

**ORURU & INLAND VALLEYS
ASSOCIATION INC**

FINANCIAL STATEMENTS

For The Year Ended 30 June 2018

ORURU & INLAND VALLEYS ASSOCIATION INC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

CONTENTS

	Page
Business Directory	2
Notes to the Financial Statements	3 - 4
Statement of Financial Performance	5
Statement of Financial Position	6
Schedule of Fixed Assets & Depreciation	7 - 8
Accountant's Report	9 - 10

**ORURU & INLAND VALLEYS
ASSOCIATION INC**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

DIRECTORY

<i>INCORPORATED SOCIETY No</i>	224616
<i>CHARITIES REGISTER No</i>	ORU58162
<i>NATURE OF ACTIVITY</i>	Community Hall Operations
<i>BUSINESS LOCATION & REGISTERED OFFICE</i>	672 Oruru Road Oruru NORTHLAND
<i>POSTAL ADDRESS</i>	36 Conaglen Road RD1 MANGONUI 0494
<i>EXECUTIVE</i>	
<i>Chairman</i>	John Folkard
<i>Deputy Chairperson</i>	Kath Adams
<i>Secretary</i>	Helen Holm
<i>Treasurer</i>	Kath Adams
<i>Committee</i>	Diana Gard Tracey McClurg Adrienne Posinkovich Ian Posinkovich Keith Winter
<i>BANKERS</i>	KiwiBank MANGONUI
<i>HONORARY ACCOUNTANT</i>	Peter Bevin & Associates
<i>IRD NUMBER</i>	96-322-623

ORURU & INLAND VALLEYS ASSOCIATION INC
STATEMENT OF ACCOUNTING POLICIES AND NOTES
TO AND FORMING PART OF THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

REPORTING ENTITY

The ORURU & INLAND VALLEYS ASSOCIATION INC was established under the Incorporated Societies Act 1908.

The ORURU & INLAND VALLEYS ASSOCIATION INC is a reporting entity for the purposes of the Financial Reporting Act 1993. The Financial Reports of the ORURU & INLAND VALLEYS ASSOCIATION INC have been prepared in accordance with the provisions of the Financial Reporting Act 1993. The entity qualifies for differential reporting on the following grounds :

- a. The entity has “no public accountability” in terms of “The Framework for Differential Reporting”, and
- b. The owners and the entity are separate, and
- c. The entity is not large, as in the last two reporting periods :
 - (i) Total revenue is less than \$20.0m
 - (ii) Total assets are less than \$10m in carrying value, and
 - (iii) Total employees are less than 50 fulltime employees.

All Differential Reporting exemptions have been applied, except that the Financial Statements are presented exclusive of Goods and Services Tax.

MEASUREMENT BASE

The measurement base recognised as appropriate for the measurement and reporting of financial performance and financial position is that of historical cost. Reliance is placed on the fact that the business is a going concern. Accrual accounting is used to match expenses and revenues.

SPECIFIC ACCOUNTING POLICIES

FIXED ASSETS AND DEPRECIATION

Fixed assets are valued at cost less accumulated depreciation. Depreciation has been calculated using the maximum rates permitted under the Income Tax Act 2007.

GOODS & SERVICES TAX

The Financial Statements have been prepared exclusive of GST.

STOCK ON HAND

Bar and kitchen stock on hand at period end has been valued at the lower of cost or net realisable value.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies during the period under review. All policies have been applied on a basis consistent with those used in previous years.

