

**REDWOOD PARK GOLF CLUB (INCORPORATED)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

<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 2018

	Note	2018 12 months	2017 12 months
<u>Income</u>			
Bar Sales	1	157,882	173,698
Shop Sales	1	7,071	5,524
Member Subscriptions		339,209	375,325
Green Fees		129,807	116,832
Sundry Income	2	<u>173,848</u>	<u>110,550</u>
Total Income		807,817	781,928
<u>Expenses</u>			
Bar Expenses	1	104,936	122,109
Shop Expenses	1	4,265	3,227
Administration	3	257,452	265,795
Clubhouse	4	46,308	58,628
Golf	5	84,757	85,581
Course	6	278,958	334,251
Loss/Gain on Asset Disposals		-	(1,739)
Depreciation	10	<u>45,814</u>	<u>43,414</u>
Total Expenses		822,490	911,266
Net Surplus		<u><u>(14,673)</u></u>	<u><u>(129,338)</u></u>

REDWOOD PARK GOLF CLUB (INCORPORATED)
STATEMENT OF MOVEMENTS IN MEMBERSHIP FUNDS
FOR THE YEAR ENDED 31 JULY 2018


	Note	2018 12 months	2017 12 months
Opening Membership Funds		4,086,441	4,215,781
Net Surplus for the year		(14,673)	(129,338)
Closing Membership Funds		<u><u>4,071,767</u></u>	<u><u>4,086,441</u></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 2018

	Note	2018 12 months	2017 12 months
Membership Funds		<u>4,071,767</u>	<u>4,086,441</u>
Current Assets			
Cash at Bank	7	155,649	67,198
Accounts Receivable & Prepayments	8	21,012	5,416
Inventory	9	<u>13,436</u>	<u>12,784</u>
Total Current Assets		190,097	85,398
Non Current Assets			
Property, Plant & Equipment	10	4,073,884	4,079,857
Term Investments	11	11,114	140,247
Total Non Current Assets		<u>4,084,998</u>	<u>4,220,104</u>
Total Assets		4,275,095	4,305,502
Current Liabilities			
Accounts Payable	12	15,334	13,723
Subscriptions in Advance	12	122,512	133,258
GST Payable		5,470	2,031
Accrued Expenses	12	<u>60,013</u>	<u>70,050</u>
Total Current Liabilities		203,328	219,062
Total Liabilities		203,328	219,062
Net Assets		<u>4,071,767</u>	<u>4,086,441</u>

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


P. M. Skimming
President


J. C. Stanton
Finance Director

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

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

Investments

Investments are valued at the lower of cost or market value

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 2018

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 2018.

1 TRADING ACTIVITIES	2018		2017
	12 months		12 months
BAR			
Sales	157,882		173,698
Purchases	69,616	44%	79,973
Salary & Wages	27,546		34,677
Other Operating Costs	<u>7,774</u>		<u>7,459</u>
Net Bar Profit	<u>52,945</u>	34%	<u>51,589</u>
GOLF SHOP			
Sales	7,071		5,524
Purchases	<u>4,265</u>		<u>3,227</u>
Net Golf Shop Profit	<u>2,806</u>		<u>2,297</u>

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

	2018 12 months	2017 12 months
2 SUNDRY INCOME		
Cart Hire	28,619	23,703
Trundler Hire	2,299	941
Club Tournaments	34,260	13,146
Fundraising Club	5,454	6,803
Ladies Golf Receipts	2,866	4,083
Twilight Golf Receipts	7,202	12,838
Veterans Golf Receipts	5,638	7,631
Donations	3,130	8,075
Interest - Bank	1,190	2,239
Coffee Machine Income	820	831
Rental - House	23,760	13,426
Scramble Receipts	2,775	4,399
Sponsorship	14,775	7,259
Sundry Income	1,310	3,200
Course Hire	6,052	1,691
Club House Hire	87	285
Development Levy	8,608	-
Grants	25,000	-
	<u>173,848</u>	<u>110,550</u>
3 ADMINISTRATION EXPENSES		
ACC Levy/Medical Expenses	2,890	3,136
Accountancy/Audit Fees	3,900	4,100
Advertising	5,628	5,181
Bank Fees	1,103	1,154
Donation Expenses	2,391	287
Insurance Club	14,754	14,721
Legal Fees	1,081	2,107
Licences & Levies	851	1,063
Office - R&M		515
Postage	592	378
Stationery	709	1,767
Merchant Fee (Credit Card)	1,450	1,795
Eftpos Expense	2,457	2,463
Computer Expenses	7,774	6,379
Website	1,800	1,650
Health & Safety	2,782	1,375
Printing	3,988	3,607
Rates Waitakere / ARC	12,811	9,128
Water Rates Waitakere CC	5,861	6,538
Telephone	5,151	5,556
Wages - Office	138,546	131,926
Wages - Golf	42,944	55,893
Staff Training - Admin	450	1,216
General Expense	1,352	3,233
Board Of Management	837	627
Insurance Claim Costs	(5,638)	-
Rental House Expenses	987	-
	<u>257,452</u>	<u>265,795</u>

