

# Annual Report

Rotary International District 9930  
30 June 2015

Examined for Audit  
Gardiner Knobloch Limited

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## **INDEPENDENT AUDITOR'S REPORT**

**To the Member Clubs of Rotary International District 9930.**

### **Report on the Financial Statements**

We have audited the financial statements of Rotary International District 9930 on pages 3 to 10, which comprise statement of financial performance, statement of movements in accumulated funds, statement of financial position, depreciation schedule and notes to the financial statements for the period ended and as at 30 June 2015.

### **The Board's Elected Committee's Responsibility for the Financial Statements**

The elected district board are responsible for the preparation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the elected district board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors Responsibilities**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that present fairly the matters to which they relate, 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other than in our capacity as auditor we have no relationship with or interests in Rotary International District 9930.

**Continued on next page**



**Opinion**

In our opinion the financial statements on pages 3 to 10:

- Comply with generally accepted accounting practice in New Zealand.
- Give a true and fair view of the financial position of Rotary International District 9930 as at 30 June 2015, and of its financial performance (a surplus of \$35,159.53) for the period then ended.

**Other Matters**

The financial statements for the year ended 30 June 2014 were audited by CPA. Ltd.  
An unqualified opinion was issued for the year ended 30 June 2014.

**Restriction on Distribution or use**

This report is made solely to the Rotary International District 9930, as a body in accordance with the constitution. Our audit work has been undertaken so that we might state to the Member Clubs of Rotary International District 9930 those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Rotary International District 9930 and the Member Clubs of Rotary International District 9930 as a body, for our audit work, for this report, or for the opinions we have formed.

*Gardiner Knobloch Ltd*

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**GARDINER KNOBLOCH LTD  
P O BOX 145  
NAPIER**

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**26 April 2016**

# Statement of Financial Position

Rotary International District 9930

As at 30 June 2015

Account	Notes	30 Jun 2015	30 Jun 2014
<b>Assets</b>			
<b>Bank</b>			
Westpac - 00 Current Account		64,529.12	7,782.70
Westpac - 01 TRF Account		23,093.11	917.18
Westpac - 25 Bonus Saver		45,592.38	52,175.05
Westpac - Term Deposits		71,076.25	68,432.15
Westpac - 02 Interplast Account		221.97	7,921.58
<b>Total Bank</b>		<b>204,512.83</b>	<b>137,228.66</b>
<b>Current Assets</b>			
Accounts Receivable	4	4,917.65	9,449.95
2014 Conference account		-	12,148.43
Conference Advances		125.88	2,596.30
Interest Accrual (Term Deposits)		1,339.71	1,098.30
Payments in Advance		3,324.90	2,265.73
GST		3,681.37	1,069.06
Stock on hand - Dictionaries	3	3,593.97	-
<b>Total Current Assets</b>		<b>16,983.68</b>	<b>28,627.79</b>
<b>Non-Current Assets</b>			
Plant & Equipment - Cost		6,341.00	6,341.00
P & E Accumulated Depreciation		(5,836.50)	(5,667.00)
<b>Total Non-Current Assets</b>		<b>505.50</b>	<b>674.00</b>
<b>Total Assets</b>		<b>222,002.02</b>	<b>166,530.45</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Income Tax Payable		508.30	433.16
Interact		-	641.00
Interplast		221.97	8,901.03
Other Creditors		2,450.64	-
Rotary Foundation Funds held		23,093.11	9,447.19
Summer Science School		22,709.65	19,209.65
Tavanui Water Project		-	871.18
Unrealised Profit on Dictionary Sales		3,260.95	3,260.95
<b>Total Liabilities</b>		<b>52,244.52</b>	<b>42,764.16</b>
<b>Net Assets</b>		<b>169,757.50</b>	<b>123,766.29</b>
<b>Equity</b>			
Accumulated Funds	8	124,757.50	88,766.29
Conference Funds	9	15,000.00	15,000.00
Disaster Fund	8	10,000.00	-
Insurance Reserve	8	20,000.00	20,000.00
<b>Total Equity</b>		<b>169,757.50</b>	<b>123,766.29</b>