NOTES TO THE ACCOUNTS

NOTE 1: CONTINGENT LIABILITIES & CAPITAL COMMITMENTS

There were no contingent liabilities as at 30 June 2018. (2017: \$Nil)

There were no capital commitments at 30 June 2018. (2017: \$ Nil)

NOTE 2: EVENTS SUBSEQUENT TO PERIOD END

There were no events occurring after 30 June 201 that require disclosure in these Financial Statements. (2017: \$ Nil)

NOTE 3: RELATED PARTY TRANSACTIONS

There were no related party transactions other than those occurring in the normal course of business activities. (2017 : \$518.04)

NOTE 4: PRIOR PERIOD ADJUSTMENTS

There is an adjustment of \$84.40 relating to expenditure that had not been disclosed in the Financial Statements for the prior period. (2017: \$Nil)

NOTE 5: GST REFUNDS

The outstanding issue of GST that was the subject of negotiation with the Inland Revenue Department has now been resolved and the amount in question (\$1267.87) has been refunded in full. In addition, interest of \$29.08 was received in respect of the outstanding refund. The amount of GST overpaid as at period end (\$63.20) relates to the two month period ended 31 May 2018 and there were no transactions involving GST in June 2018. (2017: \$1,267.87)

NOTE 6: RE-INSTATMENT OF BUILDING

The Oruru Community Hall is owned by the Far North District Council and leased to the Association for a 'peppercorn' annual rental. Maintenance of the building has been deferred for many years. In 2014 FNDC allocated \$250,000 (exclusive of GST) for structural re-instatement of the hall. The proposed work was unsuccessfully put out to tender, but in December 2015 NPM Construction submitted a offer to undertake the work. That offer was not acted upon by council. The ongoing delay in starting the work has adversely affected the Association's ability to stage events or otherwise use the facility, and this has affected the entity's financial performance. In July 2018, council imposed a temporary closure of the facility due to purported concerns over Health and Safety issues. The situation is now the subject of continued negotiation between the affected parties.

NOTE 7: INCOME TAX

The Association is a registered on the Charities Register, and as such is not liable for Income Tax, in terms of section CW42 of the Income Tax Act 2007.

These Notes from part of and are to be read in conjunction with the Financial Statements.

STATEMENT OF FINANCIAL PERFORMANCE

2017		This Period
\$		\$
	Income	
550	Donations/Koha	685
-	Events	3,785
-	Interest (IRD)	29
542	Sale of Bar Supplies (At Cost)	-
35	Subscriptions	-
<u>1,127</u>		<u>4,499</u>
	Less Expenses	
35	AGM Catering	35
928	Electricity	1,016
-	Events	3,868
-	General Expenses	46
-	Hire of Equipment	100
49	Lawns & Grounds	135
100	Lease	100
147	PO Box Rental	-
-	Printing & Stationery	86
-	Repairs & Maintenance	32
-	Rubbish Removal	27
<u>1,259</u>		<u>5,446</u>
(132)	Net Cash Surplus/(Deficit)	(946)
	Less Non-Cash Items	
1,651	Depreciation	1,650
553	Prior Period Adjustment	84
<u>2,204</u>		<u>1,734</u>
<u>(\$2,336)</u>	Net Surplus/(Deficit)	<u>(\$2,680)</u>
	Transferred to Accumulated Funds	

The attached STATEMENT OF ACCOUNTING POLICIES AND NOTES forms part of, and should be read in conjunction with, these Financial Statements

FINANCIAL STATEMENT ORURU & INLAND VALLEYS ASSOCIATION INC
FOR THE YEAR ENDED 30 JUNE 2018

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

30 Jun 17		This Period
\$		\$
Accumulated Funds		
15,310	Opening Balance	12,974
(2,336)	Net Surplus / (Deficit) For Period	(2,680)
(2,336)		(2,680)
<u>\$12,974</u>	Closing Balance	<u>\$10,293</u>
Represented by		
Current Assets		
290	Cash at Bank	917
-	Petty Cash	43
623	Debtors	-
1,560	GST Overpaid	63
712	Bar Stock	271
3,184		1,293
Less Current Liabilities		
861	Creditors	-
861		-
2,324	Working Capital Surplus / (Deficit)	1,293
Intangibles		
150	Trade Mark	150
150		150
Fixed Assets As per attached schedule		
10,500	Chattels	8,850
10,500		8,850
<u>\$12,974</u>	Net Assets	<u>\$10,293</u>

