



2019

Performance Report

Raetihi Cosmopolitan Club Incorporated

Management Accounts prior to Audit



Management
Accounts prior to
Audit

Contents of Performance Report

For the Year Ended 31 March 2019

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Raetihi Cosmopolitan Club Incorporated

Entity Information

As at 31 March 2019

Raetihi Cosmopolitan Club Incorporated is an incorporated society, registered under the Incorporated Societies Act 1908.

Entity's Purpose or Mission

1. To conduct, administer and maintain a club for its members and for such persons as are authorised from time to time in accordance with the terms of any Charter or Licence granted to the club.
2. To provide amenities' and cultural activities.
3. To promote sports and fellowship and
4. Generally to provide an atmosphere where the members may meet and enjoy companionship with one another.

Nature of Business

Cosmopolitan Club

Address

32 Seddon Street
RAETIHI 4632

Telephone

06 385 4089

Entity Structure

The clubs constitution, registered under the Incorporated Societies Act 1908, provides for 8 democratically elected officers. There are a President, Vice President and 6 Committee Members of which one becomes Treasurer. The committee members serve 2 years with 3 positions requiring election each year. The President and Vice President positions are elected each year.

Main Sources of Cash and Resources

The club received revenue from hospitality operations, gaming, raffle and housie operations, revenue from hirage and renting out a residential house and members subscriptions.

Main Methods Used to Raise Funds

All fundraising activities are co-ordinated to encourage our membership to actively participate in all areas of revenue streams listed above.

Entity's Reliance on Volunteers and Donated Goods or Services

Many volunteers contribute to the social and sporting activities of the club. These include but are not restricted to sports, socials, entertainment, fundraising for charitable groups, housie, quiz nights, etc

Raetihi Cosmopolitan Club Incorporated

Entity Information (continued)

As at 31 March 2019

History	The club was Incorporated in 1947. All these principles have operated since that date.
President	R Feickert
Vice President	Kerry Windle
Committee	I Todd (Treasurer) R Martin resigned Oct 18 H Bowen M Bright R Hall N Te Ngahue S Richards from Jan 19
Manager/Secretary	L Campbell
Accountants	Balance Chartered Accountants Limited 22 Ayr Street Ohakune
Auditor	Silks Audit Chartered Accountants Limited Chartered Accountants
IRD Number	011-094-341

Raetihi Cosmopolitan Club Incorporated

Divisional Statement of Financial Performance

For the Year Ended 31 March 2019

	Note	2019 \$	2018 \$
BAR			
Operating Revenue			
Bar Sales		368,207	318,037
Bar Snack Sales		5,735	5,473
Total Revenue		373,942	323,510
Less Cost of Sales			
Bar Opening Stock		14,279	11,846
Bar Purchases		132,712	120,953
Boc Gases		816	1,064
Bar Snack Purchases		2,655	3,072
		136,183	125,090
		150,462	136,936
Bar Closing Stock		(13,626)	(14,279)
Total Cost of Sales		136,836	122,657
Gross Surplus from Trading		237,106	200,852
Gross Surplus %		63.41%	62.09%
Less Direct Costs			
Wages & Allowances		113,052	92,499
Bar Replacement		527	1,468
Cleaning		3,869	3,590
Total Direct Costs		117,448	97,557
Gross Surplus		123,027	103,296
OFF SALES			
Operating Revenue			
Off Sales		38,336	38,244
Less Cost of Sales			
Purchases		33,544	33,465
Gross Surplus from Trading		4,792	4,779
Gross Surplus %		12.50%	12.50%

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been compiled without audit or review - refer Compilation Report.

