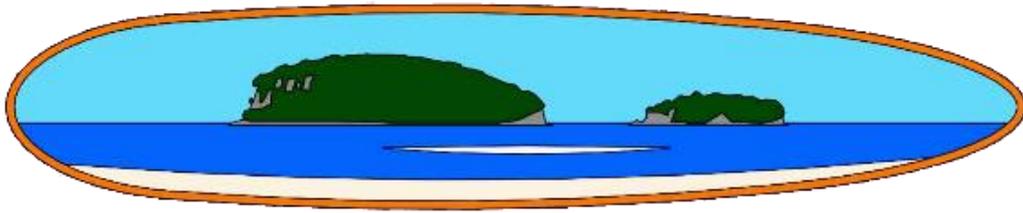


Whangamata



Club

**AGM**

**Sunday 3<sup>rd</sup> July**

**2022**



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## **WHANGAMATA CLUB (INC)**

In terms of Rule 15. (1), Notice is hereby given that the Annual General Meeting of the Whangamata Club (Inc), will be held at the Clubrooms, 404 Port Road, Whangamata on Sunday 3rd July 2022 at 10.00am.

### **AGENDA**

President's Welcome

Minute Silence

Apologies

Minutes of the 2021 Annual Meeting

President's Report

Financial Report & Balance Sheet

Treasures Report

Presidents Honorarium

Notices of Motion close 2<sup>nd</sup> July 2022

Executive Remits - None

Results of Election of Executive Committee

Subscription Fee

Appointment of Auditor for the 2022/2023 year

General Business

Closure.

All Full Financial Members are welcome to attend. Please present your Membership for entry into the Meeting.

Ian McAuley

President

**Minutes of the 59th Annual General Meeting of the  
Whangamatā Club (Inc), held at The Whangamatā Club,  
Sunday 11<sup>th</sup> July 2021 at 10.00am**

The President welcomed those in attendance and asked all to stand for a moments silence in memory of loved ones who had departed during the previous 12 months.

**Present:** President Ian McAuley and Members

**Apologies:** 20 from the Apology register and 3 others. That the apologies be accepted:

Moved/Seconded: Noeline Lee/Erin Wyatt

All in favour: All                      Against: Nil                                      Carried.

**Minutes of the 2020 Annual General Meeting** The President asked the Manager to read the minutes aloud.

No discussion.

That the Minutes be a true and correct record:

Moved/Seconded: Sue Green/Sandra Perry

All in favour: All                      Against: Nil                                      Carried.

**President's Report** was read by President Ian McAuley.

No discussion.

That his report be accepted:

Moved/Seconded Ian McAuley/Steven McDowell

All in favour: All                      Against: Nil                                      Carried.

**Treasurer's Report** was read by Treasurer Stu Duff.

There was a question regarding the wage subsidy, Stu advised The Club received \$265,000.97 from MSD Wage Subsidy which was applied to the wages during the year, Mike Williams noted this was listed under other income.

Stu was asked if The Club didn't trade the first month of the trading year (April 2020) and asked Mike Williams to clarify, he explained that The Club was closed from March 26th all the way through till April, The Club was then able to open under Level 3 in Mid-May.

That the Treasurer's Report and Financial Report and Balance Sheet be accepted:

No discussion.

Moved/Seconded Jeremy /Kay Baker

All in favour: All

Against: Nil

Carried.

### **Strategic Plan**

Steven McDowell explained it's a 5-year strategic plan with 16 fundamental focus areas with 1 year essentially completed. Steven explained that The Club will soon be in possession of its own vehicle for member transportation and that The Club has been in contact with RM Design regarding redevelopment and mentioned this company has experience in Club development.

Graham Hurst asked when the Membership will be able to view the proposed changes to The Club. Ian McAuley explained that the Committee is still in communication and planning concepts with Bernie from RM Designs and that once a plan has been drafted they will then look at sharing them.

Steven McDowell mentioned scouting the Membership for a small working group of builders, designers and architects, etc to volunteer. Ian McAuley discusses that The Club is focusing on redoing the bowling green area but mentions the struggle to get it licenced.

**Members Survey Report** was read by Steven McDowell.

Over 600 Members gave feedback and member satisfaction is high. Key points for The Club to work on based on the survey include the range of food, having a relaxed and comfortable environment, and entertainment. Steven thanks and encourages all feedback from the Members.

### **Presidents Honorarium (Motion)**

Jilly Witehira. discussed a motion for the President's honorarium to be raised from \$4000 to \$5000.

Sandra Perry expressed her support for this motion.

No discussion.

Moved/Seconded: Jill Witehira /Sandra Perry

All in favour: All

Against: Nil

Carried.

### **Notices of Motion close 20th June 2021 (None)**

### **Executive Remits (None)**

### **Results of Election of Executive Committee (Announced)**

Ian McAuley - President

Mike Green - Vice President

Sandra Perry - Vice President

Peter Clark - Executive Committee

Grant Hurley - Executive Committee



## **Presidents Report.**

President's Report

2021-2022

Hi all, it's been another tough year for our Club but luckily we are in a lot better position than other Clubs throughout this country. Having no mortgages other than the houses has been a saviour for us. Things are almost back to normal, and we look forward to a better year ahead.

