

THE NEW ZEALAND FEDERATION OF MOTORING CLUBS INC

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2016

The New Zealand Federation of Motoring Clubs Inc

**Statement of Income and Expenditure
For the Year Ended 28 February 2016**

	2015	2016
	\$	\$
Income		
Subscriptions	9,529	11,109.00
AGM registrations	405	656.00
Interest	<u>606</u>	<u>649.38</u>
Total Income	<u>10,540</u>	<u>12,414.38</u>
Expenditure		
Audit	100	100.00
Accommodation, meals and teas	2,105	2,545.66
Bank charges	2	-
DVD of AGM	-	50.00
Editor honorarium	862	862.50
Postage and prepaid envelopes	818	114.67
PO Box	170	175.00
Public liability insurance	288	287.50
Room hire – committee meetings	200	175.00
Secretary honorarium	1,725	1,725.00
Travel	5,680	3,761.39
Stationery and copying	50	50.63
Website	482	396.58
Wheel Torque printing	<u>545</u>	<u>863.55</u>
Total Expenditure	<u>13,027</u>	<u>11,107.48</u>
Surplus of income over expenditure/(Excess expenditure over income)	<u>(\$2,487)</u>	<u>\$1,306.90</u>

The New Zealand Federation of Motoring Clubs Inc

**Statement of Financial Position
As at 28 February 2016**

	2015	2016
	\$	\$
Assets		
Bank - ASB Cheque account	1,449	2,463.72
- ASB Accelerator account	1,031	1,035.16
- ASB Term deposit	<u>15,000</u>	<u>15,000.00</u>
Total Assets	<u>\$17,480</u>	<u>\$18,498.88</u>
Liabilities		
Creditors	<u>863</u>	<u>575.00</u>
Net Assets	<u>\$16,617</u>	<u>\$17,923.88</u>
Represented by		
Members' equity		
Balance at start of year	19,104	16,616.98
Net surplus/(deficit) for the year	<u>(2,487)</u>	<u>1,306.90</u>
Balance at end of year	<u>\$16,617</u>	<u>\$17,923.88</u>

The New Zealand Federation of Motoring Clubs Inc

Notes to the Financial Statements For the Year Ended 28 February 2016

1. Statement of Accounting Policies

The financial statements presented are those for The New Zealand Federation of Motoring Clubs Inc. The New Zealand Federation of Motoring Clubs Inc is incorporated under the Incorporated Societies Act 1908.

The New Zealand Federation of Motoring Clubs Inc is a reporting entity under the Financial Reporting Act 1993. These Financial Statements have been prepared in accordance with the Financial Reporting Act 1993.

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used. Accrual accounting is used to recognise expenses and revenues when they occur.

(a) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

(b) Differential Reporting

The New Zealand Federation of Motoring Clubs Inc (Federation) qualifies for exemptions under the Framework for Differential Reporting issued by the New Zealand Institute of Chartered Accountants. This is on the basis that the Federation does not have public accountability, and its members have appointed all of the committee members. Accordingly the Federation has taken advantage of all differential reporting exemptions allowed under the Framework for Differential Reporting.

(c) Goods and Services Tax

The Statement of Financial Performance has been prepared on a GST inclusive basis as the Federation is not GST registered.

(d) Investments

Investments are carried at the lower of cost and net realisable value. Where in the Treasurer's opinion there has been a permanent reduction in the value of the investments this has been brought to account in the current period. Investment income is accounted for on a cash basis.

The New Zealand Federation of Motoring Clubs Inc

**Notes to the Financial Statements
For the Year Ended 28 February 2016**

2. Term Deposit

ASB Term Deposit

The term deposit is for a twelve month period maturing on 19 February 2017. Interest is receivable at a rate of 3.40 percent per annum (2016 \$15,000 invested with interest rate of 4.30% p.a.). Interest is accounted for on receipt.

3. Capital Commitments

There were no capital commitments as at 28 February 2016 (Nil 2015).

4. Contingent Liabilities

There were nil contingent liabilities as at 28 February 2016 (Nil 2015).

AUDIT REPORT

To the members of The New Zealand Federation of Motoring Clubs Inc.

I have audited the financial report on pages 1 and 2. The financial report provides information about the past financial performance of the New Zealand Federation of Motoring Clubs Incorporated and its financial position as at 28 February 2016. This information is based in accordance with accounting policies set out on page 3.

THE MANAGEMENT COMMITTEE'S RESPONSIBILITIES

The Management Committee is responsible for the preparation of a financial report which fairly reflects the financial position of the New Zealand Federation of Motoring Clubs Incorporated as at 28 February 2016 and the results of its operations for the year ended 28 February 2016.

AUDITOR'S RESPONSIBILITIES

It is my responsibility to express an independent opinion on the Statement of Income and Expenditure presented by the Management Committee and report my opinion to you.

BASIS OF OPINION

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the Statement of Income and Expenditure. It also includes assessing:

- the significant estimates and judgements made by the Management Committee in the preparation of the Statement of Income and Expenditure and
- whether the accounting policies are appropriate to the New Zealand Federation of Motoring Clubs Incorporated's circumstances, consistently applied and adequately disclosed.

I conducted my audit in accordance with generally accepted auditing standards in New Zealand except that my work was limited as explained below. I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming my opinion, I also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in my capacity as auditor I have no relationship with or interest in The New Zealand Federation of Motoring Clubs Inc.

QUALIFIED OPINION

In common with other organisations of a similar nature, control over the Club's income prior to its being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control.

Subject to the above reservation I have obtained all the information and explanations that I have required.

In my opinion:

- Proper accounting records have been kept by The New Zealand Federation of Motoring Clubs Inc as far as appears from my examination of these records.
- The financial report on pages 1 and 2 fairly reflect the results of operations for the year ended 28 February 2016.

My audit report was completed on 1 *April* 2016 and my opinion is expressed as at that date.



Colin Gates *B. Com ACA*
Henderson