

OTAGO YACHT CLUB INCORPORATED
SPECIAL PURPOSE FINANCIAL REPORTS
for the year ended 30 April 2019

Otago Yacht Club Incorporated

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INDEPENDENT REVIEW REPORT

To the Committee of Otago Yacht Club Incorporated

Report on the Special Purpose Financial Statements

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We have reviewed the accompanying special purpose financial statements of Otago Yacht Club Incorporated ("the Club") on pages 3 to 7, which comprise the Statement of Financial Position as at 30 April 2019, and the Statement of Financial Performance, Statement of Movements in Equity for the year then ended 30 April 2019, and a summary of significant accounting policies and other explanatory information.

Committee's Responsibility for the Financial Statements

The Committee are responsible on behalf of the Club for the preparation and fair presentation of these special purpose financial statements in accordance with the accounting policies as disclosed in the Notes to the financial statements, and for such internal control as the Committee determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standards on Review Engagements (New Zealand) (ISRE (NZ) 2400, *Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity*. ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires that we comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE (NZ) 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the Club, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these financial statements.

Other than in our capacity as assurance practitioner we have no relationship with, or interests in the Club.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of the Club as at 30 April 2019, and its financial performance for the year then ended, in accordance with the accounting policies set out in the Notes to the financial statements.

Basis of Accounting

Without modifying our conclusion, we draw attention to the accounting policies in the Notes to the special purpose financial statements, which describes the basis of accounting. The financial statements are prepared to assist Committee to report the financial performance and position to the members as well as to assist with procuring grant funding. As a result, the financial statements may not be suitable for another purpose.



Crowe Horwath New Zealand Audit Partnership
CHARTERED ACCOUNTANTS
10 July 2019

Otago Yacht Club Incorporated

Statement of Financial Performance

for the year ended 30 April 2019

	Notes	2019 \$	2018 \$
Trading Revenue			
Bar trading	3	3,461	5,195
Books, clothing and club regalia	3	-	-
Clubroom hire	3	10,721	11,204
Club functions	3	(1,027)	(2,217)
Laundry	3	420	403
		<u>13,575</u>	<u>14,585</u>
Other Revenue			
Grants and donations		1,262	29,898
Joining fees		-	120
Berth fees		26,607	28,547
Pile moorings		15,421	8,840
Power recovery		1,024	582
Sailing committee		157	773
Sailing school		1,809	2,017
Shed rents		7,282	4,636
Subscriptions		25,148	24,753
Sundry income		535	748
Trailer boat parking		23,333	18,029
Yard fees		26,229	19,930
		<u>128,807</u>	<u>138,873</u>
Interest income		206	225
Total Income		<u>142,588</u>	<u>153,683</u>
Less: Expenses			
Affiliation expenses		6,654	6,468
Building maintenance		1,326	1,759
Communication		3,072	3,352
Depreciation	6	23,522	25,078
DCC Ground rent	11	2,919	2,830
Honoraria		3,300	3,300
Insurance		12,854	10,783
Office and administration		1,908	1,939
Power and water		9,414	9,324
Professional fees		-	1,415
Review Fee		2,075	2,100
Rubbish disposal and cleaning		1,332	1,300
Sailing Committee expenses		499	499
Sailing craft and rescue boat maintenance		4,435	2,565
Sailing School expenses		660	373
Salary Caretaker Manager		44,303	42,140
Slip, yard and jetty maintenance		7,042	5,386
Loss/(Profit) on sale of assets		2,388	-
Bad and doubtful debts		385	(115)
Sundry expenses		414	210
Vehicle expenses		2,520	2,520
Harbour expenses recovered from grant		-	27,272
Total Expenses		<u>131,022</u>	<u>150,498</u>
Surplus for Year before exceptional items		<u>11,566</u>	<u>3,185</u>
Exceptional items			
Harbour dredging costs		129,983	-
Less: Recovered from Grants		(52,728)	-
Insurance receipt for pontoon 1		(49,042)	-
Expenditure against insurance claim		9,170	-
Net expenditure on exceptional items		<u>37,383</u>	<u>-</u>
Surplus / (Deficit) for for year		<u>(25,817)</u>	<u>3,185</u>

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

Otago Yacht Club Incorporated

Statement of Movements in Equity for the year ended 30 April 2019

	2019	2018
	\$	\$
Opening Equity	506,580	503,395
Surplus (Deficit) for the year	(25,817)	3,185
Total Recognised Revenue and Expenses	(25,817)	3,185
Closing Equity	480,763	506,580

Statement of Financial Position at 30 April 2019

	Notes	2019	2018
		\$	\$
Current assets			
Cash on hand and petty cash		157	115
Cash at cheque accounts		31,029	23,419
Deposit account		202,057	225,087
Inventories on hand	4	1,438	1,180
Debtors (net)	5	22,553	21,007
Total current assets		257,234	270,808
Current liabilities			
GST payable		4,953	4,631
Sundry creditors		15,404	6,021
Elizabeth Holt fund		733	733
Total current liabilities		21,090	11,385
Working capital		236,144	259,423
Non-current assets			
Fixed assets	6	244,619	247,157
Total non-current assets		244,619	247,157
Net assets		480,763	506,580
Equity		480,763	506,580

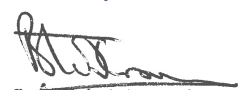
Approved on behalf of the Committee:

10/7/19

Date



COMMODORE



TREASURER

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

Otago Yacht Club Incorporated

Notes to the Financial Statements

for the year ended 30 April 2019

1. Statement of Accounting Policies

Reporting Entity

The reporting entity, Otago Yacht Club Incorporated (the Club) is registered under the Incorporated Societies Act 1908.

