

Mount Maunganui Bridge Club Inc
Financial Report
Year Ended 31 December 2019

Auditor's Report

Mount Maunganui Bridge Club (Inc) is registered under the provisions of the Incorporated Societies Act 1908. Entities so registered are not compelled to have their annual financial accounts audited, however the Constitution of the Mount Maunganui Bridge Club (Inc) does require their annual account to be audited.

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 Reporting 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 twelve months ended 31 December 2019.

In my opinion, these financial statements present fairly the financial position of the Club as at 31 December 2019 and the results of its performance for the 12 month period ending 31 December 2019.

G. Brown 15/01/2020.

Graham Brown

Honorary Auditor

Treasurer's Report

The 2019 financial reports cover a 12 month period 1 January 2019 to 31 December 2019. The 2018 figures have been included for comparison.

In 2019 there was a positive cash flow of \$10,453 from movements in operating activities. Overall there has been a negative cash flow change of \$10,856 for the 12 month period. This end result in the decrease in funds is due to significant on²off cash payments during the year (amounting to \$18,082). This included the replacement of one of the air conditioning units, a 50% deposit paid on the handrail upgrade and upgrade of two computers – the Dealing computer and Scoring computer.

Income has increased over the previous year. These increases have enabled the Club to comfortably meet operating cost increases to report a small net profit \$1,725 (compared to a net loss of \$5,182 for 2018).

Notable increases in operating costs were largely due to additional expenses from previous year including; administration, bookkeeping, stocking up on a large order of bidding pads and disposal of assets which have been replaced. There were also material increases in the associated Bridge Membership Levy which is directly related to an increase in membership.

Income from Sponsorship declined slightly, and a new, dedicated committee member has been working to improve these funds to cover prize monies for 2020.

House Tournament income has reduced slightly but this is offset by a significant reduction in associated costs as a result of minimising the catering for these tournaments. Overall, there was a small increase in net profit from Tournaments from the previous year (\$2,973 compared to \$2,490).

Shares in Trust Power/TILT have seen a further increase in value by \$2689. No shares have been sold so this is an unrealised gain.

The Term Investments have grown over this year due to the compounding interest earned on the funds in Heartlands and a further injection of funds of \$955. (Note: The Heartlands Call account was closed after using \$10,000 to cover the air-conditioning unit repairs and investment of the remaining balance \$955).

In my opinion, the Club remains in a sound financial position with cash in the bank of \$15,968 and the increase in Term Investment funds (\$93,082 compared to \$84,658 in 2018). The increase in member charges in 2019 has covered the increase in new costs. In addition to efforts to secure sponsorship for prize money, income from Grants has become a focus for the committee in the last quarter of 2019 and applications are currently underway.

It is recommended that the Club clearly identifies a Long-Term Maintenance Fund based on a Long-Term Maintenance Plan. Funds from grants will be set aside for identified maintenance projects. However, due to the pending Surf Club development on the site, there is uncertainty regarding any consequences for the Bridge Club. At this point in time it is difficult for the committee to determine and plan for a Long-Term Maintenance Fund, including the replacement of the second air conditioning unit, until we have an update from Council on this matter (We understand that the Council will meet with us again in March 2020).

Jane Dekker

Treasurer



19/1/20

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.
2. Depreciation rates (unchanged from 2014 are as follows):

Club rooms	1.5%	on original cost
Equipment	12.5%	on diminishing value
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. Of note are the Prepaid Subscriptions, Prepaid Handrail and Prepaid Voucher Table money which are reported as GST exclusive amounts.

Notes to the Financial Statements

1. A five-year term deposit with Westpac matured in December. This meant five years of interest was deposited into the operating bank account on maturity. Interest was accrued in the years it was earned. The original \$20,000 has been reinvested for a further six-month term.
2. The Club owns the Building and the Club has a long-term lease on the Land which is owned by Tauranga City Council. The current lease of land expires on 30 June 2031 with the right of renewal for a further term of 21 years.
3. There are no known contingent losses or gains as at balance date.

