-violet (UV) radiation from the sun. UV radiation is linked to skin cancer, genetic damage and reduced productivity in agricultural crops and the food chain.

Concerns about the depletion of the stratospheric ozone layer were raised by scientists in 1985 when they recorded the first ozone "hole" over Antarctica. The formation of the hole over Antarctica has become a regular springtime feature since then and is a key public indicator of the global ozone depletion problem.

Halons are fully halogenated chemicals that have relatively long lifetimes in the atmosphere. They are broken down in the stratosphere releasing reactive bromine that is extremely damaging to ozone. Reactions involving bromine are estimated to be responsible for 25 per cent of the chemical destruction of ozone over Antarctica and 50 per cent over the Arctic. The ozone depleting potential of halons is 10 times greater than that of chlorofluorocarbons (CFCs). As such, halons are a very aggressive ozone depleting chemical. One kilogram of halon 1211 can destroy 50 tonnes of ozone.



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## INDEPENDENT AUDITOR'S REPORT

To the Members of Fire Protection Association (New Zealand) Incorporated

### Report on the Financial Statements

We have audited the financial statements of Fire Protection Association (New Zealand) Incorporated on pages 4 to 12 which comprise the statement of financial position as at 30 June 2015, the statement of financial performance and the statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Committee's Responsibility for the Financial Statements*

The committee is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no other relationship with or interest in the Society.



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*We make it happen!*

*Unmodified Opinion on Financial Position and Financial Performance*

In our opinion, the financial statements on pages 4 to 12 present fairly, in all material respects, the financial position of the Fire Protection Association (New Zealand) Incorporated as at 30 June 2015, and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.

*DFK Oswin Griffiths Carlton*  
DFK Oswin Griffiths Carlton  
Chartered Accountants  
23 October 2015  
Auckland, New Zealand

## FIRE PROTECTION ASSOCIATION (NEW ZEALAND) INCORPORATED

### STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2015

in New Zealand Dollars

	2015	2014
	\$	\$
<b>Revenue</b>		
Advertising Income	9,805	10,751
Fire Alarm Equipment Register	25,871	20,605
Fire Contractor Certification	11,620	3,480
Fire-NZ Conference	233,971	213,808
Seminars Income	71,814	27,207
Income from Subscriptions	243,654	235,364
Other Income	6,492	10,947
	<u>603,227</u>	<u>522,162</u>
<b>Other Income</b>		
Interest Received	5,298	9,710
	<u>5,298</u>	<u>9,710</u>
<b>Total Revenue</b>	<b>608,525</b>	<b>531,872</b>
<b>Expenses</b>		
Finance Expense	57,404	51,329
Personnel Expenses	282,590	230,981
Project Expenses	11,429	19,613
Operating Expenses	254,712	188,247
Administration and Other Expenses	144,086	71,843
<b>Total Expenses</b>	<u>750,221</u>	<u>561,813</u>
<b>Net Surplus Before Tax</b>	<b>(141,696)</b>	<b>(29,941)</b>
Income Tax Expense	-	-
<b>Net Surplus After Tax</b>	<u><b>(141,696)</b></u>	<u><b>(29,941)</b></u>

The above statement is to be read in conjunction with the accompanying notes and the Audit Report.

