



*Napier Old Boys Marist  
Rugby Football Club Incorporated*

## **ANNUAL REPORT**

**For the year ended 30 September 2017**

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# Bay Audit & Accounting Ltd

## INDEPENDENT AUDITOR'S REPORT

To the members of Napier Old Boys Marist Rugby Football Club Incorporated.

### Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the financial statements of Napier Old Boys Marist Rugby Football Club Incorporated on pages 4 to 12, which comprise the statement of financial position as at 30 September 2017, and the statements of financial performance and the statement of changes in the general funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements are prepared, in all material respects, in accordance with the accounting policies stated on page 9.

#### Basis for Qualified Opinion

In common with other organisations of a similar nature, control over revenues from those locations where cash is collected prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control. Cash income, sponsorship and members contributions are being banked into non-club bank accounts. It is not possible to determine if all this income has been recorded in the financial statements.

The Junior committee did not undertake a stock take at 30 September 2017. An estimate of \$5,000 has been included in the stock on hand at 30 September 2017 and may be over/understated.

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Performance Report section of our report. We are independent of Taradale Rugby & Sports Club (Inc) 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Napier Old Boys Marist Rugby Football Club Incorporated.

#### Emphasis of Matter – Basis of Accounting

We draw attention to Page 9 to the financial statements, which describes the basis of accounting. The financial statements have been prepared to assist Napier Old Boys Marist Rugby Football Club Incorporated to comply with the financial reporting provisions of the Club's constitution. As a result, the financial statements may not be suitable for another purpose.

#### Restriction on Responsibility

This report is made solely to the Napier Old Boys Marist Rugby Football Club Incorporated, as a body, in accordance with the club constitution of Napier Old Boys Marist Rugby Football Club Incorporated. Our audit work has been undertaken so that we might state to the Elected Board those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Elected Board as a body, for our audit work, for this report, or for the opinions we have formed.

Continued on next page

**Other Matters**

We did not attend the stock take held on 30 September 2017 and have relied on the stock count provided by the board. There was no stock take undertaken by the junior club committee and the junior stock on hand has been estimated at \$5000. We however have verified the value of the stock on hand.

The Elected Board are responsible on behalf of the entity, for determining that the special purpose framework adopted is acceptable in Napier Old Boys Marist Rugby Football Club Incorporated's circumstances, the preparation of financial statements, and for such internal control as the Elected Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Elected Board are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Elected Board either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 decisions of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the financial statements, 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 our 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.
- conclude on the appropriateness of the use of the going concern basis of accounting by the Elected Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. We communicate with the Elected Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



# NAPIER OLD BOYS MARIST RUGBY FOOTBALL CLUB INC

## TRADING ACCOUNT For the year ended 30 September 2017

	Note	2017	2016
<b>Bar Trading Activities</b>			
<b>Revenue</b>			
Sales		117,281	111,552
<b>Cost of Sales</b>			
Purchases		56,661	55,418
Stock (Increase)		314	(1,928)
		<u>56,975</u>	<u>53,490</u>
<b>Gross Surplus</b>		<b>60,306</b>	<b>58,062</b>
<b>Expenses</b>			
Bar Repairs & Maintenance		620	658
Bar General Expenses		4,017	4,201
Bar Staff Expenses		200	211
Bar Wages		16,834	14,548
Eftpos		1,956	1,640
Entertainment		850	3,300
Napier Marist Football - Tournament		0	1,062
		<u>24,477</u>	<u>25,620</u>
<b>Net Surplus</b>		<b><u>35,829</u></b>	<b><u>32,442</u></b>

Examined for Audit  
Bay Audit & Accounting  
Ltd

# NAPIER OLD BOYS MARIST RUGBY FOOTBALL CLUB INC

## TRADING ACCOUNT For the year ended 30 September 2017

	Note	2017	2016
<b>Rugby Expenses</b>			
<b>Revenue</b>			
Player Contribution & Subs		6,391	6,191
<b>Expenses</b>			
Affiliation Fees		962	1,082
Bus Hire and Travel Expenses		6,809	7,248
Donations, Presentations and Sponsorship		4,402	4,296
Dress Gear		1,550	1,075
Playing Gear and Expenses		26,973	19,241
Hospitality		11,721	10,759
Physio and Medical Expenses		10,962	7,849
Supporters Gear		786	772
Tournaments		7,627	9,457
Net Prize Giving Expenses		5,314	7,622
		<u>77,106</u>	<u>69,401</u>
Net (Deficit)		<u><b>(70,715)</b></u>	<u><b>(63,210)</b></u>
 <b>Clubroom and Ground Expenses</b>			
<b>Expenses</b>			
Insurance		5,039	7,213
Electricity and Gas		8,864	8,643
Cleaning		4,714	2,562
Ground Rental		1,874	916
Repairs and Maintenance		16,386	6,549
Security		666	835
Sky		2,614	2,249
Telephone		2,041	2,264
		<u>(42,198)</u>	<u>(31,231)</u>
Net (Deficit)		<u><b>(42,198)</b></u>	<u><b>(31,231)</b></u>

