

THE AUCKLAND BRIDGE CLUB (INC.)

Financial Reports For the Year Ended 30th June 2016

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The Auckland Bridge Club (Inc.)

Trust Directory

As at 30th June 2016

Legal Name of Entity The Auckland Bridge Club (Inc.)

Entity Type and Legal Basis Auckland Bridge Club is a registered charity under the Charities Act 2005. It is also an incorporated Society established and domiciled in New Zealand under the Incorporated Societies Act 1908.

Registration Number

Physical Address 273 Remuera Road, Remuera, Auckland 1050

Postal Address 273 Remuera Road, Remuera, Auckland 1050

Phone 524 5562

Entity Structure

The Auckland Bridge Club (Inc.) is a Not-for-Profit organisation governed by its Committee. Within the Committee, the Treasurer is responsible for maintaining the accounting records of The Auckland Bridge Club (Inc.). There are two paid employees of The Auckland Bridge Club (Inc.) who are responsible for the day-to-day operations of The Auckland Bridge Club (Inc.) with the remaining duties being done primarily by volunteers.

Main Sources of Cash and Resources

The Auckland Bridge Club (Inc.) relies on sponsorship, grants, table money subscriptions and tournament income.

Main Methods Used to Raise Funds

The Auckland Bridge Club (Inc.) sells tickets for tournaments and table money to raise funds along with collecting members' subscriptions.

INDEPENDENT AUDITOR'S REPORT

To the Members of The Auckland Bridge Club (Inc.).

Report on the Financial Statements

We have audited the accompanying financial statements of the Auckland Bridge Club (Inc.) which comprise the statement of financial position as at 30 June 2016, the statement of financial performance, statement of movements in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Responsibility of the Committee for the Financial Statements

The Committee is responsible for the preparation and fair presentation of financial statements in accordance with Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-for-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 made by management, as well as evaluating the overall 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.

Your Chartered Accountants and Business Advisors

PRINCIPALS

Athol Raymond Owens
BCom, CA, FCIS

Alexander Ernest Houghton
BBus, CA

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In addition to our capacity as auditor, we assisted with compiling the Club's financial statements. Other than this, and our capacity as auditor, we have no relationship with, or interests in, The Auckland Bridge Club (Inc.).

Basis for Qualified Opinion

In common with other organisations of a similar nature, control over the income from liquor, canteen, shop sales and fundraising prior to its being recorded is limited and there are no practical audit procedures to determine the effect of this limited control.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of The Auckland Bridge Club (Inc.) as at 30 June 2016 and of its financial performance and its cashflows for the year then ended in accordance with Public Benefit Entity Standards.

Blackmore Virtue & Owens

4 November 2016
AUCKLAND

The Auckland Bridge Club (Inc.)

Statement of Financial Performance

For the Year Ended 30th June 2016

	<i>Note</i>	2016 \$	2015 \$
REVENUE			
Sales		490	1,260
Trading Income (Net)	10	3,203	11,902
GROSS SURPLUS FROM TRADING		<u>3,693</u>	<u>13,162</u>
SUNDRY INCOME			
Sponsorship		5,309	11,970
Dividends Received		774	750
Grants Received		-	8,696
Interest Received		4,167	4,224
Table Money		199,725	202,183
Subscriptions		54,154	53,252
Rent Received		36,115	32,772
Tournaments - General		83,601	67,331
Fundraising		14,629	3,864
Donations and Bequests		17,906	6,795
Sundry Income		2,897	6,249
Total Income		<u>422,970</u>	<u>411,248</u>
Less Expenses			
Accident Compensation Levy		674	620
Advertising		-	405
Audit Fees		4,428	6,800
Bank Charges		1,881	1,715
Cleaning & Laundry		17,378	14,159
Computer Expenses		2,058	(12)
Consultancy		755	30
Directors' Fees		13,695	10,350
General Expenses		1,405	5,338
Insurance		10,395	9,474
Licences & Registrations		1,939	3,956
Light Power & Heating		14,815	14,370
Master Points		14,357	5,571
Playing Materials		5,745	5,067
Printing, Stamps & Stationery		8,084	9,116

The accompanying notes form part of these financial statements.
These financial statements have been subject to audit or review, and should be read in conjunction with the attached Audit Report.



The Auckland Bridge Club (Inc.)