The attached STATEMENT OF ACCOUNTING POLICIES AND NOTES forms part of, and should be read in conjunction with, these Financial Statements

FINANCIAL STATEMENT

ORURU & INLAND VALLEYS ASSOCIATION INC

FOR THE YEAR ENDED 30 JUNE 2018

SCHEDULE OF FIXED ASSETS AND DEPRECIATION

	COST	DEPN 30-Jun-17	BK VALUE 30-Jun-17	PURCH'S \$	SALES \$	GAIN/(LOSS) \$	DEPRECIATION RATE %	THIS YR \$	DEPN \$	ACCUM \$	BK VALUE 30-Jun-18 \$
CHATTELS											
Crockery	510	-	510				RV	-	-	-	510
Cutlery	230	-	230				RV	-	-	-	230
Glassware	70	-	70				RV	-	-	-	70
Kitchenware	25	-	25				RV	-	-	-	25
Vacuum Cleaner	300	150	150				12.5% SL	38	188	113	113
Pews (x5)	500	160	340				8.0% SL	40	200	300	300
Theatre Seats (x73)	2,555	818	1,737				8.0% SL	204	1,022	1,533	1,533
Tables (x2)	25	10	15				10.0% SL	3	13	13	13
Table Tops (x23)	920	368	552				10.0% SL	92	460	460	460
Trestle Legs (x25)	250	100	150				10.0% SL	25	125	125	125
Oven - Freestanding	200	100	100				12.5% SL	25	125	75	75
Wall Oven	100	50	50				12.5% SL	13	63	38	38
Zip Water Heater	200	100	100				12.5% SL	25	125	75	75
Dishwasher	225	113	113				12.5% SL	28	141	84	84
Deep Freezer	40	20	20				12.5% SL	5	25	15	15
Coffee Percolator	25	13	13				12.5% SL	3	16	9	9
Electric Jug	10	5	5				12.5% SL	1	6	4	4
Hall Curtains	1,000	800	200				20.0% SL	200	1,000	-	-
Projector Screen	1,750	875	875				12.5% SL	219	1,094	656	656

The attached STATEMENT OF ACCOUNTING POLICIES AND NOTES forms part of, and should be read in conjunction with, these Financial Statements

FINANCIAL STATEMENT

ORURU & INLAND VALLEYS ASSOCIATION INC

FOR THE YEAR ENDED 30 JUNE 2018

SCHEDULE OF FIXED ASSETS AND DEPRECIATION

	COST	DEPN 30-Jun-17	BK VALUE 30-Jun-17	PURCH'S	SALES	GAIN/(LOSS)	DEPRECIATION RATE	THIS YR	ACCUM DEPN	BK VALUE 30-Jun-18
	\$	\$	\$	\$	\$	\$	%	\$	\$	\$
CHATTELS Cont'd										
Wood Fire & Flue	1,150	368	782				8.0% SL	92	460	690
Gas Heater	180	90	90				12.5% SL	23	113	68
Theatre Speakers	30	15	15				12.5% SL	4	19	11
Fridge-Freezer	261	139	121				12.5% SL	33	172	89
Bain Marie (3 pot deep)	370	169	200				12.5% SL	46	216	154
Bain Marie (3 pot shallow)	347	159	188				12.5% SL	43	202	145
Pie Warmer	430	197	233				12.5% SL	54	251	179
Microwave Oven	143	66	78				12.5% SL	18	84	60
Trestle Tables (x8)	626	184	442				8.0% SL	50	234	392
Banquet Chairs (x72)	2,870	650	2,219				8.0% SL	230	880	1,990
Trestle Tables (x4)	313	71	242				8.0% SL	25	96	217
Cash Register	343	118	225				12.5% SL	43	161	182
Bar Chiller	348	120	228				12.5% SL	43	163	185
Photocopier/Printer	217	36	181				12.5% SL	27	63	154
	16,564	6,063	10,500	-	-	-		1,650	7,714	8,850