Raetihi Cosmopolitan Club Incorporated

Divisional Statement of Financial Performance (continued)

For the Year Ended 31 March 2019

	Note	2019 \$	2018 \$
TOBACCO			
Operating Revenue			
Tobacco Sales		43,005	29,508
Less Cost of Sales			
Tobacco Opening Stock		2,435	2,525
Tobacco Purchase		39,537	25,968
		41,972	28,493
Tobacco Closing Stock		(3,565)	(2,435)
Total Cost of Sales		38,407	26,058
Gross Surplus from Trading		4,598	3,450
Gross Surplus %		10.69%	11.69%
HOUSIE			
Operating Revenue			
Housie Income		3,261	7,265
Less Cost of Sales			
Purchases		1,618	1,641
Gross Surplus from Trading		1,643	5,624
Gross Surplus %		50.38%	77.41%
RAFFLE			
Operating Revenue			
Raffle Income		3,734	2,322
Less Cost of Sales			
Purchases		1,174	1,138
Gross Surplus from Trading		2,560	1,184
Gross Surplus %		68.57%	50.97%

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Raetihi Cosmopolitan Club Incorporated

Divisional Statement of Financial Performance (continued)

For the Year Ended 31 March 2019

	Note	2019 \$	2018 \$
RESTAURANT			
Operating Revenue			
Restaurant Income		111,833	102,373
Less Cost of Sales			
Opening Stock		1,444	1,444
Purchases		61,711	54,263
		63,155	55,707
Closing Stock		(1,690)	(1,444)
Total Cost of Sales		61,465	54,263
Gross Surplus from Trading		50,368	48,110
Gross Surplus %		45.04%	46.99%
Less Direct Costs			
Wages		53,054	40,690
Gross Deficit (Surplus)		(2,686)	7,420
Less Expenses			
Operating Expenses			
Repairs & Maintenance - Restaurant		1,018	3,275
Deficit (Surplus)		(3,704)	4,144

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been compiled without audit or review - refer Compilation Report.

Raetihi Cosmopolitan Club Incorporated

Rental Revenue Schedule

For the Year Ended 31 March 2019

	2019	2018
	\$	\$
Rental Revenue Schedule for Queen Street, Raetihi		
Revenue		
Rent Received	4,600	4,900
Less Expenses		
General Expenses	-	805
Repairs & Maintenance	11,091	532
Rates	2,658	2,565
	13,750	3,902
Net Rental (Deficit) Revenue	(9,150)	998

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Raetihi Cosmopolitan Club Incorporated

Combined Statement of Financial Performance

For the Year Ended 31 March 2019

	Note	2019 \$	2018 \$
Divisional Revenue			
Surplus from Bar		123,027	103,296
Surplus from Off Sales		4,792	4,779
Surplus from Tobacco		1,229	3,450
Surplus from Housie		1,643	5,624
Surplus from Raffle		2,560	1,184
(Deficit) Surplus from Restaurant		(3,704)	4,144
Surplus (Deficit) from Gaming Trading Account		22,708	(3,749)
Total Divisional Revenue		152,255	118,727
Operating Revenue			
Subscription & Nomination Fees		15,053	15,600
Juke Box		613	516
Members Donation Funds		1,617	2,363
Gaming Grant Wages		18,600	18,600
Hire of Facilities		-	43
Transport Funds		2,843	2,741
Capital Transfers - Authorised Purposes		5,428	55,834
Interest Received		43	27
Wage Subsidy		-	1,878
Rental Revenue		(9,150)	998
Total Operating Revenue		35,047	98,601
Net Revenue		187,302	217,327

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been compiled without audit or review - refer Compilation Report.

Raetihi Cosmopolitan Club Incorporated
Combined Statement of Financial Performance (continued)
For the Year Ended 31 March 2019