Statement of Financial Performance

For the Year Ended 30th June 2016

	2016	2015
	\$	\$
Prize vouchers	5,853	4,615
Rates	13,720	13,340
Repairs & Maintenance	21,476	6,196
Security	5,024	5,390
Telephone, Tolls & Internet	2,184	2,012
Tournament Prizes	24,333	14,748
Travel - National	3,777	-
Wages & Salaries	192,527	202,182
Total Expenses	<u>366,503</u>	<u>335,443</u>
 Net Surplus Before Depreciation	 <u>56,467</u>	 <u>75,805</u>
 Less Depreciation		
Depreciation as per Schedule	25,787	23,862
Depreciation Recovered	-	(870)
Net Depreciation Adjustment	<u>25,787</u>	<u>22,992</u>
 EXTRAORDINARY ITEMS		
Extraordinary items (Note 10)	10,475	(39,833)
 NET SURPLUS/(DEFICIT)	 <u><u>\$20,205</u></u>	 <u><u>\$92,646</u></u>

*The accompanying notes form part of these financial statements.
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The Auckland Bridge Club (Inc.)

Statement of Movements in Equity For the Year Ended 30th June 2016

	<i>Note</i>	<i>2016</i> \$	<i>2015</i> \$
TRUST EQUITY AT START OF YEAR		438,501	345,854
REVENUE			
Net Surplus for the Year		20,205	92,647
Total Recognised Revenues and Expenses for the Year		<u>20,205</u>	<u>92,647</u>
TRUST EQUITY AT END OF YEAR		<u>\$458,706</u>	<u>\$438,501</u>

*The accompanying notes form part of these financial statements.
These financial statements have been subject to audit or review, and should be read in conjunction with the attached Audit Report.*



The Auckland Bridge Club (Inc.)

Statement of Financial Position

As at 30th June 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Bank - Cheque Account	1	32,775	24,718
Bank - Savings account	1	135,131	147,795
Petty Cash		99	213
Accounts Receivable		3,799	9,520
Undeposited Funds		140	181
Interest Receivable		611	336
Payments in Advance		9,216	8,741
Inventories	5	7,626	7,526
Total Current Assets		<u>189,397</u>	<u>199,030</u>
NON-CURRENT ASSETS			
Fixed Assets as per Schedule	6	278,240	304,026
Investments			
Listed Shares	7	<u>90,152</u>	<u>38,746</u>
		90,152	38,746
Total Non-Current Assets		<u>368,392</u>	<u>342,772</u>
TOTAL ASSETS		<u>557,789</u>	<u>541,802</u>
CURRENT LIABILITIES			
GST Due for payment	1	2,228	3,017
Accounts Payable		32,843	29,935
Accrued Expenses		12,728	17,293
Payroll Liabilities		5,002	3,284
Sponsorship in Advance		-	2,500
Subscriptions in Advance		25,973	26,944
Ticket Sales in Advance		19,744	18,635
Rent Bond Payments		566	1,693
Total Current Liabilities		<u>99,083</u>	<u>103,301</u>
TOTAL LIABILITIES		<u>99,083</u>	<u>103,301</u>
NET ASSETS		<u>\$458,706</u>	<u>\$438,501</u>
Represented by;			
ACCUMULATED FUNDS			
Accumulated Surpluses/(Deficits)	9	<u>458,706</u>	<u>438,501</u>
TOTAL ACCUMULATED FUNDS		<u>\$458,706</u>	<u>\$438,501</u>

The accompanying notes form part of these financial statements.
These financial statements have been subject to audit or review, and should be read in conjunction with the attached Audit Report.



The Auckland Bridge Club (Inc.)
Statement of Financial Position
As at 30th June 2016

For and on behalf of the Committee:


.....
Chairperson

4 / 11 / 16
.....

.....
Treasurer

..... / /

The accompanying notes form part of these financial statements.
These financial statements have been subject to audit or review, and should be read in conjunction with the attached Audit Report.