District Governor

District Treasurer

Examined for Audit  
Gardiner Knobloch Limited

# Statement of Movements in Accumulated Funds

Rotary International District 9930

For the year ended 30 June 2015

	Notes	2015	2014
<b>General Fund Account:</b>			
<b>Opening Balance</b>	8	<b>88,766.29</b>	<b>80,476.37</b>
<b>Add:</b>			
Prior Period adjustments to balance funds equal to Bank accounts			
<i>Interact</i>	641.00		
<i>Interplast</i>	466.85		
<i>Rotary foundation funds held TRF</i>	8,852.65		
<i>Tavenui water Project</i>	871.18	10,831.68	
Current Year Surplus/ (Deficit)		35,159.53	28,289.92
<b>Less:</b>			
Disaster Fund		(10,000.00)	-
Insurance Reserve		-	(20,000.00)
<b>Closing Balance at year end</b>	8	<b>124,757.50</b>	<b>88,766.29</b>
<b>Other Reserves &amp; Funds:</b>			
Conference fund	9	15,000.00	15,000.00
Disaster Fund	8	10,000.00	-
Insurance Reserve	8	20,000.00	20,000.00
		<b>45,000.00</b>	<b>35,000.00</b>
<b>Total Equity</b>		<b>169,757.50</b>	<b>123,766.29</b>

Examined for Audit  
Gardiner Knobloch Limited

# Statement of Financial Performance

Rotary International District 9930

For the year ended 30 June 2015

Account	Notes	2015	2015 Budget	2014
<b>Trading Income</b>				
Sales-Dictionaries		11,734.21	-	15,140.21
<b>Total Trading Income</b>		<b>11,734.21</b>	<b>-</b>	<b>15,140.21</b>
<b>Cost of Sales</b>				
Opening Stock		-	-	500.83
Purchases		15,026.08	-	14,639.38
Closing stock		(3,593.97)	-	-
<b>Total Cost of Sales</b>		<b>11,432.11</b>	<b>-</b>	<b>15,140.21</b>
<b>Gross Surplus</b>		<b>302.10</b>	<b>-</b>	<b>-</b>
<b>Other Income</b>				
Club Levies		72,934.73	73,150.00	74,147.40
Conference Levies		17,506.55	17,500.00	17,910.00
District Subsidy From General Account		-	8,750.00	-
Insurance Recoveries		15,020.62	15,015.00	13,074.30
Interest Received		5,025.08	4,500.00	4,565.99
Sundry Income		3,614.28	-	-
Theme Banners (84000)		-	1,430.00	1,374.30
Training Levy		26,396.92	24,115.00	22,674.06
<b>Total Other Income</b>		<b>140,498.18</b>	<b>144,460.00</b>	<b>133,746.05</b>
<b>Operating Expenses</b>				
A G Expense Allowance		7,752.00	7,752.00	7,599.96
Administration District		7,649.99	7,650.00	7,500.00
Audit Fees		1,380.00	1,380.00	1,340.00
Badges & Promotional Material		936.67	550.00	532.99
Conference Levy		17,504.99	17,500.00	6,463.85
D G E Expense Allowance		6,120.00	6,120.00	6,000.00
D G Expense Allowance		11,220.00	11,220.00	11,000.00
D G N Expense Allowance		1,020.00	1,020.00	1,000.00
D G 'S Discretionary fund		798.69	2,040.00	1,824.59
Depreciation per schedule		168.50	185.00	167.61
Directory		-	1,500.00	-
District Advisory Council		890.18	600.00	737.50
District Assembly - Napier		355.39	1,020.00	689.12
District Assembly - Tauranga		2,301.73	4,080.00	2,921.17
District Leadership Training		(27.39)	1,000.00	-
District Public Image		2,778.49	3,000.00	-
District Seminar: Membership Foundation		-	2,000.00	-
District Settlement - Institut		3,745.33	5,000.00	5,792.31
General Expenses		158.05	510.00	613.07
Income Tax & Penalties		545.67	-	433.16
Institute - Officer reimburse		2,083.48	8,500.00	5,162.47
Insurance - Clubs		13,581.17	15,000.00	13,747.25
International Youth Exchange		-	-	199.85
Leadership Seminar - A.G.		-	1,000.00	524.86
Leadership Seminar DC		773.52	1,000.00	846.26
Membership Expenses		-	2,000.00	-
Multi District Grant		-	6,000.00	3,000.00
Mwika - write off		-	-	200.18
NZ Guardian Trust - RCNZCCT		2,987.62	3,000.00	2,988.02
NZRWCS Levy		1,759.00	2,000.00	1,797.00
Officer Selection		-	300.00	-
Other Committees: Probus, Interact, Rotaract, etc		1,069.94	1,500.00	-
PETS No 1 Meeting		2,432.92	3,000.00	1,244.35
Printing, stamps, stationery		-	300.00	339.20
Public Image- Advertising		6,400.00	6,000.00	10,370.79
Recovery- RI PR Grant		(5,000.00)	(6,000.00)	-
Repairs & Maintenance		-	300.00	30.93
Rotary Institute/Training		2,165.10	2,000.00	3,000.00
ROZCOM		3,773.48	3,000.00	-
RYLA		-	-	519.43
SPPETS Levy		5,388.01	9,000.00	4,799.65
Theme Banners (61015)		1,319.50	1,430.00	1,478.46
VTT Inward		-	4,500.00	-
VTT Outward		-	5,500.00	-
Website		1,608.72	1,000.00	592.10
<b>Total Operating Expenses</b>		<b>105,640.75</b>	<b>144,457.00</b>	<b>105,456.13</b>
<b>Net Surplus</b>		<b>35,159.53</b>	<b>3.00</b>	<b>28,289.92</b>

