

Performance Report

Kerikeri Cruising Club Incorporated
For the year ended 30 June 2024

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Entity Information

Kerikeri Cruising Club Incorporated For the year ended 30 June 2024

Legal Name of Entity

Kerikeri Cruising Club Incorporated

Entity Type and Legal Basis

Incorporated Society under the Incorporated Societies Act 2022.

Registration Number

483706

Entity's Purpose or Mission

To provide a venue for the promotion and participation of all boating activities, encourage the sport of sailing, foster a safe marine environment, and encourage the younger members of our community to become active and skilled in this sport.

Main Sources of Entity's Cash and Resources

The Club's activities are funded through a variety of sources, including marina fees, restaurant trading and club subscriptions.

Entity's Reliance on Volunteers and Donated Goods or Services

The Club relies on gifts of volunteer time and expertise to complete work in many essential roles including board and committee governance.

Officers

Commodore - Mark Turner

Vice Commodore - Tim Bingham

Rear Commodore - Alastair Wells

Treasurer - Dean Smith

Secretary - David Brock

Officer - Melanie Macdiarmid

Bankers

Bank of New Zealand, Kerikeri
ASB Bank, Kerikeri

Solicitors

Law North Limited, Kerikeri

Auditors

BDO Northland, Kerikeri

Approval of Financial Report

Kerikeri Cruising Club Incorporated For the year ended 30 June 2024

The Committee Members are pleased to present the approved financial report including the historical financial statements of Kerikeri Cruising Club Incorporated for year ended 30 June 2024.

APPROVED


Signed by:

77F5546E928EF247

Mark Turner

Commodore

Date 30/09/2024

Signed by:

6483C0712605A9C9

Dean Smith

Treasurer

Date 30/09/2024

Statement of Service Performance

Kerikeri Cruising Club Incorporated

For the year ended 30 June 2024

Provides a venue for the promotion & participation of all boating activities

- Clubhouse facility (prize-givings for each race & annually, theory training as required)
- Office, Boatshed & Shower/Toilets/Laundry
- Provides marina berths (193), pile moorings (39), dinghy storage (109) & boat ramps (2)

Encourages the sport of sailing

- Provides an annual calendar of keelboat sailing races 52 (2023: 59)
- Provides an annual calendar of centreboard sailing races, Learn to Sail courses and sailing coaching 67 (2023: 60)
- Provides & maintains racing facilities (race office, course buoys)
- Recruits & enables volunteers & race committee to organise & adjudicate races
- Provides an annual calendar of boat cruises nil (2023: 2)
- Provides Learn to Sail courses to the community

Fosters a safe marine environment

- Ensures compliance with vessel electrical standards (monthly compliance checks, annual boat electrical warrant inspections co-ordinated by the Club)
- Mandatory public liability cover for all vessels accommodated on the Club's marina & moorings (monthly review of boat insurance status & mandatory insurance requirements applied to berth rentals)
- Maintains a safe marina & pile moorings (conditions audits, regular maintenance, refurbishment & replacement as required)
- Provides a pump out facility, waste oil disposal facility & on-shore boat rubbish & recycling
- Provides a boat haul out facility (reducing anti-foul contamination of the marine environment by extracting it on-shore) and assisting with local body bio-security regulations.

Encourages young members of our community to become active & skilled in this sport

- Provides 6 RIBs for use in youth training & racing
- Provides on-shore venue for theory teaching
- Recruits & enables volunteers & race committee to organise & adjudicate youth races & training.

This statement should be read in conjunction with the Independent Auditors' Report and Note to the Financial Statements.

Statement of Financial Performance

Kerikeri Cruising Club Incorporated

For the year ended 30 June 2024

	NOTES	2024	2023
Revenue			
Donations, fundraising and other similar revenue	1	29,090	11,827
Fees, subscriptions and other revenue from members	1	831,387	445,059
Revenue from providing goods or services	1	409,195	491,367
Interest, dividends and other investment revenue	1	79,676	22,905
Other revenue	1	26,331	30,189
Total Revenue		1,375,679	1,001,347
Expenses			
Volunteer and employee related costs	2	278,820	289,590
Costs related to providing goods or service	2	1,137,605	584,597
Other expenses	2	282,569	273,879
Total Expenses		1,698,994	1,148,066
Surplus/(Deficit) for the Year		(323,315)	(146,719)

This statement should be read in conjunction with the Independent Auditors' Report and Note to the Financial Statements.