Like other hospitality business in town, we are also struggling to attract staff but hopefully that will change after the opening of border controls.

A big thank you to our staff and Committee for their dedication and services over the past year. Fantastic job done by all.

Good luck to those who have applied for a Committee position for the coming year. I would be proud to work with all on that list.

Great to see the areas of The Club being fully utilized again and Members coming along to enjoy the atmosphere of our Club, may it continue.

See you at The Club.

Ian McAuley (Macca)

President

# Treasurers Report

## To the Members:

It is with pleasure that I present the Treasurers Report for the year ended 31 March 2022.

As everyone is aware it has been a challenging year for the Club and this is reflected in the year end loss of (\$97,186) against the 2021 profit of \$430,969 which is very telling.

The impact of Covid has been huge, the Club number restrictions, the usage of staff to serve drinks at tables, the gaming room restrictions and the lack of adjunct activity have all played a part on this loss. Total revenue fell by \$430k and our expenses increased by \$103k, and a majority of this cost is wages [\$106k).

While the loss is disappointing, it is not unexpected, however as a Club we can be proud that we managed to remain open to look after our Members, we had no days closed and we continued to pay our people providing certainty and surety in challenging conditions.

The Club was fortunate to have paid down a fair amount of debt in the prior year and this held us in good stead to meet our obligations and commitments. We re-borrowed the Government Small Business Loan [this was paid off last financial year] and took advantage of all available government subsidies, ensuring we met the strict financial conditions.

Our balance sheet is strong, we continue to meet obligations to our suppliers, and we have maintained our commitment in looking after our assets with a policy of maintaining and updating where it is applicable. We have invested in a new dance floor, acoustic roof tiles, painted the outside of the club, new gaming programmes and of course, purchased the van for our Members' usage, which has been well used and received.

Looking forward, we have two beach hops this financial year, the Club has a good vibe at the moment, especially with our lucky draws and our Membership base is strong, and I believe we will return to a profit in the 2022/23 financial year. There are cost pressures that we are all aware of, and this is something the new Committee will need to look at.

Many thanks to Mike and his awesome team of people, the Executive Committee and the Members for making the Club a place where people want to be and to spend their cash 😊

## 2022 Whangamata Club Strategic Plan Report

The Strategic Plan was adopted in 2020. This is the second year of the implementation of the plan. Work this year has focused on ensuring the Club was in a good position to meet the key challenge of reduced income due to covid related lockdowns during the year. We have focused on our systems and member activity as key priorities and have continued to work on the options for the development of the Club building.

The following is a summary of progress over the last year:

### **Outcome Statement - 1. Taking care of our existing membership base – and aiming to steadily grow it.**

1.1 Purchase a modern Customer Relationship Management/contact database for communication and marketing purposes.

The database is in place and has been used as to ensure we meet our obligations to record Members in the Club for covid purposes.

1.2 Install entry/purchasing scanners.

Entry scanner for guest and affiliates is tied to 1.1 above and again, has been completed.

1.6 Conduct an annual Members' survey in May/June each year.

We are going to run another member survey shortly. The Committee are keen to know Members views about the Club and use this information as part of its planning and budgeting.

1.7 Formalise a process enabling sub-clubs [adjuncts] voices to be heard by the Committee – with a view to growing this area of Club Membership.

Adjuncts are a key part of the activities offered at the Club. Regular adjunct chairs meetings are held and provide important feedback to the Committee.

1.8 Review transport options for Members as part of being a responsible host

The Club van has been operating for 10 months now and is a good addition to the facilities and services offered to Members and helps us meet our commitments relating to being a responsible host.

### **Outcome Statement - 2. Progressive development of our building and site – to meet a wider range of community and commercial needs.**

2.1 Club redevelopment of site.

The redevelopment of the Club building is an important part of the Club's future planning. Design concepts have been produced and the Committee will continue to develop options for the Club building over the next year. Our priority over the last year has been ensuring that the building maintenance is up to scratch. The outside of the Club was painted, new signage installed, and a range of repairs and maintenance undertaken.

#### 2.7 Future use and operation of the three residential properties.

Staff shortages are something that the Club has dealt with this year along with just about every other business in town. Having accommodation available has been crucial in attracting staff to work at the Club. Providing additional buildings on one or more of the residential properties for more staff accommodation is part of work in progress. Repairs and maintenance have been undertaken to ensure the existing buildings are in good condition and protect the Members investment in these properties.

#### 2.8 Electronic signage and outdoor deck resource consent.

These projects front Port Road. The sign has received resource consent and the proposed deck fronting Port Road at the Philomel intersection is part of the overall Club redevelopment planning along with future development of the ex-outdoor bowling green area.

### **Outcome Statement - 3. Strengthening our relationships and partnerships with the Whangamata community.**

#### 3.2 Establish formal links to key organisations at governance level.

We have attended a number of meetings of the community board and Enterprise Whangamata. We retain strong links with the Beach Hop group and have put in place a policy called "Giving is Good" to guide the Committee on grant applications received from time to time from the community.