	Note	2019 \$	2018 \$
Less Expenses			
Operating Expenses			
Advertising & Promotion		2,601	3,166
Bands & Other Entertainment		2,937	1,426
Cleaning Wages		13,876	17,506
Club Hospitality		4,952	9,490
ANZ Card Fees		2,542	2,112
Electricity		13,866	10,837
Equipment Hire		3,359	6,600
Freight & Cartage		35	14
Members Donations Spent		3,449	783
Members Benefit		6,077	8,086
Members Draw		13,870	14,517
Sports Van Expenses		5,140	3,554
Overs & Under Reimbursement		(905)	(1,381)
Permits & Licences		2,701	2,737
Rates		7,366	7,801
R & M - Grounds		104	671
R & M - Furniture & Fittings		929	1,418
R & M - Plant & Equipment		1,273	4,210
Repairs & Maintenance Gaming		-	1,443
Rubbish Disposal		2,465	2,840
Staff Training & Welfare		5,357	1,691
TAB Costs		200	-
		92,193	99,522
Administration Expenses			
Administration & Secretarial Wages		38,724	34,682
Bank Fees		972	1,034
Committee/Management Expenses		1,147	1,696
Insurance		11,531	8,909
IRD Penalties		-	622
Postage & Courier		223	11
Security Expenses		703	368
		53,301	47,323
Finance Expenses			
Interest - Current Account		3	1
Interest - Mortgage		-	1,086
		3	1,087
Non Cash Expenses			
Depreciation		23,510	24,611
Total Expenses		169,006	172,543
Net Surplus		18,296	44,785

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been compiled without audit or review - refer Compilation Report.

Raetihi Cosmopolitan Club Incorporated

Statement of Changes in Accumulated Funds

For the Year Ended 31 March 2019

	2019	2018
	\$	\$
Revenues and Expenses		
Net Surplus	18,296	44,785
Movement in Undistributed Gaming Funds Reserve	22,708	(3,749)
Total Recognised Revenues and Expenses	41,004	41,036
Accumulated Funds at the Beginning of the Year	760,383	715,598
Accumulated Funds at the End of the Year	801,386	756,634
Movements in Retained Earnings		
Opening Balance	688,285	639,752
Plus:		
Net Surplus	18,296	44,785
Transfer to Gaming Reserves	-	3,749
	18,296	48,534
Less:		
Transfer to Gaming Reserves	22,708	-
Retained Earnings Closing Balance	683,873	688,285

Raetihi Cosmopolitan Club Incorporated

Statement of Financial Position

As at 31 March 2019

	Note	2019 \$	2018 \$
Current Assets			
Gaming Float		6,000	6,000
Till & Eftpos Float		8,204	6,412
Safe Float		6,000	6,000
Hoppers Tally		1,580	720
Petty Cash		18	18
Kitchen Float		300	300
Gaming Machine Replacement		169	2,169
Westpac Raetihi Cosmopolitan		54,452	39,955
Westpac Gaming Account		27,746	7,287
BNZ Holding Account		8,015	5,327
Accounts Receivable & Prepayments		1,635	2,663
Inventories		18,881	18,158
Current Investments	2	20,000	-
Total Current Assets		153,001	95,008
Non-Current Assets			
Property, Plant & Equipment	3	692,368	711,799
Intangibles	4	3,395	3,395
Total Non-Current Assets		695,763	715,194
Total Assets		848,764	810,202
Current Liabilities			
Accounts Payable & Accrued Expenses	5	47,460	35,498
Employee Costs Payable	5	22,626	14,322
Total Liabilities		70,085	49,820
Net Assets		778,678	760,383
Accumulated Funds			
Retained Earnings	6	683,873	688,285
Reserves	7	94,805	72,097
Total Accumulated Funds		778,678	760,383

On behalf of the Raetihi Cosmopolitan Club Incorporated

President

Date

Committee
Member

Date

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been compiled without audit or review - refer Compilation Report.

1 Statement of Accounting Policies

Reporting Entity

Raetihi Cosmopolitan Club Incorporated ("the club") is an Incorporated Society registered under the Incorporated Societies Act 1908 number 215947

Statement of Compliance and Basis of Preparation

Raetihi Cosmopolitan Club Incorporated is eligible to apply Tier 3 PBE Accounting Requirements : 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. The incorporated society has elected to report in accordance with PBE SFR-A (NFP). All transactions in the Performance Report are reported using the accrual basis of accounting.

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of financial Performance and Statement of Financial Position on a historical cost basis are followed by the club. The information is presented in New Zealand dollars.