Statement of Financial Position

Kerikeri Cruising Club Incorporated

As at 30 June 2024

	NOTES	30 JUN 2024	30 JUN 2023
Assets			
Current Assets			
Bank accounts and cash	3	1,093,984	669,830
Debtors and prepayments	3	112,780	46,584
Inventory		9,816	8,752
Other Current Assets	3	494,509	908,466
Total Current Assets		1,711,088	1,633,631
Non-Current Assets			
Property, Plant and Equipment	4	4,572,913	4,806,546
Total Non-Current Assets		4,572,913	4,806,546
Total Assets		6,284,001	6,440,178
Liabilities			
Current Liabilities			
Accounts Payable	5	328,272	171,055
BNZ Credit Cards		1,603	1,057
Employee costs payable		17,341	11,389
Income Received in Advance		11,975	8,552
Total Current Liabilities		359,191	192,053
Total Liabilities		359,191	192,053
Total Assets less Total Liabilities (Net Assets)		5,924,810	6,248,125
Accumulated Funds			
Accumulated surpluses or (deficits)	6	5,924,810	6,248,125
Total Accumulated Funds		5,924,810	6,248,125

This statement should be read in conjunction with the Independent Auditors' Report and Note to the Financial Statements.

Statement of Cash Flows

Kerikeri Cruising Club Incorporated For the year ended 30 June 2024

	NOTES	2024	2023
Statement of Cash Flows			
Cash Flows from Operating Activities			
Cash was received from			
Donations, fundraising and other similar receipts		9,090	11,827
Fees, subscriptions and other receipts from members		858,288	442,576
Receipts from providing goods or services		426,786	484,975
Interest, dividends and other investment receipts		79,676	24,910
Goods and Service Tax		58,274	(13,405)
Other Income		26,331	30,189
Total Cash was received from		1,458,445	981,072
Cash was applied to			
Payments to suppliers and employees		(1,466,343)	(885,802)
Other payments		(26,809)	(21,040)
Total Cash was applied to		(1,493,152)	(906,842)
Total Cash Flows from Operating Activities		(34,708)	74,230
Cash Flows from Investing and Financing Activities			
Cash was applied to			
Payments to acquire property, plant and equipment		(20,155)	(83,083)
Payments to acquire investments		479,017	(490,782)
Total Cash was applied to		458,862	(573,865)
Total Cash Flows from Investing and Financing Activities		458,862	(573,865)
Net Increase/(Decrease) in Cash		424,154	(499,635)
Opening Cash Balance			
Bank accounts and cash		669,830	1,169,465
Total Opening Cash Balance		669,830	1,169,465
Closing Cash Balance		1,093,984	669,830
Bank Accounts and Cash		1,093,984	669,830

Statement of Accounting Policies

Kerikeri Cruising Club Incorporated

For the year ended 30 June 2024

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$5,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Presentation Currency

The Performance Report is presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$.

Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable for the sale of goods and services, to the extent that it is probable that the economic benefits will flow to the entity and revenue can be reliably measured.

Sale of goods is recorded when the goods are sold (usually when the goods are received by the purchaser).

Donations - Revenue is recorded when the cash is received.

Donated assets - Significant donated assets are recorded on receipt at readily obtainable values. Other donated assets are not recognised as revenue and are detailed in the Notes to the Performance Report.

Commission - Revenue is recorded when the commission is receivable.

Provision of services are recognised on a stage of completion basis.

Rental revenue is recorded on a straight line basis unless another systematic basis is representative of the user's benefit.

Interest income is recorded as it is earned.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Inventories

Inventories are recorded at cost and if become impaired, written down to lower of cost and selling price.

Trade Receivables

Trade receivables are initially measured at the amount owed. When it is likely that the amount owed, or some portion, will not be collected, an impairment adjustment is recorded. Interest charged on overdue amounts are added to the individual debtor balance.

Property, Plant and Equipment

Items of property, plant and equipment are initially recognised at cost. Historic cost includes items of expenditure directly attributable to the acquisition of assets and includes the cost of replacements that are eligible for capitalisation when these are incurred. Land, buildings and the marina were historically measured under the revaluation model. With the transition to PBE standards the society ceased to revalue for financial reporting with 1 July 2014 forming the effective date for deemed cost.

Items of property, plant and equipment are subsequently measured under the:

- Cost model: Cost less accumulated depreciation and impairment.

All other repairs and maintenance expenditure is recognised in the Statement of Financial Performance as incurred.