The Club is a yacht club situated in Dunedin, New Zealand.

Basis of preparation

These financial statements are special purpose financial reports prepared in accordance with the Club's Accounting Policies.

Measurement base

The measurement base adopted is that of historical cost and presented in New Zealand Dollars rounded to the nearest dollar. Accrual accounting is used to recognise expenses and revenues when they occur.

2. Particular Accounting Policies

Accounts Receivable

Accounts receivable are stated at expected realisable value.

Inventories

Inventories are stated at the lower of cost, using first in first out basis, or net realisable value.

Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life (straight line basis), as follows:-

Clubhouse and sheds	2-4%
Caretakers house	2-20%
Cradle, slips and moorings	5-22%
Yachts and rescue craft	10-20%
Plant and furniture	5-30%

Goods and Service Tax (GST)

These accounts have been prepared on a GST exclusive basis with the exception of receivables and payables which are stated inclusive of GST.

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

Otago Yacht Club Incorporated

Notes to the Financial Statements for the year ended 30 April 2019

3. Trading Surplus

	Income	Expenditure	Surplus/ (Deficit)
	\$	\$	\$
Bar trading	8,297	4,836	3,461
Books, clothing and club regalia	0	0	0
Clubroom hire	12,311	1,590	10,721
Club functions	3,834	4,861	(1,027)
Laundry	420	0	420

4. Inventory

	2019	2018
	\$	\$
Bar	986	781
Clothing	293	293
Stationery and postage	159	106
	<u>1,438</u>	<u>1,180</u>

5. Debtors

	2019	2018
	\$	\$
Debtors excluding credit accounts	23,610	21,952
Debtor accounts that are in credit	<u>1,893</u>	<u>1,382</u>
Debtors	21,717	20,570
Less: Provision for doubtful debt	<u>3,030</u>	<u>2,645</u>
	18,687	17,925
Payments in advance and sundry debtor	<u>3,866</u>	<u>3,082</u>
	<u>22,553</u>	<u>21,007</u>

6. Fixed Assets

2019	Cost	Accum Dep	Book value	Depreciation expense
	\$	\$	\$	\$
Clubhouse and sheds	341,360	195,209	146,151	6,526
Caretakers house	91,523	51,363	40,160	4,246
Cradle, slips and moorings	137,287	105,897	31,390	3,280
Yachts and rescue craft	119,075	107,482	11,593	5,939
Plant and furniture	<u>61,590</u>	<u>46,265</u>	<u>15,325</u>	<u>3,531</u>
	<u>750,835</u>	<u>506,216</u>	<u>244,619</u>	<u>23,522</u>
2018	Cost	Accum Dep	Book value	Depreciation expense
	\$	\$	\$	\$
Clubhouse and sheds	341,360	188,683	152,677	6,526
Caretakers house	91,523	47,117	44,406	4,246
Cradle, slips and moorings	132,208	110,848	21,360	4,163
Yachts and rescue craft	119,173	101,570	17,603	6,610
Plant and furniture	<u>58,487</u>	<u>47,377</u>	<u>11,110</u>	<u>3,533</u>
	<u>742,751</u>	<u>495,595</u>	<u>247,156</u>	<u>25,078</u>

Otago Yacht Club Incorporated

Notes to the Financial Statements

for the year ended 30 April 2019

7. Capital Expenditure

There are no commitments for capital expenditure at 30 April 2019. (2018:\$nil)

8. Contingent Liabilities

There are no known contingent liabilities at 30 April 2019 (2018:\$nil).

9. Related Parties

Committee members use the facilities of and are members of the Club. Committee members are charged on normal terms and conditions at an arms length price. The Club Secretary, Commodore and Treasurer were paid honoraria agreed by the Committee.

10. Reserves

The Club has plans to use all the Reserves but leaving a contingency of \$30,000. Specific projects have been identified, details of which are in the strategic plan.

11. Leases

The land on which the club is based is leased from the Dunedin City Council. The lease cost is for 20 years from 1 April 2015. The lease charge to the accounts is \$2919. The lease cost from 1 April 2019 to 31 March 2020 is \$3176 excluding GST. The lease cost rises each year at the same percentage as the percentage increase in Dunedin City Council rates.

12. Subsequent events

The Club is in the process of constructing pontoons to replace and hopefully increase the berthage lost from pontoon 1. The final construction costs are not known but it will be within the \$40,000 net received from the insurance company.