Profit and Loss
Mount Maunganui Bridge Club Inc.
For the 12 months ended 31 December 2019

	Dec-19	Dec-18
Income		
Bar	0	-23
Donations	-54	67
Hire of Room	0	713
House Tournament-Bar (net)	334	227
House Tournament-Entry Fees	4,577	5,739
House Tournament-Raffles	499	463
House Tournament-Sponsorships	800	1,061
Improver lessons	507	219
Interest & Dividends	5,378	5,679
Joining Fees	313	330
Lesson Fees	1,661	1,191
Raffles	0	420
Sponsor Advertising	1,065	1,200
Sponsors	1,677	2,045
Subscriptions: Associate Members	2,478	2,246
Subscriptions: Full Members	9,670	7,678
Subscriptions: Part Year Members	209	74
Sundry Income	34	73
Table Money	37,611	28,183
Table Money: Golf Club	1,870	1,669
Total Income	68,629	59,256
Gross Profit	68,629	59,256
Less Operating Expenses		
Administration	2,625	0
Audit fees	87	87
Book keeping	6,000	1,000
Bridge Supplies	2,342	1,267
Cleaning	3,053	3,624
Copier	1,582	1,372
Depreciation	6,133	6,540
Directors	6,209	4,887
Electricity	2,587	3,211
External Tournament Expenses	157	183
Gain/Loss on Asset disposals	1,017	0
Honoraria	500	1,550
Insurance	2,334	1,884
Land Rent	1,436	1,000
Lesson Costs	1,232	875
Levies NZBridge: Master Points	3,325	4,741
Levies NZBridge: Membership	4,045	2,323
Library Purchases	257	297
Printing, Postage & Stationary	3,205	2,337
Prizes & Trophies	3,090	3,350
Repairs & Maintenance	5,062	10,765
Social Events	943	1,273

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Sundry Expenses	853	442
Teamaking	2,250	3,474
Telephone Tolls PO Box	1,231	1,165
Tournament Catering	221	2,280
Tournament Dir Fees	348	348
Tournament Expenses-Other	202	256
Tournament Prize Monies	1,661	1,617
Tournament Scorer Fees	348	348
Tournaments Master Pts	457	152
Travelling Expenses	597	9
Water Charges	652	946
Web Hosting Fees	250	334
Xero software	614	503
Total Operating Expenses	66,904	64,438
Net Profit (-loss)	\$1,725	-\$5,182
	This Year	Last Year

Balance Sheet

Mount Maunganui Bridge Club Inc.
As at 31 December 2019

Account	31 Dec 2019	31 Dec 2018	Note
Assets			
Bank			
Current Assets			
Bridge Membership Subs Account	5,940	0	
Heartland Call Account	0	10,945	
Westpac Operating Account	10,027	15,878	
Accrued interest	0	4,196	1
Bar Stock	201	259	
Petty Cash Account	545	0	
Prepayments	1,925	1,631	
Voucher Sales Change Float	50	0	
Accounts Receivable	0	58	
Total Current Assets	18,689	32,967	
Fixed Assets			
Clubhouse Original Cost	109,782	109,782	2
Less: Accumulated Depreciation: Clubhouse	(32,531)	(30,885)	
Furniture & Fittings	37,589	37,610	
Less: Accumulated Depreciation: Furniture & Fittings	(20,072)	(19,594)	
Office Equipment	17,910	21,007	
Less: Accumulated Depreciation: Office Equipment	(13,063)	(14,488)	
Plant & Equipment	41,930	33,695	
Less: Accumulated Depreciation: Plant & Equipment	(18,453)	(25,055)	
Total Fixed Assets	123,092	112,072	
Non-current Assets			
Shares: Trustpower/Tilt	19,945	17,256	
Term Deposits (Heartlands & Westpac)	88,082	84,658	
Trust Fund - F Shrimpton	1,800	1,800	
Trust Funds - Veterens	3,200	3,200	
Total Non-current Assets	113,027	106,915	
Total Assets	254,808	251,953	
Liabilities			
Current Liabilities			
Accruals	1,500	2,770	
GST	624	(948)	
Pre-paid membership subscriptions	7,321	10,165	
Prepaid Table Money Vouchers	1,033	0	
Total Current Liabilities	10,478	11,987	
Total Liabilities	10,478	11,987	
Net Assets	244,330	239,966	
Equity			
Current Year Earnings	1,725	(5,182)	
Grants Received	5,703	5,703	
Prior year adjustments	(337)	(337)	
Retained Earnings	231,450	236,682	
Unrealised Capital Profit on Shares	5,789	3,100	
Total Equity	244,330	239,966	
	This Year	Last Year	