Depreciation is calculated on a straight line for buildings and a diminishing value or straight line bases for plant and equipment, furniture and fittings and office equipment which will write off the costs of the assets over their expected useful lives. The following estimated useful lives have been used:

Land: not depreciated
Buildings: 10 - 40 years
Plant & Equipment: 1 - 18 years
Club Furniture & Fittings: 2 - 5 years
Marina Plant & Equipment: 2 - 18 years
Marina Office Equipments: 2 - 18 years
Property Improvements - Marina: 8 - 50 years
Marina: 15 - 25 years

Investments

Investments are recorded when purchased and are recorded at cost. If it appears that the carrying amount of the investment will not be recovered, it shall be written down to the current market price. Any impairment expense is recorded in the Statement of Financial Performance.

Creditors and Accrued Expenses

Creditors and accrued expenses are recorded at the amount owing at balance date.

Employee Costs Payable

Employee costs payable include wages and salaries, annual leave and PAYE payable at balance date. They are recorded at the amount to be paid.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

No income tax asset or liability has been provided for in the financial statements as the club is an amateur sporting organisation and is exempt from all income tax pursuant to section CW 46 of the Income Tax Act 2007.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Notes to the Performance Report

Kerikeri Cruising Club Incorporated For the year ended 30 June 2024

	NOTES	2024	2023
1. Analysis of Revenue			
Donations, fundraising and other similar revenue			
Centreboard Regatta Income		161	1,426
Donations & Grants Received		5,081	-
Donations & Grants Received for Centreboard Capital Items		-	2,465
Donations & Grants Received for Marina		20,000	-
Sponsorship - Centreboard		-	2,500
Sponsorship - Keelboat		3,848	5,436
Total Donations, fundraising and other similar revenue		29,090	11,827
Fees, subscriptions and other revenue from members			
Annual Marina Fees		667,397	287,630
Entrance Fee		3,304	2,957
Entry Fees - Keelboat		2,671	2,444
Learn to Sail Fees Income		12,856	11,043
Licence Transfer Fees		17,835	16,435
RIB Boat Use/Maintenance Fee		155	1,896
Subscriptions		123,962	119,426
Waiting List Fees		2,826	2,435
Yacht Use Maintenance Fee Charged		383	794
Total Fees, subscriptions and other revenue from members		831,387	445,059
Revenue from providing goods or services			
Advertising Sales		2,761	3,274
Berth Rent Received		217,192	190,455
Club Hire		2,782	538
Haul Out Income		24,157	20,774
House & Social Event Income		1,305	-
Keelboat Income - Bar		282	-
Rental - Dinghy Storage		7,826	7,537
Rental - Pile Moorings & Trailer Parks		30,857	31,843
Rental Bach		2,880	3,240
Sales - Bar		60,595	79,110
Sales - Food		54,892	148,811
Sales - Ropes & Shackles		2,133	3,172
Sales - Shirts, Burgees, & FOBs		1,535	1,590
School Community Sailing Experience Income		-	1,022
Total Revenue from providing goods or services		409,195	491,367

	NOTES	2024	2023
Interest, dividends and other investment revenue			
Interest Received		79,676	22,905
Total Interest, dividends and other investment revenue		79,676	22,905
Other revenue			
Commission on Fuel		2,709	1,467
Insurance Premiums Received		1,774	6,870
Power recovered		15,619	16,373
Sundry Income		6,228	5,479
Total Other revenue		26,331	30,189
	NOTES	2024	2023

2. Analysis of Expenses

Volunteer and employee related costs

Wages		278,820	289,590
Total Volunteer and employee related costs		278,820	289,590

Costs related to providing goods or services

Advertising		579	182
ACC Levy		1,591	1,568
Bank Fees		2,450	3,201
Centreboard Coaching Payments		-	4,550
Centreboard Expenses & Admin		1,497	1,667
Centreboard Regatta Expenses		-	446
Cleaning		4,465	3,609
Clubhouse Expenses		5,333	4,215
Gas & bottle hire		1,973	2,850
General Expenses		4,610	1,734
House & Social Event Expenses		1,225	398
Insurance		120,003	61,411
IT, Software, Licenses, EFTPOS		9,216	9,486
Keelboat Prizes		4,979	4,392
Launch & Cruise Expenses		-	285
Learn to Sail Expenses - Fuel & other costs		3,493	914
Licenses & Levies		71,351	66,819
Light, Power, Heating		26,142	27,575
Low Value Assets		3,404	1,109
Marina Annual Maintenance		26,518	46,426
Planning & Research		8,990	-
Printing, Postage & Stationery		11,286	10,297
Purchases - Bar		22,677	32,372
Purchases - Food		25,723	71,452
Purchases - Ropes & Shackles		2,020	2,678
Purchases - Shirts, Burgees & FOBs		847	520
Repairs & Maintenance		23,438	30,326

