

REDWOOD PARK GOLF CLUB (INCORPORATED)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

<u>Contents</u>	<u>Page</u>
Statement of Financial Performance	1
Statement of Movements in Equity	1
Statement of Financial Position	2
Statement of Accounting Policies	3
Notes to the Financial Statements	4-9
Audit Report	10-12

REDWOOD PARK GOLF CLUB (INCORPORATED)
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 JULY 2017

	Note	2017 12 months	2016 12 months
Income			
Bar Sales	1	173,698	181,634
Shop Sales	1	5,524	6,128
Member Subscriptions		375,325	409,214
Green Fees		116,832	130,431
Sundry Income	2	<u>110,550</u>	<u>100,358</u>
Total Income		781,928	827,766
Expenses			
Bar Expenses	1	122,109	132,593
Shop Expenses	1	3,227	4,821
Administration	3	265,795	266,456
Clubhouse	4	58,628	56,905
Golf	5	85,581	96,458
Course	6	334,251	310,063
Loss/Gain on Asset Disposals		(1,739)	852
Depreciation	10	<u>43,414</u>	<u>46,839</u>
Total Expenses		911,266	914,987
Net Surplus		<u>(129,338)</u>	<u>(87,221)</u>

REDWOOD PARK GOLF CLUB (INCORPORATED)
STATEMENT OF MOVEMENTS IN MEMBERSHIP FUNDS
FOR THE YEAR ENDED 31 JULY 2017


	Note	2017 12 months	2016 12 months
Opening Membership Funds		4,215,781	4,303,003
Net Surplus for the year		(129,338)	(87,221)
Closing Membership Funds		<u>4,086,441</u>	<u>4,215,781</u>


These financial statements should be read in conjunction with the accompanying accounting policies and notes

REDWOOD PARK GOLF CLUB (INCORPORATED)
STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2017

	Note	2017 12 months	2016 12 months
Membership Funds		<u>4,086,441</u>	<u>4,215,781</u>
Current Assets			
Cash at Bank	7	67,198	92,620
Accounts Receivable & Prepayments	8	5,416	3,785
Inventory	9	<u>12,784</u>	<u>19,817</u>
Total Current Assets		85,398	116,223
Non Current Assets			
Property, Plant & Equipment	10	4,079,857	4,121,369
Term Investments	11	<u>140,247</u>	<u>175,914</u>
Total Non Current Assets		4,220,104	4,297,283
Total Assets		4,305,502	4,413,506
Current Liabilities			
Accounts Payable	12	13,723	21,059
Subscriptions in Advance	12	133,258	127,290
GST Payable		2,031	3,214
Accrued Expenses	12	<u>70,050</u>	<u>46,162</u>
Total Current Liabilities		219,062	197,724
Total Liabilities		219,062	197,724
Net Assets		<u>4,086,441</u>	<u>4,215,781</u>

These financial statements should be read in conjunction with the accompanying accounting policies and notes


P S McSkimming
President


J C Stanton
Finance Director

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Redwood Park Golf Club (Inc) is an incorporated society under the Incorporated Society Act 1908.

The Club is a reporting entity for the purpose of its members. These financial statements have been prepared under generally accepted accounting practice. The financial statements include all activities under control of the Club's Board of Management.

MEASUREMENT BASE

These financial statements have been prepared using historical cost.

DIFFERENTIAL REPORTING

The Club qualifies under the Framework for Differential Reporting as the entity is not publicly accountable and is not large as defined under the framework. The Club has therefore adopted available differential reporting exemptions.

PARTICULAR ACCOUNTING POLICIES

The particular accounting policies adopted by the Club as follows:

Goods and Services Tax

All amounts are shown exclusive of Goods and Services Tax with the exception of accounts receivable and accounts payable. The GST payable to IRD at balance date is shown in the Statement of Financial Position

Revenue Recognition

Revenue is recognised on an accrual basis

4-9

Investments

Investments are valued at the lower of cost or market value

10-12

Property, Plant & Equipment

Property, Plant & Equipment is initially recorded at cost and depreciated over the assets estimated useful life. Initial cost includes the purchase cost and those costs that relate to bringing the asset to the location where it will be used, and making sure it is in appropriate condition for its intended use.