### **Outcome Statement - 4. Focusing on long term financial sustainability.**

#### 4.2 Develop an asset management plan for the Club's portfolio of property and investments.

Maintenance schedules are in place for each property and guide repairs and maintenance budgeting. This is tied in with the progressive development of our building and site set out in Outcome Statement 2 above.

**Outcome Statement - 5. Ensuring our Club's governance and management are match-fit to address change and progression.**

5.1 Committee to undertake an audit of current policies to determine gaps and to address those that are out of date or non-existent.

The policy sub-Committee has continued to meet during the year. The key achievement this year has been the completion and adoption of the risk management policy and the implementation of a risk register.

5.2 Develop annual Key Performance Indicators for governance and management to report against.

Progress this year has not been as much as we wanted and will be a focus of the new Committee.

**Outcome Statement - 6. Have the best skilled, loyal, and friendliest staff team in Whangamata.**

6.1 Establish a clearer management structure and lines of accountability.

Under the Club Manager are managers accountable for food, bar, and operations. Work is ongoing to finalise the management delegations from the Committee.

6.2 Share this Strategic Plan with staff and invite their feedback.

This is a good way to ensure that staff appreciate the future for the Club and can see their place in supporting the Club's direction. It enables staff to have input into the discussions and actions in the strategic plan. The Club Manager is continuing to work with staff on this strategy.

6.4 Create an induction process for new staff.

Completed and in place for all new staff.

6.5 Establish a system and process for more regular staff appraisals.

Completed and in place for all new staff.

6.6 Provide staff learning and training opportunities for progression.

Completed and in place for all new staff.

# Financial Report & Balance Sheet

## Financial Statements

Whangamata Club (INC)  
For the year ended 31 March 2022

Prepared by Collins James Limited



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7	Statement of Movements in Equity
8	Statement of Financial Position
9	Statement of Cash Flows
10	Statement of Accounting Policies
14	Notes to the Financial Statements



# Directory

## Whangamata Club (INC) For the year ended 31 March 2022

### Legal Name of Entity

Whangamata Club (INC)

### Incorporation Number

213243

### Nature of Business

To provide a place for members to meet, join in sporting and social activities and help out in the community.

### Registered Office

404 Port Road, Whangamata, New Zealand, 3620

### Committee Members

Position	Name	Meetings attended
President	Ian McAuley	11
Vice Presidents	Michael Green	12
	Sandra Perry	8
Secretary / Manager	Mike Williams	12
Committee	Jill Witehira	10
	Kay Baker (retired)	3
	Peter Clarke	8
	Richard Upton	10
	Steven McDowell	9
	Grant Hurley	10



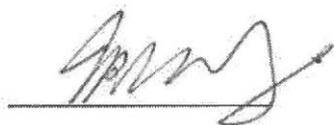
# Approval of Financial Report

Whangamata Club (INC)

For the year ended 31 March 2022

The executive committee are pleased to present the approved financial report including the historical financial statements of Whangamata Club (INC) for year ended 31 March 2022.

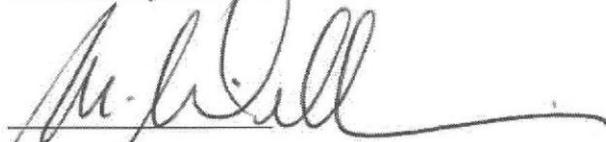
APPROVED



Ian McAuley

President

Date 23/06/2022



Mike Williams

Manager

Date 23/4/22



# Statement of Comprehensive Revenue and Expenses

Whangamata Club (INC)  
For the year ended 31 March 2022

	NOTES	2022	2021
<b>Revenue from exchange transactions</b>			
Membership Fees		147,077	149,070
<b>Revenue from providing goods or services</b>			
Bar Sales	7	1,025,394	1,252,106
Coffee Sales	10	5,780	7,177
Restaurant Sales	8	556,989	630,653
Residential Rent		42,515	40,220
Sundry Sales	10	6,216	6,826
TAB Commissions		5,831	3,961
Off-licence Sales	10	13,171	13,440
Other revenue		364,061	272,989
<b>Total Revenue from providing goods or services</b>		<b>2,019,957</b>	<b>2,227,372</b>
Interest, dividends and other investment revenue		497	156
<b>Total Revenue from exchange transactions</b>		<b>2,167,531</b>	<b>2,376,598</b>
<b>Revenue from non exchange transactions</b>			
<b>Donations, fundraising and other similar revenue</b>			
<b>Fundraising Revenue</b>			
Gaming Machine Income	5	730,601	910,902
Raffle Sales	9	64,742	80,715
Sponsorship		600	3,950
Sweep Sales	10	13,016	16,989
<b>Total Fundraising Revenue</b>		<b>808,959</b>	<b>1,012,556</b>
Donations received		853	3,160
<b>Total Donations, fundraising and other similar revenue</b>		<b>809,811</b>	<b>1,015,716</b>
<b>Total Revenue from non exchange transactions</b>		<b>809,811</b>	<b>1,015,716</b>
<b>Adjunct Income</b>			
Adjunct Income	22	82,969	103,860
<b>Total Adjunct Income</b>		<b>82,969</b>	<b>103,860</b>
<b>Total Revenue</b>		<b>3,060,311</b>	<b>3,496,175</b>



These financial statements should be read in conjunction with the notes to the financial statements and Audit Report.

