

Mount Maunganui Bridge Club Inc

Financial Report

Year Ended 31 December 2022

Annual Accounts Review

Mount Maunganui Bridge Club (Inc) is registered under the provisions of the Incorporated Societies Act 1908. Entities so registered are not required to have their annual financial accounts audited, however the Constitution of the Mount Maunganui Bridge Club (Inc) does require that their annual financial accounts are to be independently reviewed and reported thereon.

There is no requirement for the annual accounts to be publicly accountable, but the club has elected to report on an accrual basis.

The Accounting Report Standards provide that the annual accounts need to comply with the requirements of Tier 3 of the Financial Reporting Standards.

I can report that I have examined the financial statements and records of the Mount Maunganui Bridge Club (Inc) for the year ended 31 December 2022.

In my opinion, these financial statements present fairly the financial position of the Club as at 31 December 2022 and the results on the performance for the 12-month period ending 31 December 2022.

Graham Brown

Accounts Reviewer.

21/01/2023

Treasurer's Report

The 2022 financial reports cover a 12-month period 1 January 2022 to 31 December 2022. The 2021 figures have been included for comparison.

The club has enjoyed a full 12 months of operating with minor impact from COVID-19 restrictions during 2022. Table money is on a par with pre COVID-19 years 2018 and 2019. All associated direct costs such as director fees, prize money, NZ Bridge Levies and teammaking costs have increased in line with this increase in play.

Membership subscriptions remain strong despite COVID-19 disruptions.

All four tournaments have been carried out in 2022. Despite there being just 3 tournaments the previous year, the net profit is comparable. This was largely due to a very successful July Tournament in 2021.

Sponsorship has continued to decline post COVID-19. COVID-19 continues to have an impact here.

The club has reported a modest net profit \$2,385. When compared to pre-covid operations (2018, 2019), this is largely due to the write-off of the club rooms in 2021 resulting in very little insurance, depreciation and maintenance on club assets during 2022. We also continued to enjoy reduced expenses due to being in the temporary club rooms for nine months of this year. For example, we saved on insurance, electricity, land rates, water and internet services.

Shares in Manawa Energy Ltd (Trust Power) have decreased in value from last December by \$2.95. This has resulted in a reduction of previously reported unrealised capital gain on the shares by \$4,843.

In 2022 there was a negative cash flow from investing activities (\$64k). These outflows are offset by a GST refund for the 6 months ending 31 December \$8k and a Grant obtained during the year (\$30k). Total Investment on the New Build set up was \$70k. Of this investment, \$30k was from Grants, \$40k from club savings (being the Westpac Term deposit withdrawal and Share buy back in 2021). A further \$3k has been spent on sundry set up costs covered by operating income.

OPINION

In October 2022 we saw the club relocate to the newly built premises and we are now subject to the Heads of Agreement to sub-license with Omanu Beach Charitable Trust. At the time of writing this report the impact on operating costs associated with the use of the new building is uncertain. The building is new together with the unusual inflationary pressures in the New Zealand economy has made it difficult to determine.

An increase in table money from \$4 to \$5 (a 25% increase) will be introduced for the 2023 year to relieve most of this uncertainty. The club is also implementing a new regime for prize moneys in 2023 with a goal to reduce this increasing cost.

In my opinion, the club is in a sound financial position to cover further operating losses that may arise in the medium term because it has cash in the bank of \$4,486 and term deposits worth \$76,021 (and shares currently worth \$10k).

Jane Dekker

21/01/2023

Treasurer

Statement of Accounting Policies

The entity is a not-for-profit charity providing members and guests with the opportunity to play Bridge. The entity is not publicly accountable and not classified as large.

The Club has elected to comply with Tier 3 of the Financial Reporting Standards in the preparation of these general-purpose financial statements. The measurement system adopted is historical cost. Accrual accounting has been used in the current report to include all material expenses and revenues in the year being reported.

Specific Accounting Policies

The following specific accounting policies that materially affect the measurement of financial performance and financial position have been applied.