DEPRECIATION EXPENSE**\$ 1,650**

The attached STATEMENT OF ACCOUNTING POLICIES AND NOTES forms part of, and should be read in conjunction with, these Financial Statements

ORURU & INLAND VALLEYS ASSOCIATION INC

ACCOUNTANT'S REPORT FOR THE YEAR ENDED 30 JUNE 2018

**To the Readers of the Financial Statements of the ORURU & INLAND
VALLEYS ASSOCIATION INC :**

I have reviewed the attached Financial Statements. Those Financial Statements provide information about the past financial performance of the organisation and its financial position as at 30 June 2018. The information is presented in accordance with the accounting policies and notes that form part of those Financial Statements.

Committee's Responsibilities

The Committee is responsible for the preparation of Financial Statements that fairly reflect the financial position of the organisation as at 30 June 2017 and the results of operations for the year ended 30 June 2017.

Auditor's Responsibilities

It is my responsibility to express an independent opinion on the Financial Statements presented by the Committee and report my opinion to you.

Basis of Opinion

A review includes examining, on a test basis, evidence relevant to the amounts and disclosures in the Financial Statements. It also includes assessing:

- a. The significant estimates and judgements made by the Committee in the preparation of the Financial Statements, and
- b. Whether the accounting policies are appropriate to the organisation's circumstance, consistently applied and adequately disclosed.

I have conducted my review in accordance with generally accepted auditing standards in New Zealand. I planned and performed my audit as to obtain all information and explanations that I considered necessary.

As with other organisations of a similar nature, there is limited control over income received prior to that income being recorded, and there are no practical audit procedures to determine the effect of this limited control.

In forming my opinion I also evaluated the overall adequacy of the presentation of the information in the Financial Statements.

Unqualified Opinion

I have obtained all the information and explanations I have required.

Subject to the accounting policies and notes which form part of the Financial Statements, in my opinion the attached Financial Statements fairly reflect the financial position of the organisation as at 30 June 2018 and the results of operations for the year ended 30 June 2018.

My review was completed on 31 August 2018 and my opinion is expressed as at that date.



PETER G BEVIN
Honorary Accountant

1456 Church Road
RD2 KAITAIA

Minutes of OIVA AGM Sunday 16 September 2018

Meeting opened 10: 37am

Committee members present, John Folkard, chairman, Kath Adams, treasurer, Helen Winter, secretary, Adrienne Posinkovich, Keith Russell, Tracey McClurg

Apologies Diana Gard, Kath moved, Keith seconded apologies to be accepted.

Chairman opened the meeting, welcoming all those present -

No intention of this being the last AGM of 'Swamp Palace'

Lydia offered Maori welcome

Minutes from last AGM

Helen read minutes of AGM 24 September 2017, Kath moved to accept these, Adrienne seconded.

Matters arising

Reference made to the fact that the contractors (from Whangarei) confirmed that they would start work on the Hall on October 2017. Kath understands that this was a misunderstanding on the part of the previous chairman, Peter Furze.

Chairman's report

2017-18 year report: I had come back to help with committee to help out as treasurer - "I was a disastrous treasurer and retired as quickly as possible". I had a retired accountant, Peter Bevin. helping. Committee has done a tremendous job keeping the Swamp Palace going. It's a thankless job. It takes a bit of doing just being there standing up for the building. I acknowledge all the previous committees and chairs over the years. They've given their time, quite often late at night to get business going at the Oruru Hall, make some money and attempt to get it refurbished.

Main point about our meeting today is that the Oruru Hall has been closed by order of the FNDC. Why was it closed? Safety issues are claimed.

Fire Escape Apparently there is an issue with the fire escape. It had never been used when films were shown, but it is apparently dangerous and not operable.