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# NAPIER OLD BOYS MARIST RUGBY FOOTBALL CLUB INC

## STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 September 2017

	Note	2017	2016
<b>Operating Revenue</b>			
Bar Trading Activities		35,829	32,442
Rugby Expenses		(70,715)	(63,210)
Clubroom and Ground Expenses		(42,198)	(31,231)
Non Playing Subscriptions		2,278	4,070
Goldcard Subscriptions		4,817	4,478
Rental - Clubroom Hire		5,496	4,285
Sponsorships		40,955	27,429
Grants	6	35,104	39,786
Donations		6,967	1,109
Fundraising		3,458	3,770
HBRFU Grant		0	1,624
Affiliated Club Fees		3,000	3,000
Net Junior Income (Expenses) for year		6,685	3,171
Sundry		3,175	2,136
Sevens Tournament		1,081	0
<b>Gross Surplus</b>		<b>35,932</b>	<b>32,859</b>
<b>Other Income</b>			
Interest		1,802	1,853
<b>Total Revenue</b>		<b>37,735</b>	<b>34,712</b>
<b>Administration and Financial Expenses</b>			
Accident Compensation Levies		194	363
Advertising		35	1,400
Audit Fees		3,400	3,400
Bad Debts		0	1,440
Bank Charges and Interest		614	647
Communication Costs		1,407	1,532
General Expenses		156	253
Loss on Disposal of Assets		286	0
Legal Fees		0	990
Stationery		1,164	1,698
Accountancy & Administrator Costs		5,276	6,089
<b>Total Cash Expenses</b>		<b>12,532</b>	<b>17,812</b>
<b>Operating Surplus</b>		<b>25,203</b>	<b>16,900</b>
<b>Depreciation</b>			
Property, Plant and Equipment	5	11,619	10,610
<b>Net Surplus</b>		<b>13,584</b>	<b>6,290</b>

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**NAPIER OLD BOYS MARIST RUGBY FOOTBALL CLUB INC**

**STATEMENT OF MOVEMENTS IN EQUITY  
For the year ended 30 September 2017**

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	Note	2017	2016
Equity at Beginning of Year		480,426	474,136
Net Surplus for the year		<u>13,584</u>	<u>6,290</u>
Total Recognised Revenue and Expenses for the year		<u>13,584</u>	<u>6,290</u>
Equity at end of year		<u><u>494,010</u></u>	<u><u>480,426</u></u>



Director of Finance

7-12-17

Date



Chairman

7-12-2017

Date

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# NAPIER OLD BOYS MARIST RUGBY FOOTBALL CLUB INC

## STATEMENT OF FINANCIAL POSITION as at 30 September 2017

	Note	2017	2016
<b>Equity</b>			
Reserves	1	21,047	21,027
Retained Earnings	2	<u>472,963</u>	<u>459,398</u>
<b>Total Equity</b>		<u><b>494,010</b></u>	<u><b>480,425</b></u>
 <i>Represented by:</i>			
<b>Current Assets</b>			
Cash on Hand		970	700
Cash at Bank	3	115,500	107,005
Accounts Receivable		16,357	9,156
Accrued Income		1,170	543
Stock		18,742	14,940
Prepayments		<u>7,690</u>	<u>7,886</u>
<b>Total Current Assets</b>		<u><b>160,428</b></u>	<u><b>140,230</b></u>
 <b>Non Current Assets</b>			
Property, Plant and Equipment (refer Schedule)	5	<u>375,155</u>	<u>370,283</u>
		<u><b>375,155</b></u>	<u><b>370,283</b></u>
 <b>Total Assets</b>		<u><b>535,583</b></u>	<u><b>510,513</b></u>
 <b>Liabilities</b>			
Accounts Payable & Accrued Expenses		14,746	20,853
Goods and Services Tax		1,403	1,885
Income in Advance		<u>25,423</u>	<u>7,350</u>
<b>Total Liabilities</b>		<u><b>41,572</b></u>	<u><b>30,089</b></u>
 <b>Net Assets</b>		<u><b>494,010</b></u>	<u><b>480,425</b></u>

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# **NAPIER OLD BOYS MARIST RUGBY FOOTBALL CLUB INC**

## **STATEMENT OF ACCOUNTING POLICIES For the year ended 30 September 2017**

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### **Entities Reporting**

These Financial Statements are for Napier Old Boys Marist Rugby Football Club Inc. as a separate legal entity.

### **Statutory Base**

Napier Old Boys Marist Rugby Football Club Inc. is an incorporated society under the Incorporated Societies Act 1908. It is a not-for-profit body, governed by its constitution.

The Financial Statements of the incorporated society are for the year ended 30 September 2017. The Financial Statements were authorised by the Committee on 21 November 2017.

### **Measurement Base**

The Financial Statements have been prepared on the historical cost basis, unless stated otherwise as identified in specific accounting policies below.

### **Accounting Policies**

These are special purpose financial statements prepared for the members only, using accounting principles contained in the constitution.

The accounting policies that materially affect the measurement of financial performance and financial position are set out below.

#### **Revenue**

##### **Goods and Services**

Revenue comprises the amounts received and receivable for goods and services supplied to members in the ordinary operation of the club.