	NOTES	2024	2023
Rates		10,619	11,835
Refurbishment Expenses		551,647	4,019
Resource Consent Applications & Compliance		782	15,150
Rubbish		14,378	14,358
Security		3,496	8,720
Signage		1,478	1,119
Staff Welfare		2,484	5,024
Telephone		3,624	4,075
Training - Club Volunteers & Staff		213	-
Training (Marina Staff)		1,194	2,247
Travel		1,349	1,061
Valuation Fees		19,210	300
Visitor Pool Payments		140,889	122,945
Youth Support & Donations Made		2,435	3,261
Total Costs related to providing goods or services		1,137,605	584,597
Other expenses			
Accounting Services		5,140	6,290
Audit of Financial Statements		17,945	14,500
Depreciation		254,824	252,839
Interest Expenses - IRD		15	-
IRD Penalties		405	250
Legal Expenses		4,095	-
Loss on Disposal of Fixed Assets		145	-
Total Other expenses		282,569	273,879
	NOTES	2024	2023

3. Analysis of Assets

Bank accounts and cash

ASB Marina 00 Operating Acc	50,057	90,848
Finger Refurb 2024 ASB Marina 52 Savings Acc	26,259	1,890
Berth Rentals	258,579	222,131
BNZ 00 Account	60,502	156,208
BNZ 02 Account	94,552	1,893
BNZ 81 Term Deposit Acc - Vila	29,646	28,010
Cash on Hand	542	510
KCCM Trust Refurb - Savings Plus*	202,416	-
Marina Trust refurbishment funds - Term Deposit 80*	-	50,749
Marina Trust Refurbishment Funds - Term Deposit 83*	249,001	-
Major Maintenance	85,910	61,599
KCCM Trust Refurb 00 - Operating*	17,458	100
KCCM Trust Refurb - Savings Account 50*	17,965	54,823
Visitor Pool Payments - BNZ 01	1,097	1,069
Total Bank accounts and cash	1,093,984	669,830

	NOTES	2024	2023
Debtors and prepayments			
Accounts Receivable		15,775	21,177
Accrued Interest		2,327	-
Prepayments		94,678	25,407
Total Debtors and prepayments		112,780	46,584
Other current assets			
Term Deposits			
KCCM Trust Refurb 82*		409,954	-
Marina Trust refurbishment funds - Term Deposit 78*		-	388,788
Marina Trust refurbishment funds - Term Deposit 79*		-	101,993
Marina Trust refurbishment funds -term deposit 75*		-	400,000
Total Term Deposits		409,954	890,782
GST		68,495	4,264
Work in Progress		15,000	12,360
Withholding tax paid		1,060	1,060
Total Other current assets		494,509	908,466

*The Marina Trust Refurbishment Funds identified separately in the Financial Statements are set aside for the refurbishment costs of the marina facilities not otherwise covered by annual maintenance.

	NOTES	2024	2023
4. Property, Plant & Equipment			
Land			
Opening Carrying Amount		1,948,080	1,948,080
Total Land		1,948,080	1,948,080
Property Improvement - Club			
Opening Carrying Amount		47,949	49,502
Depreciation for the Year		(1,380)	(1,553)
Total Property Improvement - Club		46,569	47,949
Buildings			
Opening Carrying Amount		781,923	826,171
Additions		-	-
Depreciation for the Year		(44,247)	(44,247)
Total Buildings		737,675	781,924

	NOTES	2024	2023
Marina			
Opening Carrying Amount		1,812,131	1,950,478
Additions		1,902	38,309
Depreciation for the Year		(178,661)	(176,657)
Total Marina		1,635,372	1,812,130
Property Improvements - Marina			
Opening Carrying Amount		5,172	5,172
Depreciation for the Year		(169)	-
Total Property Improvements - Marina		5,003	5,172
Plant and Equipment			
Opening Carrying Amount		163,665	156,923
Additions		11,093	33,751
Disposals		(145)	-
Depreciation for the Year		(20,133)	(27,009)
Total Plant and Equipment		154,480	163,665
Marina Plant & Equipment			
Opening Carrying Amount		31,836	31,836
Additions		8,341	-
Depreciation for the Year		(6,925)	-
Total Marina Plant & Equipment		33,251	31,836
Marina Office Equipment			
Opening Carrying Amount		9,998	850
Additions		-	11,024
Depreciation for the Year		(2,122)	(1,876)
Total Marina Office Equipment		7,876	9,998
Club Furniture & Fittings			
Opening Carrying Amount		5,794	7,290
Additions		-	-
Depreciation for the Year		(1,186)	(1,496)
Total Club Furniture & Fittings		4,607	5,794
Total Property, Plant & Equipment		4,572,914	4,806,548
	NOTES	2024	2023