	NOTES	2022	2021
<b>Expenses</b>			
<b>Employee related costs</b>			
ACC Levies		6,902	6,526
Staff Expenses/Training/Disc		29,960	18,518
Uniforms		214	3,236
Wages and salaries		1,202,867	1,096,803
Welfare		5,537	4,772
<b>Total Employee related costs</b>		<b>1,245,480</b>	<b>1,129,855</b>
<b>Costs related to fundraising</b>			
Gaming machines	5	221,201	258,890
Members Draw		25,500	34,275
Raffles	9	44,022	55,313
Sweepstakes	10	539	760
Other		21,747	5,877
<b>Total Costs related to fundraising</b>		<b>313,009</b>	<b>355,115</b>
<b>Costs related to providing goods or service</b>			
Bar cost of sales	7	379,695	429,358
Coffee cost of sales	10	8,578	10,460
Restaurant cost of sales	8	268,502	267,157
Sundry cost of sales	10	1,663	4,510
Wholesale cost of sales	10	9,502	9,620
<b>Total Costs related to providing goods or service</b>		<b>667,941</b>	<b>721,104</b>
Grants and Donations		24,154	12,120
Depreciation	16	144,779	157,440
Other expenses	11	675,304	591,675
<b>Total Expenses</b>		<b>3,070,667</b>	<b>2,967,309</b>
<b>Adjunct expenses</b>			
Adjunct	22	86,831	97,897
<b>Total Adjunct expenses</b>		<b>86,831</b>	<b>97,897</b>
<b>Surplus/(Deficit) for the Year</b>		<b>(97,186)</b>	<b>430,969</b>



These financial statements should be read in conjunction with the notes to the financial statements and Audit Report.

# Statement of Movements in Equity

Whangamata Club (INC)

For the year ended 31 March 2022

Equity	Notes	Gaming Equity	Other Equity	Total
Opening Balance 1 April 2021		41,003	4,062,628	4,103,632
Surplus/(Deficit)	5	(20,177)	(77,008)	(97,186)
Closing Balance	6	<u>20,826</u>	<u>3,985,620</u>	<u>4,006,446</u>
Opening Balance 1 April 2020		-	3,672,662	3,672,662
Surplus/(Deficit)		41,003	389,966	430,969
Closing Balance		<u>41,003</u>	<u>4,062,628</u>	<u>4,103,632</u>



These financial statements should be read in conjunction with the notes to the financial statements and Audit Report.

# Statement of Financial Position

Whangamata Club (INC)  
As at 31 March 2022

	NOTES	31 MAR 2022	31 MAR 2021
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	13	463,345	593,368
Investments	14	-	13,638
Receivables from exchange transactions		62	15,810
Prepayments		45,411	42,610
Inventories	15	77,693	85,008
Other Current Assets		8,087	-
<b>Total Current Assets</b>		<b>594,599</b>	<b>750,433</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	16	4,722,969	4,726,628
<b>Total Non-Current Assets</b>		<b>4,722,969</b>	<b>4,726,628</b>
<b>Total Assets</b>		<b>5,317,568</b>	<b>5,477,061</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other creditors		154,627	270,604
Employee entitlements		145,297	90,804
Loans and borrowings	17	92,412	92,442
<b>Total Current Liabilities</b>		<b>392,336</b>	<b>453,850</b>
<b>Non-Current Liabilities</b>			
Loans and borrowings	17	918,786	919,579
<b>Total Non-Current Liabilities</b>		<b>918,786</b>	<b>919,579</b>
<b>Total Liabilities</b>		<b>1,311,122</b>	<b>1,373,428</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>4,006,446</b>	<b>4,103,632</b>
<b>Accumulated Funds</b>			
Accumulated comprehensive revenue and expense	6	4,006,446	4,103,632
<b>Total Accumulated Funds</b>		<b>4,006,446</b>	<b>4,103,632</b>

Signed for on behalf of the executive committee who authorised these financial statements for issue on  
President \_\_\_\_\_ Manager \_\_\_\_\_



These financial statements should be read in conjunction with the notes to the financial statements and Audit Report.

# Statement of Cash Flows

Whangamata Club (INC)

For the year ended 31 March 2022

	2022	2021
<b>Cash Flows from Operating Activities</b>		
Cash was received from:		
Donations, grants and fundraising	936,456	1,168,074
Fees, subscriptions and other receipts from members	169,182	171,431
Receipts from providing goods or services	2,143,169	2,545,912
Interest	497	154
<b>Total Cash was received from:</b>	<b>3,249,303</b>	<b>3,885,571</b>
Cash was applied to:		
GST	-231,070	0
Employees	-1,167,812	-1,237,869
Interest	-38,454	-7,575
Donations, grants and fundraising	-335,356	-419,485
Suppliers	-1,468,605	-1,687,544
<b>Total Cash was applied to:</b>	<b>-3,241,297</b>	<b>-3,352,473</b>
<b>Net Cash Flows from Operating Activities</b>	<b>8,006</b>	<b>533,098</b>
<b>Cash Flows from Investing and Financing Activities</b>		
Cash was received from:		
Receipts from sale of investments	13,645	0
<b>Total Cash was received from:</b>	<b>13,645</b>	<b>0</b>
Cash was applied to:		
Payments to acquire property, plant and equipment	-150,851	-114,887
Repayments of loans borrowed from other parties	-823	-331,920
<b>Total Cash was applied to:</b>	<b>-151,674</b>	<b>-446,807</b>
<b>Total Cash Flows from Investing and Financing Activities</b>	<b>-138,029</b>	<b>-446,807</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>-130,023</b>	<b>86,290</b>
<b>Bank Accounts and Cash</b>		
Opening cash	593,368	507,078
Net change in cash for period	-130,023	86,290
Closing cash	463,345	593,368



These financial statements should be read in conjunction with the notes to the financial statements and Audit Report.