Examined for Audit  
Gardiner Knobloch Limited

## Depreciation Schedule

Rotary International District 9930  
For the year ended 30 June 2015

Name	Cost	Opening Value	Purchases	Disposals	Depreciation	Closing Value
<b>Plant &amp; Equipment - Cost</b>						
Centennial Banners (75)	1,356.00	97.00	0.00	0.00	24.25	72.75
Conference Banners & Flags	425.00	8.00	0.00	0.00	2.00	6.00
Portable Display & Graphics	1,202.00	21.00	0.00	0.00	5.25	15.75
Street Flags (51) "Rotary Over a century of Service"	3,358.00	548.00	0.00	0.00	137.00	411.00
<b>Total Plant &amp; Equipment - Cost</b>	<b>6,341.00</b>	<b>674.00</b>	<b>0.00</b>	<b>0.00</b>	<b>168.50</b>	<b>505.50</b>
<b>Total</b>	<b>6,341.00</b>	<b>674.00</b>	<b>0.00</b>	<b>0.00</b>	<b>168.50</b>	<b>505.50</b>

Examined for Audit  
Gardiner Knobloch Limited



# Notes to the Financial Statements

Rotary International District 9930

For the year ended 30 June 2015

## 1. Reporting Entity

The financial statements are for Rotary International District 9930. Rotary International District 9930 is an incorporated society registered under the Incorporated Societies Act 1908. These financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand.

## 2. Statement of Accounting Policies

The financial statements are comprised of Statement of Financial Position, Statement of Financial Performance, Statement of Movement in Accumulated Funds, Statement of Accounting Policies as well as the Notes to the Financial Statements. The financial statements have been prepared on the basis of historical cost with the exception of certain items for which specific accounting policies are identified.

### Basis of Preparation

The financial statements have been prepared for the members of Rotary International District 9930.

The following specific accounting policies, which materially affect the measurement of the financial performance and the financial position, have been applied:

### Historical Cost

These financial statements have been prepared on a historical cost basis, except for certain assets which have been revalued as identified in specific accounting policies below (if any). The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest dollar, except when otherwise indicated.

### Changes in Accounting Policies

There have been no change in accounting policies. All accounting policies have been applied on a basis consistent with those used in previous years.

### Revenue Recognition

Revenue is measured and recognised at the value of the consideration received or receivable for the services and club levies, excluding goods and services tax rebates and discounts, to the extent it is probable that the economic benefits will flow to the District and revenue can be reliably measured.

Interest received is recognised as interest accrues, gross of refundable tax credits received (if any).

Dividends received are recognised on receipt, net of non-refundable tax credits (if any).

### Inventories

Inventories are stated at the lower of cost, determined on a first-in-first-out basis, and net realisable value.

### Accounts Receivable

Accounts receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

### Foreign Currencies

Transactions in foreign currencies (if any) are converted at the New Zealand rate of exchange ruling at the date of the transaction.

**Examined for Audit  
Gardiner Knobloch Limited**

# Notes to the Financial Statements

Rotary International District 9930

For the year ended 30 June 2015

## Property, Plant and Equipment and Investment Property

Property, plant and equipment and investment property are stated at historical cost less any accumulated depreciation. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment or investment property is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

## Depreciation

Account	Method	Rate
Plant & Equipment - Cost	Diminishing Value	25%

## Financial Instruments

Financial assets and liabilities, including borrowings and bank overdrafts, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in profit or loss on an effective yield basis.

## Income Tax

The taxes payable method is used in these Financial Statements which is in accordance with the taxation return.

## Goods and Services Tax

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

## 3. Inventory

	2015	2014
Inventories	3,593.97	-
<b>Total Inventory</b>	<b>3,593.97</b>	<b>-</b>

Inventories on hand consist of Dictionaries for resale to Clubs at no mark-up.  
No inventories are pledged as security for liabilities.

## 4. Trade Receivables

	2015	2014
Trade receivables	4,917.85	9,449.95
<b>Total Trade Receivables</b>	<b>4,917.85</b>	<b>9,449.95</b>

## 5. Contingent Assets and Contingent Liabilities

There are no contingent liabilities or assets at balance date (2014: NIL).