The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Combined Statement of Financial Performance and Statement of Financial Position have been applied:

(a) Revenue Recognition

Revenue is recorded on the occurrence of a recognition event when there is a legal right to receive cash either now or sometime in the future. Subscriptions are recognised on receipt.

Lease income is recognised on a straight line basis over the life of the lease.

Interest received is recognised as interest accrues, gross of refundable tax credits received.

Donations are recognised on receipt.

(b) Expenses

Expenses have been classified by their business function.

(c) Inventories

Inventories are recognised at lower of cost and net realisable value, determined on a first-in first-out basis.

(d) Trade Receivables

Trade Receivables are recognised at estimated realisable value. Subscriptions are recorded on a cash basis.

(e) Property, Plant & Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

For the Year Ended 31 March 2019

Property

Property is revalued to the most recent Quotable Value. Revaluations are recognised through equity.

Plant and Equipment

Plant and equipment is recognised at cost less aggregate depreciation. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

All other repairs and maintenance are recognised as expenses in the Combined Statement of Financial Performance in the financial period in which they are incurred.

Depreciation

Depreciation is charged at rates to allocate the cost of the asset less any estimated residual value over its remaining useful life.

The following estimated depreciation rates/useful lives have been used:

Freehold Land	0%
Buildings	2%-10%
Plant & Equipment	5%-40%
Motor Vehicles	21%
Furniture & Fittings	0%-100%
Office Equipment	6.7%-100%
Cups & Trophies	5%
Gaming Machines	20%-40%

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. Gains and losses on disposal of fixed assets are taken into account in determining the net result for the year.

(f) Income Tax

No provision has been made for taxation as the Club is not required to file Income Tax Returns.

(g) Goods and Services Taxation (GST)

Revenue and expenses have been recognised in the performance report exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST. The incorporated society is registered for GST.

(h) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from previous performance report.

Raetihi Cosmopolitan Club Incorporated

Notes to and forming part of the Performance Report (continued)

For the Year Ended 31 March 2019

2 Current Investments

	2019	2018
	\$	\$
Term Deposit		
BNZ Term Deposit	10,000	-
Westpac Term Deposit	10,000	-
Total Current Investments	20,000	-

3 Property, Plant & Equipment

	Opening Carrying Amount	Purchases / (Sales or Disposals)	Depreciation & Impairment	Closing Carrying Amount
Property, Plant & Equipment 2019	\$	\$	\$	\$
Freehold Land	106,000	-	-	106,000
Buildings	549,184	-	14,771	534,413
Plant & Equipment	17,394	2,380	3,359	16,414
Furniture & Fittings	20,660	3,048	3,836	19,872
Office Equipment	3,056	-	1,372	1,684
Cups & Trophies	295	-	171	124
Gaming Machines	15,210	7,500	8,850	13,860
Total Property, Plant & Equipment	711,799	12,928	32,360	692,368

	Opening Carrying Amount	Purchases / (Sales or Disposals)	Depreciation & Impairment	Closing Carrying Amount
Property, Plant & Equipment 2018	\$	\$	\$	\$
Freehold Land	106,000	-	-	106,000
Buildings	564,000	-	14,816	549,184
Plant & Equipment	21,476	-	4,082	17,394
Furniture & Fittings	11,720	13,753	4,814	20,660
Office Equipment	80	3,704	728	3,056
Cups & Trophies	466	-	171	295
Gaming Machines	14,596	10,173	9,559	15,210
Total Property, Plant & Equipment	718,338	27,631	34,170	711,799

	Current Valuation	Date of Valuation
Valuation	\$	
Quotabe Value	683,000	01 Jul 2015

Raetihi Cosmopolitan Club Incorporated

Notes to and forming part of the Performance Report (continued)