# FINANCIAL STATEMENTS for the year ended 30 June 2015

## FIRE PROTECTION ASSOCIATION (NEW ZEALAND) INCORPORATED

### STATEMENT OF EXPENSES FOR THE YEAR ENDED 30 JUNE 2015 in New Zealand Dollars

	2015	2014
	\$	\$
<b>Finance Expenses</b>		
Audit Fee	10,253	4,200
Bad Debt Recovered	(8,021)	(12)
Depreciation	5,469	5,125
Bank Fees and General Expenses	5,674	10,571
Insurance	8,740	8,201
Doubtful Debts	-	9,649
Secretarial & Accounting	35,289	13,595
<b>Total Finance Expense</b>	<u>57,404</u>	<u>51,329</u>
<b>Personnel Expenses</b>		
ACC Levies	1,231	786
Salaries	207,438	194,789
Contractors	37,358	30,306
Recruitment Cost	221	5,100
Personnel Development	36,342	-
<b>Total Personnel Expenses</b>	<u>282,590</u>	<u>230,981</u>
<b>Project Expenses</b>		
Consultancy Fees	11,429	19,613
<b>Total Project Expenses</b>	<u>11,429</u>	<u>19,613</u>
<b>Operating Expenses</b>		
Diary and Notice Pad Expenses	-	1,326
Newsletters	2,872	616
Magazine	5,270	6,737
Fire Alarm Equipment Register	11,135	1,570
Conferences	189,544	154,349
Seminars	35,325	13,314
Travelling Expenses	10,385	7,887
Travelling Expenses - Overseas	181	2,448
	<u>254,712</u>	<u>188,247</u>

The above statement is to be read in conjunction with the accompanying notes and the Audit Report.

## FIRE PROTECTION ASSOCIATION (NEW ZEALAND) INCORPORATED

### STATEMENT OF EXPENSES FOR THE YEAR ENDED 30 JUNE 2015 (CONTINUED) in New Zealand Dollars

	2015	2014
	\$	\$
<b>Administration and Other Expenses</b>		
Communication Expenses	13,878	5,009
Light, Heat and Power	19,023	7,939
Motor Vehicle Expenses	3,665	1,377
Postage	2,003	5,736
Printing and Stationery	12,020	4,757
Public Relations & Promotion	10,175	1,264
Subs Payable	7,758	2,384
Rent	16,774	16,572
Repairs and Maintenance	1,103	37
FPANZ Meetings and Activities	24,595	14,971
Website Maintenance and IT Expenses	25,190	11,597
Relocation Costs	7,402	-
Legal Fees	500	-
<b>Total Administration and Other Expenses</b>	<u>144,086</u>	<u>71,643</u>
<b>Total Expenses</b>	<u><u>750,221</u></u>	<u><u>561,813</u></u>

The above statement is to be read in conjunction with the accompanying notes and the Audit Report.

## FIRE PROTECTION ASSOCIATION (NEW ZEALAND) INCORPORATED

### STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

in New Zealand Dollars

	2015	2014
	\$	\$
Total Accumulated Funds at Beginning of the Year	162,332	192,273
<b>Surplus/(Deficit) &amp; Revaluations</b>		
Net (Deficit)/Suplus for the year	(141,696)	(29,941)
	<u>(141,696)</u>	<u>(29,941)</u>
Total Accumulated Funds at End of the Year	<u>20,636</u>	<u>162,332</u>

The above statement is to be read in conjunction with the accompanying notes and the Audit Report.

## FIRE PROTECTION ASSOCIATION (NEW ZEALAND) INCORPORATED


### STATEMENT OF FINANCIAL POSITION


AS AT 30 JUNE 2015

in New Zealand Dollars

	Note	2015 \$	2014 \$
<b>Total Accumulated Funds</b>		<u>20,636</u>	<u>162,332</u>
<b>Non-Current Assets</b>			
Fixed Assets	3	<u>2,652</u>	<u>5,751</u>
<b>Total Non-Current Assets</b>		<u>2,652</u>	<u>5,751</u>
<b>Current Assets</b>			
Cash on Hand		200	200
Westpac Bank Accounts		72,984	61,651
GST Receivable		14,842	12,590
Sundry Debtors		-	1,264
Accounts Receivable		16,687	5,247
Prepayments		37,754	13,468
Term Deposits		-	100,000
<b>Total Current Assets</b>		<u>142,467</u>	<u>194,420</u>
<b>Total Assets</b>		<u>145,119</u>	<u>200,171</u>
<b>Current Liabilities</b>			
Accruals		27,712	15,039
Accounts Payable		42,778	11,636
Income in Advance	4	<u>42,829</u>	-
<b>Total Current Liabilities</b>		<u>113,319</u>	<u>26,675</u>
<b>Non-Current Liabilities</b>			
Provisions	5	<u>11,164</u>	<u>11,164</u>
<b>Total Non-Current Liabilities</b>		<u>11,164</u>	<u>11,164</u>
<b>Total Liabilities</b>		<u>124,483</u>	<u>37,839</u>
<b>Net Assets</b>		<u>20,636</u>	<u>162,332</u>