Fundraising income which includes gaming machine, raffle, sponsorship and sweepstake proceeds is recognised as revenue upon receipt.

**Revenue from exchange transactions**

Fees and subscriptions received in exchange for annual access to members' facilities and income from providing goods and services, are recognised as income upon receipt.

Interest revenue is recognised using cash basis.

**Financial Instruments**

Financial assets and financial liabilities are recognised when the Whangamata Club becomes a party to the contractual provisions of the financial instrument.

Whangamata Club financial assets included cash and cash equivalent, short term investments and receivables from exchange transactions.

The Whangamata Club derecognises a financial asset or, where applicable, a part of a financial asset or part of a Whangamata Club of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Whangamata Club has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

the Whangamata Club has transferred substantially all the risks and rewards of the asset; or

the Whangamata Club has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

All financial assets are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired.

**Financial Liabilities**

The Whangamata Club's financial liabilities include trade and other creditors, employee entitlements, loans and borrowings.

All financial liabilities are initially recognised at fair value and are measured subsequently at amortised cost using the effective interest method.

**(d) Cash and cash equivalents**

Cash and cash equivalents 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.

**(e) Short term investments**

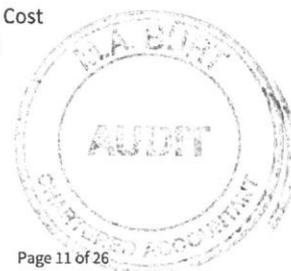
Short term investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents.

**(f) Inventories**

Inventories held for consumption in the provision of goods and services are measured at the lower of cost and net realisable value.

**(g) 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 acquired through a non-exchange transaction, its cost is measured at its fair 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 and buildings. Land and buildings are 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:

- Plant & Equipment 5-10% DV
- Furniture & Fittings 10-50% DV
- Gaming Machines 33% DV
- Motor Vehicles 30% DV

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.

**(h) Leases**

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

**(i) Borrowing costs**

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Whangamata Club have chosen not to capitalise borrowing costs directly attributable to the acquisition, construction or production of assets.

**(j) Employee benefits**

Liabilities for wages and salaries and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

**(k) Income Tax**

Whangamata Club is exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions. This is due to its not for profit status in dealing with its circle of membership only.

**(l) Goods and service tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except for receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

Cashflows are included in the statement of cashflows on a gross basis.

**(l) Equity**

Equity is the community's interest in the Group, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

**Accumulated comprehensive revenue and expense**

Accumulated comprehensive revenue and expense is the Whangamata Club's accumulated surplus or deficit since its formation.

**Gaming Equity**



Depreciation is charged on a straight line basis over the useful life of the asset, except for land and buildings. Land and buildings are 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:

- Plant & Equipment 5-10% DV
- Furniture & Fittings 10-50% DV
- Gaming Machines 33% DV
- Motor Vehicles 30% DV

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Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

**(i) Borrowing costs**

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Whangamata Club have chosen not to capitalise borrowing costs directly attributable to the acquisition, construction or production of assets.

**(j) Employee benefits**

Liabilities for wages and salaries and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

**(k) Income Tax**

Whangamata Club is exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions. This is due to its not for profit status in dealing with its circle of membership only.

**(l) Goods and service tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except for receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

Cashflows are included in the statement of cashflows on a gross basis.

**(l) Equity**

Equity is the community's interest in the Group, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

**Accumulated comprehensive revenue and expense**

Accumulated comprehensive revenue and expense is the Whangamata Club's accumulated surplus or deficit since its formation.

**Gaming Equity**



Accumulated gaming revenue and expense is Whangamata Clubs accumulated surplus or deficit since its first Gaming Licence. The Department of Internal Affairs controls Whangamata Club's Gaming Licence and at year end the gaming bank balance equals the amount of undistributed gaming machine funds.

#### 4. Significant accounting judgments, estimates and assumptions

The preparation of the Whangamata Club's financial statements requires the Executive Committee to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

##### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Whangamata Club based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Whangamata Club. Such changes are reflected in the assumptions when they occur.

##### Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- The condition of the asset
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

The estimated useful lives of the asset classes held by the Whangamata Club are listed in Note 3 (g).