#### **Depreciation**

Depreciation is calculated at the maximum rates approved for taxation purposes.

#### **Inventories**

Inventory and work in progress are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis.

#### **Receivable**

Receivables are stated at estimated realisable value after providing against debts where collection is doubtful.

#### **Goods & Services Tax (GST)**

The statement of financial performance has been prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST, with the exception of receivables and payables which include GST invoiced.

#### **Income Tax**

The Income from Napier Old Boys Marist Rugby Club Inc. is exempt from Income Tax by virtue of section CW 46 of the Income Tax Act 2007. The Napier Old Boys Marist Rugby Football Club Inc. is an amateur club and the facilities are available to any member of the public.

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# **NAPIER OLD BOYS MARIST RUGBY FOOTBALL CLUB INC**

## **STATEMENT OF ACCOUNTING POLICIES For the year ended 30 September 2017**

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### **Property, Plant and Equipment**

Property, plant and equipment are stated at their depreciated historic cost.

### **Grants**

Grants received are recognised in the Statement of Financial Performance when the requirements under the grant agreement have been met. Any grants for which the requirements under the grant agreement have not been completed are carried as liabilities until all the conditions have been fulfilled.

### **Operating Leases**

Operating leases are those which all the risks and benefits are substantially retained by the lessor. Eftpos lease payments are expensed in the periods the amounts are payable.

### **Related Parties**

During the year the Napier Old Boys Marist Rugby Club Inc purchased materials and services on normal trading terms or terms favourable to the club from club members.

The junior committee gave vouchers of \$500 to committee members being Chairman, convenor secretary \$100 each. Rochelle , Waka, Dave and Steve \$50 each.

Accountancy fees are paid to Brown Webb Richardson Ltd of which Craig Riddiford (treasurer) is a director. These fees are charged on terms favourable to the club.

### **Contingent Liabilities**

At balance date there are no known contingent liabilities. (30 September 2016. \$Nil).

### **Investments**

Investments are stated at cost

### **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.

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# NAPIER OLD BOYS MARIST RUGBY FOOTBALL CLUB INC

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2017

	2017	2016	
	\$	\$	
<b>1. Reserves</b>			
<b>Capital</b>			
Peter Harris Trust Fund	20,000	19,980	
Capital Reserves General	<u>1,047</u>	<u>1,047</u>	
<b>Total Equity</b>	<u><u>21,047</u></u>	<u><u>21,027</u></u>	
<b>2. Retained Earnings</b>			
Balance at Beginning of year	459,399	453,621	
Net Surplus (Deficit) this year	13,584	6,290	
Transfer From (to) Reserves	<u>(20)</u>	<u>(510)</u>	
Balance at End of year	<u><u>472,963</u></u>	<u><u>459,399</u></u>	
<b>3. Cash at Bank - Represented by:</b>			
Senior Club Operating Cash	4,939	19,798	
Peter Harris Trust Fund	20,000	19,980	
Future Building Funds	40,000	40,000	
Junior Club Operating Cash	8,372	2,478	
Junior Club Savings Account & Term Deposit	<u>42,188</u>	<u>24,750</u>	
Balance at End of year	<u><u>115,500</u></u>	<u><u>107,005</u></u>	
<b>4. Property, Plant and Equipment</b>			
Opening Value	370,283		
Purchases	16,778		
Disposal	(286)		
Depreciation	<u>(11,619)</u>		
<b>Closing Value</b>	<u><u>375,156</u></u>		
	<b>Cost or</b>	<b>Accum.</b>	<b>Book Value</b>
	<b>Valuation</b>	<b>Deprn.</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2017</b>			
Buildings	558,965	225,704	333,261
Plant	<u>224,059</u>	<u>182,164</u>	<u>41,895</u>
	<u><u>783,024</u></u>	<u><u>407,868</u></u>	<u><u>375,156</u></u>
<b>2016</b>			
Buildings	577,765	237,860	339,905
Plant	<u>208,369</u>	<u>177,991</u>	<u>30,378</u>
	<u><u>786,134</u></u>	<u><u>415,851</u></u>	<u><u>370,283</u></u>

# NAPIER OLD BOYS MARIST RUGBY FOOTBALL CLUB INC

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 September 2017

	2017	2016
	\$	\$
<b>6. Grants</b>		
Eastern & Central Community Trust	4,000	4,000
Endeavour Community Trust	0	(374)
First Sovereign	10,000	0
Grassroots	3,211	0
Infinity Foundation	0	5,500
Lion Foundation	3,000	3,000
New Zealand Community Trust	7,871	4,500
New Zealand Racing Board	0	4,087
North & South	4,509	3,540
Pub Charity	21,852	18,333
Southern Trust	0	2,000
Sport Hawkes Bay	2,274	0
	<u>56,717</u>	<u>44,586</u>
Fundraising Fees	(1,830)	(1,260)
Included in Net Junior Income (Expenses) for year	(19,783)	(3,540)
	<u>35,104</u>	<u>39,786</u>

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Bay Audit & Accounting  
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