1. Investments are stated at market value determined as at balance date by reference to prevailing share market rates on the NZ stock exchange.
2. Depreciation rates are as follows:

• Equipment (Existing)	12.5%	on diminishing value
• Equipment (Kitchen)	10 yrs	straight-line
• Equipment (Other)	15 yrs	straight-line
• Kitchen Build	No depreciation	
• Furniture and Fixtures	10%	on diminishing value
• Office Equipment	20%	on diminishing value
3. The Club is registered for GST on a cash basis i.e. all account values are exclusive of any GST except the Accruals account. Of note is the Prepaid Member Account balances which are reported as GST exclusive amounts.

Notes to the Financial Statements

1. All funds are invested with Heartland Bank and include designated monies: \$1,800 F Shrimpton and \$3,200 Veterans.
2. Comparison 2021: The Club's buildings, including the air-conditioning units were demolished in 2021. The book value of these assets was written off being a 'loss' in the Profit & Loss Statement for the 2021 financial year (\$108,447).
3. Prior period adjustment: Subscriptions received in December 2021 amounting to \$2,453 were incorrectly recorded as revenue for the 2021 year. This has been adjusted for in the 2022 Financial Statements.

Profit & Loss Statement

Mount Maunganui Bridge Club Inc.

For the year ended 31 December 2022

Account	Current Year	2021
Trading Income		
Donations	746	459
Hire of Room	500	0
House Tournament Profit	2,677	2,657
Interest & Dividends	2,733	1,746
Joining Fees	226	278
Lesson Net Profit	272	(161)
Sponsor Advertising	975	1,310
Sponsors	1,070	3,038
Sundry Income	372	4
Table Money	35,543	26,733
Subscriptions-membership	12,023	12,582
Visitor Table Money	493	410
Total Trading Income	57,630	49,056
Gross Profit	57,630	49,056
Other Income		
Capital Gain on Shares Sold (TILT)	0	9,213
Total Other Income	0	9,213
Operating Expenses		
Administration	6,000	6,000
Accounts Review fee	100	100
Book keeping	6,000	6,000
Bridge Supplies	0	15
Cleaning	5,000	2,854
Copier	1,550	1,434
Depreciation	2,494	5,811
Directors	6,861	4,278
Electricity	657	756
External Tournament Expenses	165	157
Gain/Loss on Asset disposals	1,670	108,447
Honoraria	0	500
Insurance	1,178	846
Levies NZBridge: Master Points	2,382	2,218
Levies NZBridge: Membership	4,045	4,330
Library Purchases	0	24
Printing, Postage & Stationary	2,734	2,226
Prizes & Trophies	4,882	2,433
Water Charges	0	118
Land Rent	682	1,322
Repairs & Maintenance	1,052	2,849
Social Events	(19)	320
Sundry Expenses	44	80
Teamaking	2,341	1,602
Phones, Internet & PO Box	579	875
Web Hosting Fees	334	334
Software Fees	744	921
Advertising	0	80
EFTPOS Fees	111	75
Shared Service Fees	396	0
Equipment Purchases	990	0

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Equipment installation Costs	2,531	0
Total Operating Expenses	55,503	157,004
Net Profit	2,127	(98,736)

Balance Sheet

Mount Maunganui Bridge Club Inc.

As at 31 December 2022

Account	31 Dec 2022	31 Dec 2021
Assets		
Bank		
Westpac 01 Account	8	4,782
Westpac Operating Account	4,478	43,278
Total Bank	4,486	48,060
Current Assets		
Bar Stock	140	0
Petty Cash Account	0	458
Total Current Assets	140	458
Fixed Assets		
Furniture & Fittings	4,474	5,330
Office Equipment	375	1,482
Plant & Equipment	71,383	5,558
Total Fixed Assets	76,232	12,370
Non-current Assets		
Shares: Manawa Energy Ltd (Trustpower)	10,260	15,103
Term Deposits - Heartlands	76,021	75,028
Total Non-current Assets	86,281	90,131
Total Assets	167,141	151,019
Liabilities		
Current Liabilities		
Accruals	300	600
GST	-7,839	850
Member Accounts (COMPA\$\$)	9,517	9,964
Prepayments	750	2,453
Prepaid Table Money Vouchers	125	149
Total Current Liabilities	2,852	14,015
Total Liabilities	2,852	14,015
Net Assets	164,289	137,004
Equity		
Opening Retained Earnings	137,004	243,428
Unrealised Capital Movement	-4,842	-7,689
Grants Received	30,000	0
	162,162	235,739
Current Years Earnings/-Losses	2,127	-98,736
Total Equity	164,289	137,004