Depreciation

All items of Property Plant and Equipment (excluding land) are depreciated at rates which will write off their cost, less estimated residual value, over their expected useful lives.

Land and Buildings	1.5% - 30%
Plant and Equipment	9.5% - 48%
Office Equipment	10 % - 48%
Kitchen Equipment	10% - 36%
Bar Equipment	10%
Clubhouse	1.5% - 48%

Course Development Costs

The cost of redeveloping greens and fairways is not considered to be an addition to the cost of land, and is expensed in the year the cost is incurred.

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

Accounts Receivable

Accounts receivable are stated at their estimated realisable value.

Inventory

Inventory is valued at the lower of cost and net realisable value, determined on a first-in first out basis.

Provisions

Provisions are carried at the expected cash required to clear the liability

Leases

Finance leases effectively transfer to the Club substantially all the risks and benefits of ownership of the leased item. The leased assets and corresponding liabilities are recognised in the statement of financial position. The interest expense relating to the lease is calculated on an actuarial basis and is recorded in the statement of financial performance.

Operating lease payments are recorded in the Statement of Financial Performance.

Income Tax

The Club is exempt from income tax due to its status as an amateur sports promoter.

Changes in Accounting Policy

There have been no changes in accounting policy during the year ended 31 July 2017.

1 TRADING ACTIVITIES	2017		2016
	12 months		12 months
BAR			
Sales	173,698		181,634
Purchases	79,973	46%	88,008
Salary & Wages	34,677		36,815
Other Operating Costs	7,459		7,771
Net Bar Profit	51,589	30%	49,041
GOLF SHOP			
Sales	5,524		6,128
Purchases	3,227		4,821
Net Golf Shop Profit	2,297		1,308

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

	2017 12 months	2016 12 months
2 SUNDRY INCOME		
Cart Hire	23,703	28,291
Trundler Hire	941	652
Club Tournaments	13,146	12,699
Fundraising Club	6,803	1,119
Ladies Golf Receipts	4,083	2,471
Twilight Golf Receipts	12,838	8,462
Veterans Golf Receipts	7,531	11,136
Donations	8,075	6,120
Interest - Bank	2,239	4,544
Coffee Machine income	831	1,497
Rental - House	13,426	8,365
Scramble Receipts	4,399	4,791
Sponsorship	7,259	7,208
Sundry Income	3,200	1,117
Course Hire	1,691	1,500
Club House Hire	285	387
	<u>110,550</u>	<u>100,358</u>
3 ADMINISTRATION EXPENSES		
ACC Levy/Medical Expenses	3,136	3,157
Accountancy/Audit Fees	4,100	3,750
Advertising	5,181	2,655
Bank Fees	1,154	1,249
Donation Expenses	287	-
Insurance Club	14,721	14,009
Legal Fees	2,107	-
Licences & Levies	1,063	968
Office - R&M	515	-
Postage	378	434
Stationery	1,767	1,698
Merchant Fee (Credit Card)	1,795	2,005
Eftpos Expense	2,463	2,350
Computer Expenses	6,379	3,097
Website	1,650	1,757
Health & Safety	1,375	611
Printing	3,607	3,021
Rates Waitakere / ARC	9,128	15,110
Water Rates Waitakere CC	6,538	6,695
Telephone	5,556	4,987
Wages - Office	131,926	125,682
Wages - Golf	55,893	69,028
Staff Training - Admin	1,216	1,067
General Expense	3,233	757
Board Of Management	627	1,086
Insurance Claim Costs	-	1,285
	<u>265,795</u>	<u>266,456</u>