The Auckland Bridge Club (Inc.)
Statement of Cash Flows
For the Year Ended 30th June 2016

	2016	2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
<i>Cash was received from:</i>		
Donations, fundraising and other similar receipts	35,344	31,325
Fees, subscriptions and other receipts from members	346,236	318,541
Receipts from providing goods or services	39,708	43,749
Interest, dividends and other investment receipts	4,666	5,027
Net GST	(789)	206
<i>Cash was applied to:</i>		
Payments to suppliers and employees	378,480	284,089
Net cash flows from operating activities	46,685	114,759
 CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES		
<i>Cash was received from:</i>		
Receipts from the sale of property, plant and equipment	-	870
<i>Cash was applied to:</i>		
Payment to acquire property, plant and equipment	-	17,785
Payments to purchase investments	51,405	1,339
Net increase/(decrease) in cash	(4,721)	96,505
Opening Cash	172,726	76,221
Closing Cash	168,005	172,726
This is represented by:		
Bank Cheque Account	32,775	24,718
Bank Savings Account	135,131	147,795
Petty Cash	99	213
	168,005	172,726

These financial statements should be read in conjunction with the notes to the financial statements



The Auckland Bridge Club (Inc.)

Notes to the Financial Statements

For the Year ended 30th June 2016

1. STATEMENT OF ACCOUNTING POLICIES

ACCOUNTING POLICIES

1.1 Basis of Preparation

The Auckland Bridge Club (Inc.) has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting – Accrual (Not-for-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. This is the first year of its adoption in light of the requirements of the Charities Act 2005. It has previously followed NZ GAAP and the comparative numbers have not been restated. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

1.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to The Auckland Bridge Club (Inc.) and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

Donations, Fundraising and Other Similar Revenue

Donations are recognised as revenue upon receipt.

Grant revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled.

Revenue from legacies and estates that satisfies the definition of an asset is recognised as revenue when it is probable that future economic benefits or service potential will flow to the entity, and the fair value can be measured reliably.

Revenue from Providing Goods and Services

The Auckland Bridge Club (Inc.) receives revenue from sponsorship, grants, table money, subscriptions and tournament income. Revenue is recognised in the period the services are provided.

Interest Revenue

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

1.3 Bank Accounts and Cash

Bank accounts and cash are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



The Auckland Bridge Club (Inc.)

Notes to the Financial Statements

For the Year ended 30th June 2016

1.4 Property, Plant and Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is donated to the entity, its cost is measured at its current value as at the date of acquisition.

Depreciation is charged on a straight line basis over the useful life of the asset, except for land. Land is not depreciated. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Land:	0%
Buildings:	2% - 10.5% CP
Office Equipment	20% CP
Furniture & Fittings	6.6% - 30% CP

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

1.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method.

1.6 Investments

Share investments in listed companies are stated at their cost. Where in the Treasurer's opinion, there has been a permanent deduction in the value of the investment this is brought into account in the period identified.

1.7 Receivables

Receivables are stated at their estimated value. Bad debts are written off in the year in which they are identified.

1.8 Income Tax

The Auckland Bridge Club (Inc.) is registered as a charitable entity under the Charities Act 2005 and is exempt from income tax under the income tax legislation.

1.9 Goods & Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are shown inclusive of GST.



The Auckland Bridge Club (Inc.)

Notes to the Financial Statements

For the Year ended 30th June 2016

1.10 Changes in Accounting Policy

There have been no changes in accounting policies during the financial year. However, it should be noted that the basis of preparation has changed from adopting New Zealand Financial Reporting Standards ("NZ GAAP") to Tier 3 Public Benefit Entity Simple Format Reporting – Accrual (Not for Profit) guidance issued by the External Reporting Board.

2. AUDIT

These financial statements have been subject to audit, please refer to Auditor's Report.

3. CONTINGENT LIABILITIES

At balance date there are no known contingent liabilities (2015:\$0). The Auckland Bridge Club (Inc.) has not granted any securities in respect of liabilities payable by any other party whatsoever.

4. RELATED PARTIES

There were no transactions with related parties requiring disclosures.

5. INVENTORIES

	2016	2015
	\$	\$
Stock on Hand	7,626	7,526
Total Inventories	<u>7,626</u>	<u>7,526</u>

Inventory Commitments

No inventories whatsoever are specifically and separately pledged as security for liabilities. Inventories are generally subject to retention of title clauses.



The Auckland Bridge Club (Inc.)