Toilets: Admittedly they are pretty despicable. Plans were afoot to repair and replace, but need money to do this which we can't get because hall closed, so no activities to make money

In the past the Council has indicated there is money from deferred maintenance. A long time ago. This is where the promised \$250,000 came from.

Question is Why do we bother – a decrepit building with some history?

The local Garton family had a lot to do with it. Originally it was part of the Cable Station at Cable Bay, when the telegraph cable came from California.

The Garton family bought the hall and in 1905 floated it up the river as far as it would go, - to 'Garton's Landing' when the river was navigable much further than it is now. Then onto bullock carts to its present location. It was used by Garton family - we are not sure how long or what for- and then used as a cinema. Films were run by Alan Garton(?) - a long time before Richard (friend of Peter Jackson) organised films on a regular basis. All this time the building was maintained as a community hall.

First WW, soldiers going to the Somme were farewelled at the hall, as were those heading off to WW2.

These are historic events that need to be recognised. We are aware of the existence of a refurbished 'Honours Board' – soldiers who fell in WW1 and WW2. The chair asked for confirmation about the new Honours Board.

From the floor Ray Olsen said a new Honours Board is now stored at Peria School waiting for the outcome of repairs on the Hall to take pride of place there.

The Chair mentioned community memories including himself as ‘a boy from Auckland’ going to a dance 50 years ago with his now wife, Val
Sports been played there for a long period.

What is special about Oruru Hall/Swamp Palace?

An excellent venue for bands: Paul Urbana, the Noise, Other Roads to name a few. “I’m told by other committee members that the acoustics are excellent’

From the floor Serena Hay-Wright contributed that the Oruru Community Hall used to be on the NZ gig guide. International acts coming – people from Iceland, Ireland, Texas, It is the only place in the area that can accommodate this kind of activity – can’t be done in Mangonui, Coopers Beach or Taipa because of the noise control.

If we can keep the Hall we’ll get those people (international and local acts) coming back.

Serena Hay-Wright added that she continues to get enquiries about it.- bands wanting to come back to perform at the Hall.

The Chair added that if we pull down these buildings without consideration of the future there can be disastrous results. Just think of destruction of His Majesty’s theatre in Auckland. Now there is no good music venue in Auckland.

We do not want this to happen to us.

We want people to go away, enthused with the idea that the Swamp Palace aka Oruru Community “Hall will continue for another 50 years, get bands in, get local people in...”

Financial Report

Kath Adams, treasurer presented:

Didn’t do much last year due to wait for works that were supposed to happen, also issues with drainage in the front of the hall in wet winter months which made it difficult to hold even private functions.

Paul Urbana-Jones concert in January, was well supported

Soul Shine and the Noise performed over Easter weekend but as there was a lot of competition and a big local party, the Hall made no profit on that night.

Incoming funds included Koha \$650 – from parties but we have posted a deficit.

Peter Bevin, accountant checked the accounts which include \$1560 GST refund.

The power has been disconnected temporarily as it costs \$60 per month even when no power is used. We hope to reconnect within 6 months thus avoiding the expense of a compliance certificate.

Treasurer moved that the accounts accepted, seconded Keith

Events Report

Only two gigs this year because of promised building work. This is covered in treasurer’s report

Election of Officers

Only one nomination for Chairman – John Folkard

Deputy chair & Treasurer – only nomination – Kath Adams

Secretary – only nomination, Helen Winter

All these Executive positions elected unopposed

Nominations for Committee members

Dean Wright

Adrienne Posinkovich

Keith Russell

Tracey McClurg

Lyn Reid

All nominees elected unopposed.

Fixing the Annual Subscription

Important for many organisations to have financial members.

Treasurer suggested \$5 for a couple or an individual

The constitution states the rate should be fixed at the AGM.

Membership will lapse after non-payment for 12 months and needs to be paid by the end of September

No-one opposed this rate.