For the Year Ended 31 March 2019

4	Intangibles	2019	2018
		\$	\$
	TAB Franchise	3,395	3,395
	Total Intangibles	3,395	3,395
5	Payables & Accruals	2019	2018
		\$	\$
	Other Payables & Accruals		
	Accounts Payable & Accrued Expenses	40,285	30,054
	GST Payable	7,175	5,444
	Employee Costs Payable	22,626	14,322
	Total Payables & Accruals	70,085	49,820
6	Retained Earnings	2019	2018
		\$	\$
	Opening Balance	688,285	639,752
	Plus:		
	Net Surplus	18,296	44,785
	Transfer to Gaming Reserves	-	3,749
		18,296	48,534
	Less:		
	Transfer to Gaming Reserves	22,708	-
	Retained Earnings Closing Balance	683,873	688,285
7	Reserves	2019	2018
		\$	\$
	Asset Revaluation Reserve		
	Opening Balance	33,472	33,472
	Closing Balance	33,472	33,472
	Undistributed Gaming Funds Reserve		
	Opening Balance	38,625	42,374
	Movements for the period	22,708	(3,749)
	Closing Balance	61,333	38,625
	Total Reserves	94,805	72,097

8 Westpac Business Card

The Club has access to a credit card facility with Westpac Bank with a limit of \$6,000. At 31 March 2019 the balance outstanding was \$0

9 Westpac Bank Accounts - Overdraft Facilities

00 A/c -Floating interest rate on balance up to \$25,000

The rate applicable at 31 March 2019 is the bank's Business Lending Rate of 10.25%

Security as per Term Loan (See Note 18)

10 Subsequent Events

There have been no significant events subsequent to balance date. (2018-nil)

11 Related Parties

2019 - Nil

2018 - Nil

12 Commitments

2019 - Nil. 2018 - The club has a capital commitment to purchase replacement carpet at a value of \$13,200, a deposit has been paid and is shown in prepayments of \$2,295.65 (exclusive GST).

13 Contingent Liabilities and Guarantees

No Contingent liabilities existed at balance date. (2018 - Nil) On 23/10/2014 there was a guarantee issued by WNZL on behalf of Raetihi Cosmopolitan Club Incorporated to the NZ Racing Board for a Racing Baord Bond of \$5,000

Raetihi Cosmopolitan Club Incorporated

Divisional Statement of Financial Performance

For the Year Ended 31 March 2019

	Note	2019 \$	2018 \$
GAMING TRADING ACCOUNT			
Operating Revenue			
Gaming Machines		264,964	279,189
Interest Received Gaming		21	29
		264,985	279,219
Gross Surplus			
Less Expenses			
Gaming Expenses			
Accountancy		3,550	1,819
Audit Fees		2,664	2,575
Bank Fees		9	5
Computer Expenses & Training & Stationary		2,899	2,238
Depreciation - Gaming Equipment		8,850	9,559
Electricity		3,403	4,094
EMS Costs		2,889	8,344
Gaming Duty		64,507	64,718
Gaming Licences		9,991	9,382
Gaming Administration Wages		18,600	18,600
Gaming Consultancy & Club Care		-	196
Gaming Machines - Repairs & Maintenance		15,026	10,080
Indirect Gaming Costs		813	669
Insurance		2,531	1,956
IRD Interest & Penalties		3	-
Milage - Manager		113	146
Other Expenses - Manager		42	-
Problem Gaming Levy		3,007	3,594
Security		2,406	1,164
		141,304	139,138
Gaming Account Authorised Purposes			
Accountancy		3,000	1,819
ACC		1,653	1,532
Audit Fees		2,664	2,575
Cleaning Cost		6,583	5,756
Conference Costs		2,852	2,536
Grants to Main Club		5,428	55,834
Electricity		7,941	9,152
Admin Salary & Wages		49,261	43,478
General Expenses Gaming		299	-
Grants & Donations		2,575	2,925
Club NZ Fees		1,560	-
Printing & Stationary		3,198	3,985
Sky Television		10,521	10,436
Telephone		3,437	3,803
		100,973	143,830
Total Expenses		242,277	282,968
Surplus (Deficit)		22,708	(3,749)

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