Notes to the Financial Statements For the Year ended 30th June 2016

6. PROPERTY, PLANT & EQUIPMENT

	2016 \$	2015 \$
Land		
At cost	104,514	104,514
	<u>104,514</u>	<u>104,514</u>
Buildings		
At cost	315,630	315,630
Less accumulated depreciation	(177,331)	(162,752)
	<u>138,299</u>	<u>152,878</u>
Current year depreciation	14,579	14,579
	<u>14,579</u>	<u>14,579</u>
Furniture & Fittings		
At cost	152,690	152,690
Less accumulated depreciation	(128,910)	(122,123)
	<u>23,780</u>	<u>30,567</u>
Current year depreciation	6,787	5,855
	<u>6,787</u>	<u>5,855</u>
Office Equipment		
At cost	29,945	29,944
Less accumulated depreciation	(18,298)	(13,877)
	<u>11,647</u>	<u>16,067</u>
Current year depreciation	4,421	3,428
	<u>4,421</u>	<u>3,428</u>
Total Property, Plant & Equipment	<u>\$278,240</u>	<u>\$304,026</u>
Total Depreciation for the year	<u>\$25,787</u>	<u>\$23,862</u>

7. INVESTMENTS

	2016 \$	2015 \$
ANZ Term Deposit Accounts	84,436	33,030
Vector Shares	5,716	5,716
Total	<u>90,152</u>	<u>38,746</u>



The Auckland Bridge Club (Inc.)

Notes to the Financial Statements For the Year ended 30th June 2016

8. EXTRAORDINARY ITEMS

The extraordinary item in 2015 year arose as a result of an application to Auckland Council to change the rating description from residential to sports and recreational. This was approved and a rebate for the current and the previous 5 years was received. This was applied to the current outstanding rates for the year ended June 2015 and the balance as a lump sum as disclosed in the attached financial reports. This is not expected to re-occur in subsequent years.

The extraordinary item recognised in the 2016 financial year relates to expenditure incurred on exploring the possibilities open to The Auckland Bridge Club (Inc.) from ownership of the land on Remuera Road.

This is an on-going project and further expenses are expected to be incurred in the subsequent financial year.

9. ACCUMULATED FUNDS

	Accumulated Surpluses or Deficits	Funds Settled	Total
2016			
Opening Balance	92,646	345,854	438,500
Surplus/(Deficit)	39,949		39,949
Funds Settled		-	
Closing Balance	<u>132,595</u>	<u>345,854</u>	<u>478,450</u>
2015			
Opening Balance	123,965	221,889	345,854
Surplus/(Deficit)	(31,319)		(31,319)
Funds Settled		123,965	123,965
Closing Balance	<u>92,646</u>	<u>345,854</u>	<u>438,500</u>

10. TRADING INCOME

	Canteen	Liquor	Total
2016			
Sales	24,523	15,477	
Purchases	(28,580)	(8,217)	
Net	<u>(4,057)</u>	<u>7,260</u>	<u>3,203</u>
2015			
Sales	21,560	16,632	
Purchases	(19,263)	(7,027)	
Net	<u>2,297</u>	<u>9,605</u>	<u>11,902</u>



The Auckland Bridge Club (Inc.)
Depreciation Schedule
For the Year ended 30th June 2016

Asset	Private Use	Cost Price	Book Value 01/07/2015	Additions Disposals	Gain/Loss on Disposal	Capital Profit	---- Depreciation ---- Mth Rate \$	Accum Deprec 30/06/2016	Book Value 30/06/2016
LAND									
273 Remuera Road		104,514	104,514				12 0.0%DV	0	104,514
Sub-Total		104,514	104,514					0	104,514
BUILDINGS									
273 Remuera Road		118,459	19,465				12 2.0%CP	101,363	17,096
Paving		5,275	1,319				12 4.0%CP	4,167	1,108
Paving (Post Nathan House)		33,063	25,015				12 4.0%CP	9,371	23,692
Lift		31,107	21,776				12 6.0%CP	11,197	19,910
Lift		54,535	38,175				12 6.0%CP	19,632	34,903
Porch		25,439	16,385				12 7.0%CP	10,835	14,604
Ceiling Tiles		6,796	3,940				12 7.0%CP	3,332	3,464
Ramp		14,265	9,405				12 6.0%CP	5,716	8,549
Garden shed		495	317				12 7.0%CP	213	282
Storage Room Partition		2,474	1,695				12 7.0%CP	952	1,522
Fire Alarm System		7,810	5,349				12 7.0%CP	3,008	4,802
Garage Door		1,394	724				12 10.5%CP	816	578
Emergency Lighting System		14,517	9,310				12 10.5%CP	6,731	7,786
Sub-Total		315,629	152,875				14,579	177,333	138,296
FURNITURE & FITTINGS									
Heating and Ventilation		24,820					10.0%CP	0	0
Water Cooler		637					14.2%CP	637	0
Desk etc		1,350					10.0%CP	1,350	0
Freezer		870					10.0%CP	870	0
Air Conditioning		11,000					10.0%CP	11,000	0
Dishwasher		5,551					20.0%CP	5,551	0
Tables & Chairs		6,105					10.0%CP	6,105	0