For and on behalf of the Members

  
 \_\_\_\_\_  
 Keith Blind  
 Date 23/10/2015

  
 \_\_\_\_\_  
 Geoffrey Cardale  
 Date 23/10/2015

The above statement is to be read in conjunction with the accompanying notes and the Audit Report.

## FIRE PROTECTION ASSOCIATION (NEW ZEALAND) INCORPORATED

### NOTES TO THE FINANCIAL STATEMENTS

---

#### 1. STATEMENT OF ACCOUNTING POLICIES

##### **Reporting Entity**

Fire Protection Association (New Zealand) Incorporated ("Fire Protection") is an incorporated society registered under the Incorporated Societies Act 1908. The entity is also a registered charity under the Charities Act 2005.

Fire Protection promotes the protection of people, property and the environment by advancing fire prevention and protection techniques.

##### **BASIS OF PREPARATION**

##### **Statement of Compliance**

Fire Protection is required by its constitution to prepare general purpose financial statements. For the purpose of financial reporting Fire Protection is classified as a public benefit entity.

The financial statements are prepared in accordance with the Incorporated Societies Act 1908 and generally accepted accounting practice as defined by the External Reporting Board. The society qualifies for differential reporting as it is not publically accountable and it is not large as defined in the Framework for Differential Reporting. The society has taken advantage of all available differential exemptions.

##### **Basis of Measurement**

The financial statements are prepared on the historical cost basis except certain items for which specific accounting policies are identified.

##### **Presentation Currency**

The financial statements are presented in New Zealand dollars (\$).

##### **Significant Accounting Policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

##### **(a) Investments**

Investments are stated at cost.

##### **(b) Fixed Assets and Depreciation**

Fixed assets are stated at cost less accumulated depreciation.

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

## FIRE PROTECTION ASSOCIATION (NEW ZEALAND) INCORPORATED

### NOTES TO THE FINANCIAL STATEMENTS

---

#### **1. STATEMENT OF ACCOUNTING POLICIES (Continued)**

**(c) Receivables**

Receivables are stated at expected realisable value. Bad debts are written off during the period in which they are identified.

**(d) Liabilities**

Liabilities are stated at the estimated amounts payable and include all obligations that can be reliably estimated. Current liabilities include the amounts payable within twelve months of these financial statements.

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

With the exception of trade payables and receivables, all items are stated exclusive of GST.

**(f) Income Tax**

The incorporated society has charitable status and is exempt from income tax.

**(g) Change in Accounting Policies**

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in the prior year.



## FIRE PROTECTION ASSOCIATION (NEW ZEALAND) INCORPORATED

### NOTES TO THE FINANCIAL STATEMENTS in New Zealand Dollars

2. Remuneration of Auditors	2015	2014
	\$	\$
Audit Fee	10,253	4,200

### 3. Fixed Assets

2015	Cost	Depn	Accum Depn	Book Value
Leasehold Property Improvements	1,111	-	1,111	-
Plant and Equipment	51,366	5,469	48,714	2,652
Databases and Software	14,111	-	14,111	-
<b>Total Fixed Assets</b>	<b>66,588</b>	<b>5,469</b>	<b>63,936</b>	<b>2,652</b>

2014	Cost	Depn	Accum Depn	Book Value
Leasehold Property Improvements	1,111	-	1,111	-
Plant and Equipment	48,996	5,125	43,245	5,751
Databases and Software	14,111	-	14,111	-
<b>Total Fixed Assets</b>	<b>64,218</b>	<b>5,125</b>	<b>58,467</b>	<b>5,751</b>

4. Current Liabilities - Income in Advance	2015	2014
	\$	\$
Annual Subscriptions	14,570	-
Halon Revenue	28,259	-
	<b>42,829</b>	<b>-</b>

Membership subscription incomes have not been recognised as income in advance unless payment has been received prior to balance date.