# Notes to the Financial Statements

## Whangamata Club (INC) For the year ended 31 March 2022

<b>5. Gaming Machine Account</b>	<b>2022</b>	<b>2021</b>
Income from Gaming Machines	730,601	910,901
<b>Direct Gaming Costs</b>		
Computer Training / Software	700	1,100
DIA Monitoring Fees	11,937	11,587
Gaming Duty	179,354	209,507
Gaming Licence fees	19,374	10,616
Gaming machine maintenance	2,522	17,024
Problem Gambling Levy	6,522	8,171
Power & Gas	792	884
	<u>221,201</u>	<u>258,890</u>
<b>Other Direct Gaming Costs</b>		
Gaming Machine Wages	39,600	39,600
Depreciation on Gaming Assets	65,586	53,512
	<u>105,186</u>	<u>93,112</u>
<b>Total Direct Gaming Costs</b>	<b>326,386</b>	<b>352,002</b>
<b>Indirect Gaming costs</b>		
Accounting Fees	5,700	10,950
Audit Fees	1,500	1,000
Insurance	12,584	12,783
	<u>19,784</u>	<u>24,733</u>
<b>Total Costs</b>	<b>346,171</b>	<b>376,735</b>
Net gaming Income	384,430	534,166
Less Authorised Purposes (Note 21)	404,608	493,163
<b>Gaming Surplus / (Deficit)</b>	<u><b>(20,177)</b></u>	<u><b>41,003</b></u>

<b>6. Gaming Funds Reconciliation</b>	<b>2022</b>	<b>2021</b>
Gaming Bank Account	45,471	85,485
Less		
Gaming duty and levies for March	14,502	19,106
Gaming GST	2,676	9,322
Other March Creditors	7,467	16,054
	<u>24,645</u>	<u>44,482</u>
<b>Gaming Equity</b>	<b>20,826</b>	<b>41,003</b>



These financial statements should be read in conjunction with the notes to the financial statements and Audit Report.

# Notes to the Financial Statements

## Whangamata Club (INC) For the year ended 31 March 2022

	2022	2021
<b>7. Bar Trading</b>		
Sales	1,025,394	1,252,106
<b>Less Cost of Sales</b>		
Opening Bar Stock	49,180	45,045
Purchases	365,175	433,493
Less Closing Stock Bar	(34,660)	(49,180)
<b>Total Cost of Sales</b>	<b>379,695</b>	<b>429,358</b>
Gross Profit from Bar	645,699	822,748
Gross Profit %	63	66
	2022	2021
<b>8. Restaurant Trading</b>		
Sales	556,989	630,653
<b>Less Cost of Sales</b>		
Opening Stock Kitchen	29,111	23,845
Purchases	263,242	272,423
Less Closing Stock Kitchen	(23,850)	(29,111)
<b>Total Cost of Sales</b>	<b>268,502</b>	<b>267,157</b>
Gross Profit from Restaurant	288,487	363,496
Gross Profit %	52	58
	2022	2021
<b>9. Raffles</b>		
Sales	64,742	80,715
<b>Less Cost of Sales</b>		
Opening Stock Raffles	3,679	3,302
Purchases	53,338	55,690
Less Closing Stock Raffles	(12,996)	(3,679)
<b>Total Cost of Sales</b>	<b>44,022</b>	<b>55,313</b>
Gross Profit from Raffles	20,720	25,402
Gross Profit %	32	31
	2022	2021
<b>10. Net Proceeds Other</b>		
Coffee Trading	(2,798)	(3,282)
Off-licence Trading	3,669	3,820
Sweepstakes	12,477	16,229
Sundry Trading	4,553	2,316
<b>Total Net Proceeds Other</b>	<b>17,901</b>	<b>19,084</b>



	2022	2021
<b>11. Other Expenses</b>		
Accounting / Audit Fees	30,322	32,989
Advertising	14,176	11,701
Bank Charges / Eftpos	3,870	4,399
Cleaning	21,648	20,234
Computer/Copier Expenses	8,062	13,642
Computer Training/Software	20,106	10,207
Entertainment	49,318	33,873
Hospitality	25,492	21,109
Insurance	53,748	45,692
Interest	38,454	49,029
Leasing and Rental Costs	7,933	7,575
Licence Fees & Subscriptions	19,086	16,489
Loss on Disposal	9,720	5,799
Members Expenses	16,959	18,369
Other	45,011	78,480
Power & Gas	68,108	58,860
Rates	26,891	25,641
Repairs and Maintenance	157,768	93,041
Shuttle Charges	17,628	11,773
Sky TV	21,286	16,232
Stationary / Printing	8,845	8,527
Telephone / Internet	8,148	5,856
Travel & Accommodation	2,723	2,157
<b>Total Other Expenses</b>	<b>675,304</b>	<b>591,675</b>

**12. Auditors Remuneration**

M A Burt provides audit services to Whangamata Club, total cost 2022 \$4,500 (2021: \$4,400). M A Burt does not provide any non-audit services.

