



Whangamata Ocean Sports Club inc.

AGM 3rd June 2023

Enclosed are the following.

1. Audited Financial Statements for the year ended 31 March 2023
2. Treasurer's Report for the year
3. Resolution to increase Subscriptions for Single Adult members from \$65.00 to \$80.00 and Double from \$120.00 to \$150.00
 - As you will note the financial results for the Ocean Sports Club have been very disappointing resulting in a loss for the twelve months
 - This result and the forecasted budget for the twelve months to 31 March 2024 leaves the club in a precarious financial position and the Committee has voted that increasing the fees will alleviate this situation.

As you all know this has been a very difficult few years with COVID, reduced staff numbers and more recently the very wet summer causing road closures which has meant fewer numbers visiting Coromandel with the subsequent adverse financial impact on not only our club but all business in Whangamata.

This has been a difficult decision for the Committee, but we believe it is the right one.

Committee of Whangamata Ocean Sports Club



Whangamata Ocean Sports Club Inc.

Financial Accounts

For The Year Ended 31 March 2023





Whangamata Ocean Sports Club Inc.

Financial Accounts

For The Year Ended 31 March 2023

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Whangamata Ocean Sports Club Inc.

Financial Accounts

For The Year Ended 31 March 2023

Club Established	1958
Incorporated	15 November 1961
Balance Date	31 March
Registered Office	1100 Port Road Whangamata
Website	www.oceansports.co.nz
Bankers	BNZ

Officers

Commodore	Diane Furze
Secretary	Lynette Blair
Treasurer	Renzo Vettori

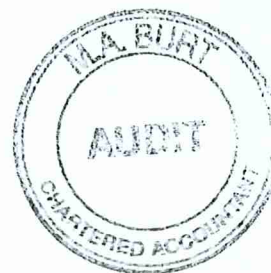




Whangamata Ocean Sports Club Inc

Statement of Financial Performance For the Year ended 31 March 2023

	2023	2022
REVENUE		
Gross Profit From		
Bar Trading Account	192,661	106,362
Functions Trading Account	(2,782)	3,828
Restaurant Trading Account	38,065	(119,318)
Fundraising Trading Account	13,852	11,597
Tournaments	(13,606)	(10,035)
TOTALGROSS PROFIT	228,190	(7,565)
Covid-19 wage subsidy	6,959	205,710
Resurgance Support payment	-	142,800
Interest Received	1,409	178
Subscriptions	354,658	392,976
Sundry	211	4,421
Vehicle Donations	6,536	5,146
SUB TOTAL	369,773	751,230
TOTAL INCOME	597,964	743,665
EXPENDITURE		
ACC Premiums	6,396	7,478
Administration Expenses	21,910	18,160
Audit Fees	4,500	4,500
Administration - Wages	230,174	212,668
Advertising	15,595	15,298
AGM Expenses	18,038	6,932
Bank Fees	22,661	18,154
Cleaning	63,145	59,194
Communications	6,901	10,643
Entertainment/ Subscriptions and Other Licences	7,095	-
Hospitality/Donations	23,146	41,550
Insurance	19,946	17,354
IT Systems	21,273	-
Kids Sailing Expenses	2,383	2,276
Licences/Rates/Lease	12,184	35,135
Low Cost Assets	565	212
NZSFC Fees	98,776	64,176
Power/Heating	54,983	40,407
Purchases - General	2,905	4,972
Recruitment Fees	6,360	1,650
Rental	6,731	-
Repairs & Maintenance	34,242	53,929
Security	31,432	41,146
Staff Training and costs/Clothing Expenses	11,322	15,303
Sundry Expenses	7,070	3,089
Vehicle Expenses	24,273	17,258
	754,007	691,485
Surplus Before Depreciation	- 156,043	52,180
Depreciation	85,652	80,943
SURPLUS/(DEFICIT) FOR THE YEAR	(241,696)	(28,763)



These accounts have been audited, refer to attached auditor's Report



Whangamata Ocean Sports Club Inc

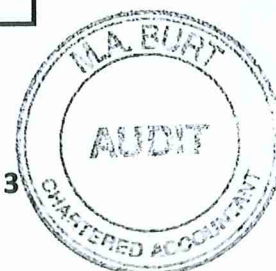
Bar Trading Account For the Year ended 31 March 2023

	2023	2022
Total Sales	772,944	624,442
Less Cost of sales		
Opening Stock	32,546	60,213
Purchases	365,585	266,925
Consumables	7,841	8,451
Wages	197,532	212,077
	603,504	547,666
Closing Stock	28,748	32,546
Cost of sales	574,756	515,120
GROSS SURPLUS	198,187	109,322
Less Bar Expenditure		
Glass Replacement	5,094	2,229
Uniforms	432	731
NET SURPLUS	192,661	106,362

Functions Trading Account For the Year ended 31 March 2023

	2023	2022
Total Income	13,044	10,796
Less Cost of sales		
Purchase	6,301	6,337
Wages	9,525	631
Cost of sales	15,826	6,968
NET SURPLUS	(2,782)	3,828