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

	2017 12 months	2016 12 months
4 CLUBHOUSE EXPENSES		
Catering	8,258	7,835
Cleaning - Services	20,286	18,929
Cleaning - Materials	1,801	2,712
Clubhouse - Carpark	182	47
Clubhouse - R&M	5,384	4,794
Clubhouse - General	2,150	1,980
Electricity	15,190	15,751
Sky Television	3,748	3,686
Security	1,629	1,170
	<u>58,628</u>	<u>56,905</u>
5 GOLF EXPENSES		
Fundraising & Social Club Expenses	2,400	299
Pennant Expenses	3,602	716
Coaching	300	(786)
Golf General Expenses	1,100	1,650
Dot Golf System	3,150	5,283
Golf Levies & Insurance	28,691	33,132
Subscription Expense	1,362	1,734
Hole in One fee	590	1,038
Cart Expense	72	2,396
Cart Lease	17,160	18,720
Coffee Machine Expenses	1,100	1,387
Tournament Expenses	9,261	11,960
Twilight Expenses	4,273	5,742
Holiday Open Expenses	1,630	2,132
Jackpot Sat Expenses	189	408
Jackpot Sun Expenses	-	177
Junior Expenses	159	-
Ladies General	793	133
Ladies Tournament	2,526	897
Ladies Scramble Expense	1,373	1,739
Vets Away Expense	327	234
Classic Tournament Expense	533	1,247
Vets Scramble Expense	2,561	3,679
Vets Raffle Expense	961	1,463
Vets General	1,468	1,079
	<u>85,581</u>	<u>96,458</u>

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

	2017 12 months	2016 12 months
<u>COURSE EXPENSES</u>		
Course Operation	10,597	12,694
Trees	20,198	9,491
Fuel	13,214	13,170
Chemicals & Sprays	11,903	12,726
Fertiliser	11,022	10,264
Seed	246	1,131
Sand	10,275	9,282
Machinery R&M	13,126	21,637
Tools & General Equipment	1,531	624
Mechanical Services TFS	19,038	17,087
Rubbish Disposal	1,524	1,964
Fish	2,075	1,304
Wages - Course	197,744	185,345
Sundry Expenses	1,128	1,289
Staff Training/General	703	1,698
Safety Equip & Clothing	1,188	2,067
Darren's Mob/Telephone	353	935
Washdown Bay Flush	1,107	
<u>COURSE DEVELOPMENT R&M</u>		
Drainage	4,639	2,323
Irrigation	6,874	3,226
<u>GROUNDS DEVELOPMENT R&M</u>		
Cart Shed		178
Greenkeepers Shed / Workshop	1,708	714
Greenkeepers House	4,059	913
	<u>334,251</u>	<u>310,063</u>

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

7 **BANK ACCOUNT BALANCES**

	2017 12 months	2016 12 months
Cash Balances		
Cash Float - Club	4,817	4,322
Bank Account Balances		
ASB Current No 1 Account	4,616	7,095
Main Account Savings	0	49,894
ASB Ladies Account	1,409	1,101
ASB Womens Business Saver	11,061	10,534
ASB Vets Accounts	11,057	19,674
ASB Account - 52	25,272	
ASB Knox Rd Account	8,965	
	<u>67,198</u>	<u>92,620</u>

8 **CURRENT RECEIVABLES**

	2017 12 months	2016 12 months
Other Receivables		
Accrued Income	2,001	173
Prepaid Insurance	<u>3,416</u>	<u>3,612</u>
	<u>5,416</u>	<u>3,785</u>

9 **INVENTORIES**

	2017 12 months	2016 12 months
Stock on Hand		
Stock on Hand	<u>12,784</u>	<u>19,817</u>
Total Inventories	<u>12,784</u>	<u>19,817</u>