## FIRE PROTECTION ASSOCIATION (NEW ZEALAND) INCORPORATED

### NOTES TO THE FINANCIAL STATEMENTS in New Zealand Dollars

5. Non-Current Liabilities - Provisions	2015	2014
	\$	\$
Sprinkler Standard 4541 Fund	3,876	3,876
BR Passive Fire Protection	5,643	5,643
Fire ME Sponsorship Fund	1,645	1,645
	<u>11,164</u>	<u>11,164</u>

The fund accounts represented in the Provisions are monies held on behalf of the Fire Industry for the development of the fire industry. These are detailed below:

i) Sprinkler Standard 4541 Fund:

This is collected via a levy provided on new sprinkler systems applications to the SSC. This money is for the rewrite of the sprinkler standard and future amendments.

ii) BR Passive Fire Protection Fund:

Building research provided money for a research paper to be written on passive fire protection. Initial funding is for stage one, additional stages will follow, and any residual money from stage one will be used for these future stages.

iii) Fire ME Sponsorship:

This represents funds put aside to fund scholarships for students.

### 6. Capital Commitments

There were no capital commitments as at 30 June 2015 (2014: Nil).

### 7. Contingencies

There were no contingent liabilities as at 30 June 2015 (2014: Nil).

### 8. Subsequent Events

There were no significant events subsequent to balance date which would have a material effect on the financial statements.

# FPANZ Membership 2015 -2016

## Rules & Conditions of FPANZ Membership

The Rules governing Membership of FPANZ are set out in Clause 7.0 of the Constitution. The FPANZ Board decides whether to admit an applicant as a Member and the applicable class of membership. The Board's decision is final and it is not obliged to give a reason for its decision.

## Classes of Membership

There is a multi-tier membership structure, these tiers cater for business, institutional and individual members.

### Personal Membership

- › Subscription
- › Individual

### Corporate Membership

- › Bronze
- › Silver
- › Gold
- › Platinum

### Organisation Membership

- › Bronze
- › Silver
- › Gold
- › Platinum

The board may also from time to time admit members under special Classes of Membership, e.g. Life Membership.

## Criteria for Membership

To be a Corporate or Organisation member the applicant must:

- › Be a formally constituted business entity
- › Be solvent
- › Be reputable
- › Have been active (or at least one of its senior management must have been actively involved) in providing goods and/or services related to fire protection or fire safety, for a minimum of 24 months prior to the date of application
- › Hold current valid Public Liability insurance to a minimum value of \$2,000,000

## Code of Ethical Conduct

By applying to become a member of FPANZ you agree to be bound to the FPANZ Code of Ethical Conduct and the FPANZ Complaints and Disciplinary Procedure.

This Code protects the integrity of the FPANZ brand by setting standards of behaviour expected of all Members in relation to their work and their dealings with customers, stakeholders, regulators, other members and the public, and provides for a transparent policy and process to consider any complaints against any Member, consistent with current expectations of a professional body.

## FPANZ Logos

The FPANZ trademarked logo (insert logo here) must not be used by any entity without the written permissions of the Executive Director.

All financial FPANZ Individual, Corporate or Organisation members are entitled to use and display their membership tier status logo freely on business stationery, website, vehicles and other marketing material.

Full details of logo compliance and usage guidelines are available to view online [www.fireprotection.org.nz/about-us](http://www.fireprotection.org.nz/about-us)





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