Proposed Revision of Constitution

It is proposed to change the requirement for a formal annual audit to a review of the accounts, as is allowed for registered charities. A local registered accountant, Peter Bevin (ex OIVA treasurer) is unable to do an Audit but is more than capable of doing a review. OIVA Inc used to pay \$500-600 a year for an Audit, - a considerable impost – this change gets rid of the charge going to accountants in town. However we will still need to have the accounts reviewed.

This change was agreed without dissent.

Quorum

Now to be 2/3 financial committee members. This is to be checked with standard constitutions for charitable organisations.

Quorum made up from committee - to be 5 committee members

There was no opposition to this proposed change

Review of the Proposed upgrade of the Hall

Kath Adams, treasurer has been in touch with local officials. She had been told by Adele Gardner, Chair of Te Hiku Community Board, that she (Adele Gardner) is 'not allowed' to meet with committee members "without terms of reference"

Kath reported on July 3rd committee meeting at which Nuū Ward, Adele Gardner, Paul Carr, Ron Boyle arrived without notice. They announced closing the Hall because of safety concerns. At that stage Adele said she wanted to have a meeting with us in 3 weeks. Still not happened.

Kath finally got hold of Ron Boyle (Projects manager) two days ago – he said it's out of his hands. He hadn't been passing on emails from Kath to Te Hiku Community Board

Kath heard that someone from the Council had been out at the Hall last week, along with some infrastructure people.

Yesterday, - Saturday – Adele Gardner phoned at 8:30 am - she is apparently not allowed to contact by phone or email – council employees. Paul Carr apparently said he'd get back to her with terms of reference for a meeting with OIVA committee members.

Adele said Oruru Hall repairs are still on the table for this financial year.

She has 24 & 25th September available to meet with Committee members.

She said she'd phone Paul Carr this week

From the floor Gail Pearson says her experience with FNDC is similar. "We need to be the squeaky wheel. Need to start lobbying at the top" she said.

From the floor Lydia asked if the Hall comes under Historic Places Trust because of the Roll of Honour.

Chair says, not so, but they need to be where people can see them. Thomas Gardner & Ray Olsen had decided that best place to be seen, would be the Hall

St Barnabas church in Peria had been listed as a Grade 2 historic building after community submissions. But it had to be in reasonable condition beforehand. If we are determined to be Historic, then Council will still be responsible for repairs and maintenance.

Chair said he is prepared to chase this "Need to pursue the spirit of the place"

From the floor Gail said she understands FNDC owns Oruru Hall, looking to them for funding

Is there anything stopping us from getting community support?

In the past all profits have been used to upgrade items that were within the remit of the committee

Council was responsible for things like electrical wiring etc., she said. The Committee organised re-roofing of the Hall. Gail also reminded those present that Oruru Hall had been an RSA Hall for a few years.

“Council never put money in” she said.

From the floor Liz stated that as an ex Aucklander and performer she was very aware of the importance of Halls in NZ There are smaller and smaller numbers of places where people can get together, perform together. “It is terribly important that this place is available for young folk It’s a warm old place. We need places like this into the future;

From the floor Mark said he thought boards were disappearing. Kath said when NPM put in a quote for the upgrade last year, some boards pulled off on West side. “Take your point that we need to cover it up”.

Mark insisted that more boards have come off very recently – along nearly the full length of the hall. He suggested that we chase up with Infrastructure guys to see if they pulled some more off and suggest that they cover up the large hole that has been made.

Kath mentioned that early on in April Ron Boyle, project manager, in an email, promised to do the toilets as a first step in the whole renovation process. (Committee meeting minutes 1 May 2018)

From the floor Lydia asked what is happening with terms of reference for the meeting with Adele. She said we need to get Council on Board, then get on Historic Places trust.

FNDC has a set of categories for Halls,

From the floor Serena asked “Have we done a local petition”? We need to organise one as soon as possible. Online one as well as physical one. We can then present this to Council and the Press

From the floor Liz offered a stall at the Mangonui night market for petition.

Next committee meeting

First Tuesday of the month, ie October 2nd 4pm