5. Analysis of Liabilities

Accounts Payable			
Trade Payable		180,612	48,857
Berth Licence Holder Pool Payments Accrued		146,460	122,962
Clubhouse Hire Bond		1,200	-
Marina Fees Paid in Error to Club		-	(763)
Total Accounts Payable		328,272	171,055
Total Analysis of Liabilities		328,272	171,055

	NOTES	2024	2023
6. Accumulated Funds			
Accumulated Funds			
Opening Balance		6,248,125	6,420,614
Accumulated surpluses or (deficits)			
Correction of Errors		-	(25,770)
Current year earnings		(323,315)	(146,719)
Total Accumulated surpluses or (deficits)		(323,315)	(172,489)
Total Accumulated Funds		5,924,810	6,248,125
Total Accumulated Funds		5,924,810	6,248,125

7. Events After the Balance Date

There were no events that have occurred after balance date that would have a material impact on the Performance Report. (Last year: nil)

8. Commitments

The Kerikeri Cruising Club has been carrying out refurbishment work on E-Pier. As of June 30, 2024 the contract had an outstanding balance of \$231,971. This contract has since been successfully completed, with all outstanding commitments fulfilled. (Last year - nil).

9. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2024 (Last year - nil).

10. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

11. Related Parties

The Club is wholly owned by its members and governed by an elected committee of members.

The following committee members hold berth licences with the Club which were transacted on the same terms as all other berth licence holders:-

2024	2023
Lane Ayr	Lane Ayr
Mal Simpson	Mal Simpson
Paul Pederson	Paul Pederson
Mike Carere	Mike Carere
Dave Keen	Dave Keen
Mark Turner	Mark Turner
Rhys Dempster	Rhys Dempster
David Brook	David Brook
Pete Woods	Pete Woods (Sept 2022)
Murray Lucas	Murray Lucas (Sept 2022)
Natasha Fraser	Natasha Fraser (Sept 2022)
Tony Milicich (March 2024)	

During 2024 the Club received funds from committee members totalling \$54,802 (2023: \$21,142). These were for Marina fees, club subscriptions, pile moorings, private club hire, trailer parks and dinghy locker hire.

During 2024 the Club paid committee members a total of \$390 (2023: \$24) for visitor pool payments.

There were no other material related party transactions with the Club staff or organisation that the staff have the power to influence.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KERIKERI CRUISING CLUB INCORPORATED

Report on the Performance Report

Opinion

We have audited the performance report of Kerikeri Cruising Club Incorporated ("the Club"), which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2024, the statement of financial position as at 30 June 2024, and the statement of accounting policies and other explanatory information.

Opinion on the entity information, the statement of service performance, the statement of cash flows and the statement of financial position

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the accompanying performance report presents fairly, in all material respects:
 - the entity information for the year ended 30 June 2024;
 - the service performance for the year then ended; and
 - the financial position of the Club as at 30 June 2024, and its cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Qualified Opinion on the statement of financial performance

In our opinion, except for the effects of the matter described in the Basis for *Qualified Opinion* section of our report, the performance report presents fairly, in all material respects, the financial performance of the Club for the year ended 30 June 2024 in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Qualified Opinion

In common with other similar organisations, control over cash revenues prior to being recorded is limited and there are no practical audit procedures to determine the effect of this limited control. Accordingly, the completeness of income from bar and food sales is unable to be determined. Consequently, we were unable to determine whether any adjustments should be made to the reported amounts for income from bar and food sales.

KERIKERI PARTNERS: Solomon Dalton Angela Edwards Joanne Roberts

WHANGAREI PARTNERS: Greg Atkins Scott Kennedy Adelle Wilson

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (“ISAs (NZ)”), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (“ISAE (NZ) 3000 (Revised)”). 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 the Club 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 qualified opinion.

In our capacity as auditor, we have no relationship with, or interests in, the Club, other than we assist with formatting the financial statements.

Responsibilities of the Members for the Performance Report

The Members are responsible for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b) the preparation and fair presentation of the performance report on behalf of the Club which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board; and

- c) such internal control as the Members determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Members are responsible on behalf of the club for assessing the club’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 Members either intend to liquidate the club or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report is 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) and ISAE (NZ) 3000 (Revised) 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 economic decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, 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 Members and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Club'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 performance report 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 Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Members 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.

Who we Report to

This report is made solely to the Club's members, as a body. Our audit work has been undertaken so that we might state those matters which 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 Club and the Club's members, as a body, for our audit work, for this report or for the opinions we have formed.

Signed by:

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BDO Northland
Kerikeri
New Zealand

30/09/2024