The Auckland Bridge Club (Inc.)

Depreciation Schedule

For the Year ended 30th June 2016

Asset	Private Use	Cost Price	Book Value 01/07/2015	Additions Disposals	Gain/Loss on Disposal	Capital Profit	---- Depreciation ---- Mth Rate \$	Accum Deprec 30/06/2016	Book Value 30/06/2016
Gas Stove Delonghi		3,775					10.0%CP	0	0
Lawn Mower - Viking		706					20.0%CP	0	0
Refrigerators (2) F & P		2,675					10.0%CP	0	0
Rangehood		1,800					20.0%CP	0	0
Kitchen Roller Door		12,556					15.0%CP	0	0
Kitchen Fit Out		16,202					12.5%CP	0	0
Painting (Kitchen)		588					20.0%CP	0	0
Kitchen Floor		3,888					12.5%CP	0	0
Toilet Heaters		2,080					20.0%CP	0	0
Signage		1,813					20.0%CP	0	0
Honours Board		3,858					20.0%CP	0	0
Carpet		14,754	9,180				12 6.6%CP	974	8,206
Vinyl		1,394	407				12 12.5%CP	174	233
Vacuum Cleaner		533					30.0%CP	0	0
Bar Chiller		1,663	745				12 10.5%CP	175	570
Safe		2,795	1,983				12 6.0%CP	168	1,815
Water Heater Rheem		2,260	811				12 13.5%CP	305	506
Security Alarm System		3,284	936				12 17.5%CP	575	361
Kitchen Appliances / Utensils		3,439	250				5 21.0%CP	250	0
Water Blaster		710	328				12 17.5%CP	124	204
Oven (Upstairs)		520	186				12 17.5%CP	91	95
Ladder/Scaffold		700	447				12 10.5%CP	74	373
Sidetable		2,471	1,030				12 20.0%CP	494	536
Carpet Cleaner		1,304	753				12 17.5%CP	228	525
Garden Blower		604	312				12 20.0%CP	121	191
Defibrillator		4,000	2,133				12 20.0%CP	800	1,333
Fans		822	635				12 8.5%CP	70	565
Small Reception Desk		690	638				12 10.0%CP	69	569
Electronic Sign Board		5,074	4,482				12 20.0%CP	1,015	3,467
Dishwasher		5,399	5,309				12 20.0%CP	1,080	4,229
Sub-Total		152,690	30,565					6,787	23,778



The Auckland Bridge Club (Inc.)

Depreciation Schedule

For the Year ended 30th June 2016

Asset	Private Use	Cost Price	Book Value 01/07/2015	Additions Disposals	Gain/Loss on Disposal	Capital Profit	Mth	Rate	Depreciation \$	Accum Deprec 30/06/2016	Book Value 30/06/2016
OFFICE EQUIPMENT											
Bridge Dealing Machine		6,622	6,291				12	20.0% CP	1,324	1,655	4,967
Computers & Installation		7,840						20.0% CP	0	7,840	0
New Entry Computers & Installation		3,285	1,314				12	20.0% CP	657	2,628	657
Photocopier Fuji Xerox		2,500	1,500				12	20.0% CP	500	1,500	1,000
A V System		6,268	4,909				12	20.0% CP	1,254	2,613	3,655
Permark Letters and Numbers		3,430	2,058				12	20.0% CP	686	2,058	1,372
Sub-Total		29,945	16,072						4,421	18,294	11,651
TOTAL		602,778	304,026						25,787	324,539	278,240