	2022	2021
<b>13. Cash and Cash Equivalents</b>		
BNZ Main Account	283,174	344,272
BNZ Gaming Account	45,471	85,485
BNZ Subscriptions Account	-	-
BNZ Rental Properties	531	361
BNZ Adjunct Accounts	79,169	84,751
Floats on Hand	55,000	78,500
<b>Total Cash and Cash Equivalents</b>	<b>463,345</b>	<b>593,368</b>



2022 2021

**14. Investments****Term Deposits - Maturing within 12 Months of balance date**

Golf Investment	-	7,868
Indoor Bowls Investment	-	5,777
<b>Total Term Deposits - Maturing within 12 Months of balance date</b>	<b>-</b>	<b>13,645</b>

2022 2021

**15. Stock on Hand**

Bar Stock	34,660	49,180
Restaurant Stock	23,850	29,111
Off-licence Stock	133	186
Raffles Stock	12,996	3,679
Coffee Stock	983	1,629
Sundry Stock	5,071	1,223
<b>Total Stock on Hand</b>	<b>77,693</b>	<b>85,008</b>



## 16. Property, Plant and Equipment

2022 Asset Class	OBV	Additions	Disposals	Depreciation	NBV
Land & Buildings	4,017,624	-	-	3,796	4,013,828
Furniture and fixtures	91,878	-	-	17,378	74,500
Kitchen plant and equipment	41,364	18,187	-	8,718	50,833
Motor Vehicles	-	48,522	-	7,278	41,243
Plant and equipment	457,421	24,142	-	61,867	419,696
Gaming machines	118,330	60,000	9,720	45,741	122,868
<b>Total</b>	<b>4,726,617</b>	<b>150,851</b>	<b>9,720</b>	<b>144,779</b>	<b>4,722,968</b>
<b>2022</b>			<b>Accumulated</b>		
<b>Asset Class</b>		<b>Cost</b>	<b>Depreciation</b>	<b>NBV</b>	
Land & Buildings		4,538,275	524,447	4,013,828	
Furniture and fixtures		521,440	446,940	74,500	
Kitchen plant and equipment		74,199	23,367	50,833	
Motor Vehicles		48,522	7,278	41,243	
Plant and equipment		1,483,178	1,063,482	419,696	
Gaming machines		509,280	386,412	122,868	
<b>Total</b>		<b>7,174,894</b>	<b>2,451,926</b>	<b>4,722,968</b>	
<b>2021</b>			<b>Accumulated</b>		
<b>Asset Class</b>		<b>Cost</b>	<b>Depreciation</b>	<b>NBV</b>	
Land & Buildings		4,538,275	520,652	4,017,623	
Furniture and fixtures		521,440	429,552	91,888	
Kitchen plant and equipment		56,010	14,645	41,365	
Plant and equipment		1,459,036	1,001,615	457,422	
Gaming machines		497,569	379,239	118,330	
<b>Total</b>		<b>7,072,330</b>	<b>2,345,703</b>	<b>4,726,628</b>	



## 17. Loans

	Interest Rate	Start Date	Maturity Date	2022	2021
<b>Current interest bearing loans and borrowings</b>					
BNZ Loan 03022	2.95%	11/08/2015	11/06/2028	24,000	24,000
BNZ Loan 03023	2.95%	11/08/2015	11/05/2031	24,000	24,000
BNZ Loan 03025	3.41%	20/06/2018	20/06/2023	0	30
BNZ Loan 03026	4.14%	30/05/2019	30/08/2043	44,412	44,412
				<b>92,412</b>	<b>92,442</b>
<b>Non-Current interest bearing loans and borrowings</b>					
BNZ Loan 03022	2.95%	11/08/2015	11/06/2028	112,180	131,148
BNZ Loan 03023	2.95%	11/08/2015	11/05/2031	167,752	184,854
BNZ Loan 03025	3.41%	20/06/2018	20/06/2023	0	0
BNZ Loan 03026	4.14%	30/05/2019	30/08/2043	585,654	603,576
Government Small Business Loan	0.00%	30/09/2021	30/09/2024	53,200	0
				<b>918,786</b>	<b>919,578</b>

The loans are secured by registered first mortgages over property situated at 400-408 Port Road, 103A Philomel Road and 103B Philomel Road and 105 Philomel Road in Whangamata.



## 18. Related Party Transactions

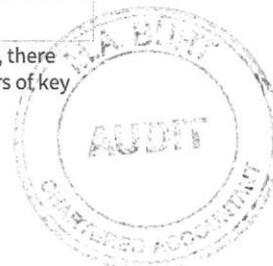
Related Party	Description of Transaction	2022	2021	2022	2021
		Value of Transactions	Value of Transactions	Amount Outstanding	Amount Outstanding
<b>Michael Williams</b> (Club Manager)	Rental of Club House	14,300	14,300	-	-
<b>Jill Witehira</b> (Committee Member)	Organising Raffles	4,399	2,595	-	-
<b>Homesafe Locksmith</b> (Ian McAuley Committee Member)	Goods and Services	431	672	-	-
<b>Coastline Property Painters</b> (Richard Upton Committee Member)	Repairs & Maintenance	29,975	345	-	-

## 19. Key Personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body which is comprised of the Committee and General Manager, which constitutes the Executive Committee. No remuneration is paid to members of the Committee. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

<b>Committee member honorarium</b>		2022	2021
Total Remuneration		5,000	5,485
Number of Persons		1	1
<b>Management remuneration</b>		2022	2021
Total Remuneration		363,648	325,937
Number of Persons		5	5

Remuneration and compensation provided to close family members of key management. During the reporting period, there was no remuneration or compensation provided by the Whangamata Club to employees who are close family members of key management personnel.