## 6. Subsequent Events

No significant events have occurred after reporting date (2014: Nil).

Examined for Audit  
Gardiner Knobloch Limited

# Notes to the Financial Statements

Rotary International District 9930

For the year ended 30 June 2015

## 7. Committee Funds

Funds held by Rotary International District 9930 as follows:

Account	2015	2014
Australian/NZ Matched Student Exchange-00 Account	19,190.10	11,409.60
Australian/NZ Matched Student Exchange-25 Account	5,121.15	5,333.02
GSE Inwards	94.34	94.34
GSE Outward	388.95	388.95
International Youth Exchange	40,939.00	30,932.00
RYLA	11,165.39	15,488.79
Conference 2014	-	11,973.00
Royalty Friendship Exchange Committee	1,330.00	3,738.35
<b>Total Committee Funds</b>	<b>78,228.93</b>	<b>79,358.05</b>

## 8. Accumulated Funds

	2015	2014
Accumulated funds opening balance	88,766.29	80,476.37
Net Surplus ( <i>Incl. conference fund surplus</i> )	35,159.53	28,289.92
Prior period surplus funds added back to Accumulated Funds	10,831.68	-
Transfer to Insurance Reserve	-	(20,000.00)
Transfer to Disaster Fund	(10,000.00)	-
<b>Total Accumulated Funds</b>	<b>124,757.50</b>	<b>88,766.29</b>

In 2014, the District Finance committee agreed that rather than take out an insurance policy to cover the cost of a District Governor elect being unable to take up the position in the six months prior to 1 July, that the District will set aside a reserve of \$20,000.

In 2015, a District Disaster Fund of \$10,000 has been established, as a seeding fund for any disaster assistance contributions made by District Clubs. Approval of payments from this fund rests with the District Board.

## 9. Conference Fund

	2015	2014
Conference fund opening balance	15,000.00	15,000.00
Surplus from conference account	12,152.19	12,036.15
Conference levies Budget	17,500.00	18,500.00
	<b>44,652.19</b>	<b>45,536.15</b>
<b>Less:</b>		
Transferred to accumulated funds	12,152.19	12,036.15
Conference advances Budget	17,500.00	18,500.00
<b>Balance as at 30 June 2015</b>	<b>15,000.00</b>	<b>15,000.00</b>

The Conference Fund surplus of \$12,152.19 (2014 Surplus \$12,036.15) has been transferred to Accumulated Funds to keep the Conference Fund at \$15,000 in accordance with the District rules.

## 10. District Governor Expenses

The District is required by Rotary International to include by way of note the amount received by District Governor Paul Wright from Rotary International as reimbursement for Rotary International expenses during the year ended 30 June 2015. The amount \$18,671 is not included in the District Financial Statements, nor was it received by the District. It was an addition to the reimbursement made by the District on account of District expenses incurred by the District Governor, which is shown in the Financial Statements of the District.

**Examined for Audit**  
**Gardiner Knobloch Limited**

# Notes to the Financial Statements

Rotary International District 9930

For the year ended 30 June 2015

## 11. Related Party Transactions

Oldershaw & Co Ltd provides accounting services to Rotary District 9930 and Marc Nel (treasurer) is also a director of Oldershaw & Co Ltd. The accounting fee for the year is \$7,600 (2014:\$7500).

Allowances had been paid to District Governor & others as follows:

	2015	2014
AG Expenses allowance	7,752.00	7,600.00
DGE Expenses Allowance	6,120.00	6,000.00
DG Expenses allowance	11,220.00	11,000.00
DGN Expenses Allowance	1,020.00	1,000.00
	<u>26,112.00</u>	<u>25,600.00</u>

## 12. Income Tax Payable

	2015	2014
Interest received during the year	5,025.08	4,565.99
<b>Less:</b> Expenses Claimed	<u>(2,209.73)</u>	<u>(2,018.99)</u>
Gross Taxable Income	2,815.35	2,547.00
<b>Less:</b> Income Tax Credits for Non-Profit bodies	<u>(1,000.00)</u>	<u>(1,000.00)</u>
Net Taxable Income	<u>1,815.35</u>	<u>1,547.00</u>
Income Tax due for the year @ 28%	<u>508.30</u>	<u>433.16</u>

## 13. Property, Plant & Equipment

	2015	2014
Cost	6,341.00	6,341.00
<b>Less:</b> Accumulated Depreciation	<u>(5,835.50)</u>	<u>(5,667.00)</u>
	<u>505.50</u>	<u>674.00</u>

**Examined for Audit**  
**Gardiner Knobloch Limited**