These accounts have been audited, refer to attached auditor's Report





Whangamata Ocean Sports Club Inc

Restaurant Trading Account For the Year ended 31 March 2023

	2023	2022
Total Sales	1,107,950	865,904
Less Cost of sales		
Opening Stock	63,030	50,592
Purchases	404,421	307,432
Consumables	30,375	30,883
Equipment	9,967	4,438
Wages	614,446	652,042
Uniforms	2,735	2,865
	1,124,974	1,048,253
Closing Stock	55,089	63,030
Cost of sales	1,069,885	985,223
NET SURPLUS	38,065	(119,318)

Fundraising Trading Account For the Year ended 31 March 2023

	2023	2022
Total Receipts	25,258	21,954
Less Cost of Sales	11,406	10,357
NET SURPLUS	13,852	11,597



These accounts have been audited, refer to attached auditor's Report



Whangamata Ocean Sports Club Inc

Tournaments Account For the Year ended 31 March 2023

	2023	2022
REVENUE		
Bar/FoodSales	66,947	-
Entry Fees	51,593	2,410
Sundry Income	17	-
Raffle Sales & Auction	-	-
Sponsors	26,050	6,109
TOTAL	144,608	8,519
Less Expenses		
Bar/Food Purchases	21,411	-
Expenses/Tent Hire	66,632	3,349
Helpers/Sponsors	6,078	227
Prizes/Raffles/Auction	50,400	9,175
Storage	5,134	5,134
Wages	8,559	670
	158,214	18,555
SURPLUS/(DEFICIT) FOR THE YEAR	(13,606)	(10,036)



These accounts have been audited, refer to attached auditor's Report



Whangamata Ocean Sports Club Inc

Statement of Financial Position As At 31 March 2023

	2023	2022
Equity		
Accumulated Funds	1,652,174	1,680,936
Current Surplus/(Deficit)	(241,696)	(28,763)
Shareholders Funds	1,410,478	1,652,174
Represented By:		
Current Assets		
Accounts Receivable	-	7,675
BNZ - Current A/c	74,129	223,581
BNZ - Internet A/c	17,542	129,343
Cash	5,420	5,920
Inventories - Bar	28,748	32,546
- Clothing	3,896	8,964
- Kiosk	3,144	-
- Restaurant	55,089	63,030
- Tournament	19,091	7,494
	207,059	478,553
Non - Current Assets		
Buildings	1,191,981	1,143,970
Plant & Equipment	158,885	160,588
Furniture & Fittings	78,829	19,525
WIP	6,300	-
	1,435,995	1,324,084
TOTAL ASSETS	1,643,053	1,802,637
Current Liabilities		
Accounts Payable	135,239	80,479
Creditors - Other	2,384	5,686
GST	(315)	612
Holiday Pay	70,857	52,828
Members Points Owing	24,410	10,857
TOTAL LIABILITIES	232,575	150,463
NET ASSETS	1,410,478	1,652,174

These accounts have been audited, refer to attached auditor's Report

K.S. Mead
Board Member

[Signature]
Treasurer





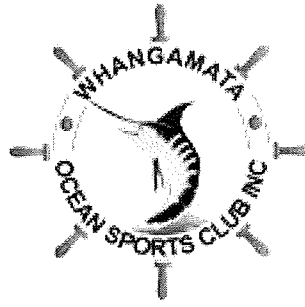
Whangamata Ocean Sports Club Inc

FIXED ASSETS

	Land & Buildings	Plant & Equipment	Furniture & Fittings	Motor Vehicles	Total
Cost					
31 March 2021	1,439,857	450,732	125,969	29,009	2,045,566
Additions	5,917	26,668	2,757	-	35,342
Disposals	-	-	-	-	-
31 March 2022	1,445,774	477,400	128,726	29,009	2,080,908
Additions	79,535	44,607	67,122	-	191,264
Disposals	-	-	-	-	-
31 March 2023	1,525,309	522,007	195,848	29,009	2,272,172
Depreciation					
31 March 2021	272,761	272,823	101,290	29,009	675,882
Depreciation expense	29,043	43,988	7,911	-	80,942
Depreciation Recovered	-	-	-	-	-
31 March 2022	301,804	316,811	109,201	29,009	756,824
Depreciation expense	31,524	46,310	7,818	-	85,652
Depreciation Recovered	-	-	-	-	-
31 March 2023	333,328	363,121	117,019	29,009	842,476
Carrying amount					
31 March 2022	1,143,970	160,588	19,525	0	1,324,083
31 March 2023	1,191,981	158,885	78,829	0	1,429,695

These accounts have been audited, refer to attached auditor's Report





Statement of Accounting Policies and Notes to the Accounts For The Year Ended 31 March 2023

The following general accounting policies have been adopted in the preparation of these financial statements.

REPORTING ENTITY

The financial statements presented here are for the entity Whangamata Ocean Sports Club Incorporated, a registered Society under the Incorporated Societies Act 1908.

BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Statement of Compliance

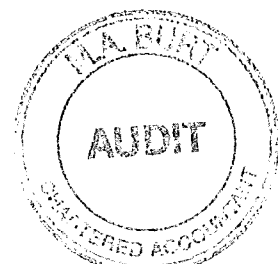
The financial statements have been prepared in accordance with the Special Purpose Financial Reporting Framework (SPFR) for use by Not for Profit Entities and as such the accounts are special purpose to report to members.

Basis of Measurement

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical basis have been used.

Specific Accounting Policies

1. Turnover shown in the Profit & Loss Account comprises the amounts received and receivable by the entity for goods supplied to customers in the ordinary course of business. Total revenue was \$2,443,990 (2022 - \$2,288,991)
2. Inventories have been valued at the lower cost on a first in first out basis or net realisable value after due allowance for damaged and obsolete stock
3. Debtors are recorded at estimated realisable value.



4. Depreciation has been charged in the financial accounts using the straight line method at the maximum rates allowed by the IRD. Depreciation methods, useful lives and residual values are reassessed at each reporting date. The estimated useful lives are as follows:

Buildings	50 years
Plant & Equipment	3 to 15 years
Furniture & Fittings	3 to 20 years
Motor Vehicles	5 years

5. Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure directly attributable to the acquisition of the asset
6. These accounts have been recorded on a GST exclusive basis.
7. Related party transactions are always carried out at arm's length on favourable terms of trade.
8. A perfected security interest in all present and acquired property is security for the BNZ term loan.

9. Comparatives

Due to the changes to the Chart of Accounts in the 2023 Financial Statements the costs of Entertainment/Subscriptions/Other Licences, IT Systems and Licences/Rates/Lease total \$40,552 compared to \$35,135 in 2022

10. Income Recognition

Income and expenditure are recognised as an accrual basis as earned or incurred except interest paid/received which is recognised on a cash basis.

11. These policies remain unchanged from the previous year.



MICHAEL BURT
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WAIHI

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INDEPENDENT AUDITOR'S REPORT

To the Members of Whangamata Ocean Sports Club Inc.

Opinion

We have audited the financial statements of Whangamata Ocean Sports Club Inc. on pages 1 to 9, which comprise the balance sheet as at 31 March 2023, and the statements of profit or loss and changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Whangamata Ocean Sports Club Inc. as at 31 March 2023, and its financial performance for the year then ended, in accordance with Special Purpose not for Profit.

Basis for Opinion

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 Financial Statements section of our report. We are independent of Whangamata Ocean Sports Club Inc. in accordance with Professional and Ethical Standard 1 'International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) 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, Whangamata Ocean Sports Club Inc..

Committee' Responsibility for the Financial Statements

The Committee are responsible on behalf of the entity for determining that the Special Purpose not for Profit framework adopted is acceptable in Whangamata Ocean Sports Club Inc.'s circumstances, the preparation of financial statements, and for such internal control as the Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Committee 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 Committee 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 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.
- 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 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.

We 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 we identify during our audit.

Other Matter

Basis of Accounting and Restriction of Distribution.

I draw attention to the Statement of Compliance note on page 8 which describes the basis of preparation. The Annual Report is prepared to assist the Committee and to report to the members of Whangamata Ocean Sports Club Incorporated. As a result, the Financial Accounts might not be suitable for another purpose. My report is intended solely for Whangamata Ocean Sports Club Incorporated and its members and should not be distributed to parties other than the club or its members. My opinion is not modified in respect of this matter.

M A Burt
Waihi
29 May 2023





This year's results were impacted by three main reasons

1. Membership renewals well down
2. Increase in NZFSC fees
3. Less patronage of the club compared to previous years due to fewer days open not covering our fixed costs

The financial results are summarised as follows:

- Operating Loss before depreciation of **\$156,043** (2022 – Profit of \$52,180)
- Total income of was **\$2,443,452**, being \$154,462 up on last year principally due to the club being open once COVID restrictions were lifted.
 - Bar sales were **\$148,490** up with gross margins slightly down due to increased costs
 - Restaurant sales were **\$242,046** up with gross margins in line with last year
 - Out two main tournaments were held although with reduced number of entries. This resulted in a loss of **\$13,606**
 - Raffles were up on last year resulting in a surplus of **\$13,852**
- Total wages of **\$1,136,958**, (2022- \$1,162,404) were slightly down on last year.

The Balance Sheet as at 31 March 2023 shows

- Fixed assets of **\$1,435,995** (2022 - \$1,324,084). Total additions for the year were \$191,264 with new table and chairs and roof replacement the main expense
- Bank balance of **\$91,671** (2022- \$352,924)

Renzo Vettori - Treasurer



As per clause 19 (a) of the constitution which states

“At the Annual General Meeting the first business shall be the discussion and adoption of the Annual Report and financial accounts. After the adoption of the Annual Report and financial accounts, any member may without notice ask any question or move that any resolution relating to the Report or accounts”

It is moved in accordance with That, in view of the Club’s financial circumstances as presented in the annual accounts for the year ended 31 March 2023, the subscriptions for the 2023/24 year be increased to \$80 for an adult and \$150 for a couple.