## 20. Leases

As at the reporting date, the Executive Committee has entered into the following non-cancellable operating leases				
			2022	2021
Not later than one year			6,683	8,526
Later than one year and no later than five years			17,120	10,077
Later than five years			-	-
<b>Total</b>			<b>23,803</b>	<b>18,603</b>

2022 2021

**Financial Assets**

Investments - 13,645

**Loans and Receivables**

Cash and cash equivalents 463,345 593,368

Receivables from exchange transactions 62 9,499

**Total Loans and Receivables 463,407 602,867****Total Financial Assets 463,407 616,512**

2022 2021

**Financial Liabilities**

Trade and other creditors 154,627 268,151

Employee entitlements 145,297 90,804

Loans and borrowings 957,998 1,012,021

**Total Financial Liabilities 1,257,922 1,370,976**

<b>21. Applied to Authorised Purposes</b>	<b>2022</b>	<b>2021</b>
Accounting Fees	3,150	3,400
Administration wages	80,000	64,807
Adjunct expenses	12,967	-
Audit	3,000	-
Bank fees	85	-
Computer & Copier	325	2,570
Donations	6,000	-
Entertainment	2,105	-
Executive expenses	-	885
Fixed Assets Non Gaming	20,347	42,130
Fixed assets gaming	-	-
Grants	16,027	12,550
General Expenses	-	-
Health & Safety	-	-
Insurance	-	2,182
Insurance prepayment	-	35,153
Interest	38,454	47,698
Legal	-	-
Licence Fees & Subscriptions	3,598	13,390
Loan Repayments	53,988	184,200
Member Expenses	1,517	3,660
Plant & Equipment Rental	-	566
Professional Fees	6,000	2,830
Promotions and marketing	5,200	-
Rates	26,891	25,641
Repairs & Maintenance	103,660	33,214
Sky TV	19,474	16,232
Staff Expenses	1,820	-
Telephone & postage	-	1,680
Travel & Accomodation	-	374
	<b>404,608</b>	<b>493,163</b>

These financial statements should be read in conjunction with the notes to the financial statements and Audit Report.



**22. Adjuncts**

Adjunct bank balances at year end were:

	2022	2021
Coastal Rockers	12,092	8,054
Darts	10,164	9,930
Fishing	8,524	13,011
Golf	5,840	2,436
Indoor Bowls	12,347	10,354
Mah Jong	9,043	7,412
Outdoor Bowls	0	9,313
Pool	6,444	8,141
Poker	4,771	3,800
Snooker	9,944	12,297
	<b>79,169</b>	<b>84,751</b>

	2022		
	Revenue	Expenses	Profit / (Loss)
Coastal Rockers	9,466	3,043	6,422
Darts	7,120	6,772	348
Fishing	1,761	6,056	(4,295)
Golf	11,615	15,449	(3,834)
Indoor bowls	13,886	14,731	(845)
Maj Jong	9,573	8,077	1,497
Outdoor bowls	-	926	(926)
Pool	7,112	9,040	(1,928)
Poker	18,357	17,477	881
Snooker	4,078	5,261	(1,183)
	<b>82,969</b>	<b>86,831</b>	<b>(3,862)</b>

**23. Capital commitments**

There were no capital commitments at the reporting date. (2021: \$Nil).

**24. Contingent assets and liabilities**

There are no contingent assets or liabilities at the reporting date. (2021: \$Nil).

**25. Events after the reporting date**

The Executive Committee is not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the club. (2021: \$Nil).



## INDEPENDENT AUDITOR'S REPORT

To the Members of Whangamata Club Incorporated.

I have audited the financial report of Whangamata Club Incorporated, which comprises the statement of financial position as at 31 March 2022, and the directory, statement of comprehensive income, statement of changes in net assets, statement of cash flows, for the year then ended, and the statement of accounting policies and other explanatory information.

### Opinion

In my opinion, the accompanying financial report presents fairly in all material aspects, the financial position of the Incorporation as at 31 March 2022 and of its financial performance for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) or Tier 2.

### Basis for Opinion

I conducted my audit of the statement of financial position as at 31 March 2022, and the directory, statement of comprehensive income, statement of changes in net assets, statement of cash flows and the statement of accounting policies and other explanatory information in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Whangamata Club Incorporated in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other than in my capacity as auditor I have no relationship with, or interests in, the Incorporation.

### Responsibilities of the Committee for the Financial Report.

**The Committee** are responsible for the preparation and fair presentation of the financial report which comprises the statement of financial position, directory, statement of comprehensive income, statement of changes in net assets, statement of cash flows and the statement of accounting policies and other explanatory information in accordance with the public benefit entity accounting standards (tier 2), and for such internal control as the Committee determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee are responsible for assessing Whangamata Club Incorporated's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee either intend to liquidate the Whangamata Club Incorporated or to cease operations, or have no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a



guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the committee, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the incorporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I'm required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the incorporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

I communicate with the committee regarding, among other matters the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Michael A Burt  
Chartered Accountant

10 Orchard Rd, PO Box 188, Waihi  
23 June 2022