10 **PROPERTY, PLANT & EQUIPMENT**

	2017 12 months				2016 12 months			
	Cost	Annual Dep'n	Accum Dep'n	Book Value	Cost	Annual Dep'n	Accum Dep'n	Book Value
Land & Buildings	4,953,103	24,747	1,045,676	3,907,427	4,953,103	24,747	1,020,929	3,932,177
Plant & Equipment	680,689	13,911	595,545	85,144	720,689	16,371	621,634	99,055
Office Equipment	31,435	1,195	26,095	5,340	31,435	1,947	24,900	6,535
Kitchen Equipment	53,418	344	46,858	6,560	53,418	443	46,515	6,903
Bar Equipmet	46,443	699	40,151	6,293	46,443	777	39,451	6,992
Clubhouse	178,899	2,518	109,805	69,094	176,994	2,555	107,287	69,707
	<u>5,943,987</u>	<u>43,414</u>	<u>1,864,130</u>	<u>4,079,857</u>	<u>5,982,082</u>	<u>46,839</u>	<u>1,860,716</u>	<u>4,121,369</u>

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

11 TERM INVESTMENTS	2017	2016
	12 months	12 months
ASB Term Deposit	130,247	175,914
Vets Term Deposit	10,000	-
Total Term Investments	140,247	175,914

12 PAYABLES & ACCRUALS	2017	2016
	12 months	12 months
Accounts Payable		
Trade Creditors	13,723	21,059
Provision for Subscriptions in Advance	133,258	127,290
Total Accounts Payable	146,980	148,349
Other Payables & Accruals		
Accruals	70,050	46,162
Grants Held for Future Use	-	-
Total Payables & Accruals	217,031	194,510

13 LEASES

The club has entered into a lease agreement with E-Z-GO, for the hire of golf carts.
 Payable within 12 months \$18,638 GST excl
 Payable after 12 months \$62,691 GST excl

14 CONTINGENT LIABILITIES

The Club has no contingent liabilities outstanding at balance date (2016: Nil)

15 COMMITMENTS

The Club has entered into the following service contracts:

	Current (next 12 months)	Term (after 12 months)
Cleaning	\$ 13,920.00	\$ 2,320.00
Irrigation	\$ 2,750.00	\$ 5,500.00
Pond Maintenance	\$ 1,850.00	\$ 16,650.00
Cart Maintenance	\$ 16,316.00	\$ 54,883.00

INDEPENDENT AUDITOR'S REPORT

To The Management Committee of Redwood Park Golf Club Incorporated

Report on the Financial Statements

Opinion

I have audited the financial statements of Redwood Park Golf Club Incorporated, which comprises the statement of financial performance for the year ended 31 July 2017, the statement of financial position as at 31 July 2017, the statement of accounting policies and other explanatory information.

In my opinion:

1. the financial statements present fairly, in all material respects:
 - the financial position of Redwood Park Golf Club Incorporated as at 31 July 2017 and of its financial performance and cash flows for the year then ended

in accordance with Generally Accepted Accounting Practice in New Zealand.

Basis for Opinion

I conducted my audit of the statement of financial performance, statement of financial position, statement of accounting policies and notes to the financial statements in accordance with International Standards on Auditing (New Zealand). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of Redwood Park Golf Club Incorporated in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other than in my capacity as auditor I have no relationship with, or interests in, Redwood Park Golf Club Incorporated.

Restriction on responsibility

This report is made solely to the Management Committee, as a body. My audit work has been undertaken so that I might state to the Management Committee those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Management Committee as a body, for my audit work, for this report, or for the opinions I have formed.

Management Committee's Responsibility for the Financial Statements

The Management Committee is responsible for:

1. the preparation and fair presentation of financial statements which comprise:
 - the statement of financial performance, statement of financial position, statement of accounting policies and notes to the financial statements in accordance with Generally Accepted Accounting Practice in New Zealand, and
2. for such internal control as the Management Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Committee is responsible for assessing the entity'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 Management Committee either intends to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) 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 these financial statements.

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

1. Identify and assess the risks of material misstatement of the financial statements, 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 my 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.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of the use of the going concern basis of accounting by the Management Committee and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the

entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Dave Mackay
NZ Small Audit
Chartered Accountants
Huapai, Auckland, New Zealand
19/10/2017