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

	2018 12 months	2017 12 months
4 CLUBHOUSE EXPENSES		
Catering	365	8,258
Cleaning - Services	15,397	20,286
Cleaning - Materials	1,758	1,801
Clubhouse - Carpark		182
Clubhouse - R&M	8,083	5,384
Clubhouse - General	1,380	2,150
Electricity	13,592	15,190
Sky Television	4,128	3,748
Security	1,604	1,629
	<u>46,308</u>	<u>58,628</u>
5 GOLF EXPENSES		
Fundraising & Social Club Expenses	189	2,400
Pennant Expenses	134	3,602
Coaching	216	300
Golf General Expenses	1,555	1,100
Dot Golf System	2,400	3,150
Golf Levies & Insurance	26,669	28,691
Subscription Expense	509	1,362
Hole in One fee	865	590
Cart Expense	876	72
Cart Lease	17,853	17,160
Coffee Machine Expenses	993	1,100
Tournament Expenses	16,884	9,261
Twilight Expenses	3,096	4,273
Holiday Open Expenses	2,231	1,630
Scramble Expenses	335	-
Jackpot Sat Expenses		189
Jackpot Sun Expenses		-
Junior Expenses	383	159
Ladies General	1,180	793
Ladies Tournament	541	2,526
Ladies Scramble Expense	1,258	1,373
Vets Away Expense		327
Classic Tournament Expense	1,470	533
Vets Scramble Expense	3,121	2,561
Vets Raffle Expense	628	961
Vets General	1,373	1,468
	<u>84,757</u>	<u>85,581</u>

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

	2018	2017
	12 months	12 months
6 COURSE EXPENSES		
Course Operation	7,212	10,597
Trees	16,273	20,198
Fuel	10,793	13,214
Chemicals & Sprays	10,726	11,903
Fertiliser	9,932	11,022
Seed	1,959	246
Sand	6,395	10,275
Machinery R&M	13,371	13,126
Tools & General Equipment	1,241	1,531
Mechanical Services TFS	17,194	19,038
Rubbish Disposal	622	1,524
Fish	617	2,075
Wages - Course	171,974	197,744
Sundry Expenses	373	1,128
Staff Training/General	774	703
Safety Equip & Clothing	1,048	1,188
Darren's Mob/Telephone	371	353
Washdown Bay Flush		1,107
COURSE DEVELOPMENT R&M		
Drainage	236	4,639
Irrigation	6,720	6,874
GROUNDS DEVELOPMENT R&M		
Cart Shed		
Greenkeepers Shed / Workshop	1,128	1,708
Greenkeepers House		4,059
	<u>278,958</u>	<u>334,251</u>

REDWOOD PARK GOLF CLUB (INCORPORATED)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 JULY 2018

7	BANK ACCOUNT BALANCES		2018		2017				
			12 months		12 months				
	Cash Balances								
	Cash Float - Club		4,817		4,817				
	Bank Account Balances								
	ASB Current No 1 Account		4,141		4,616				
	Main Account Savings		7,182		0				
	ASB Ladies Account		1,750		1,409				
	ASB Womens Business Saver		67		11,061				
	ASB Vets Accounts		17,801		11,057				
	ASB Account - 52		84,667		25,272				
	ASB Knox Rd Account		35,225		8,965				
			<u>155,649</u>		<u>67,198</u>				
8	CURRENT RECEIVABLES		2018		2017				
			12 months		12 months				
	Other Receivables								
	Accrued Income		2,099		2,001				
	Prepaid Insurance & Claims Receivable		18,913		3,416				
			<u>21,012</u>		<u>5,416</u>				
9	INVENTORIES		2018		2017				
			12 months		12 months				
	Stock on Hand								
	Stock on Hand		13,436		12,784				
	Total Inventories		<u>13,436</u>		<u>12,784</u>				
10	PROPERTY, PLANT & EQUIPMENT		2018		2017				
			12 months		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	1,070,423	3,882,680	4,953,103	24,747	1,045,676	3,907,427
	Plant & Equipment	718,589	16,670	612,215	106,374	680,689	13,911	595,545	85,144
	Office Equipment	31,435	799	26,894	4,541	31,435	1,195	26,095	5,340
	Kitchen Equipment	53,418	660	47,518	5,900	53,418	344	46,858	6,560
	Bar Equipmet	46,443	629	40,780	5,663	46,443	699	40,151	6,293
	Clubhouse	180,841	2,310	112,114	68,727	178,899	2,518	109,805	69,094
		<u>5,983,829</u>	<u>45,814</u>	<u>1,909,944</u>	<u>4,073,884</u>	<u>5,943,987</u>	<u>43,414</u>	<u>1,864,130</u>	<u>4,079,857</u>

REDWOOD PARK GOLF CLUB (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

11 TERM INVESTMENTS	2018	2017
	12 months	12 months
ASB Term Deposit	47	130,247
Vets Term Deposit	-	10,000
ASB Womens Term Deposit	11,067	-
Total Term Investments	11,114	140,247

12 PAYABLES & ACCRUALS	2018	2017
	12 months	12 months
Accounts Payable		
Trade Creditors	15,334	13,723
Provision for Subscriptions in Advance	122,512	133,258
Total Accounts Payable	137,845	146,980
Other Payables & Accruals		
Accruals	60,013	70,050
Grants Held for Future Use	-	-
Total Payables & Accruals	197,858	217,031

13 LEASES

The club has entered into a lease agreement with E-Z-GO, for the hire of golf carts.

Payable within 12 months	\$20,332 GST excl
Payable after 12 months	\$42,359 GST excl

14 CONTINGENT LIABILITIES

The Club has no contingent liabilities outstanding at balance date (2017: Nil)

15 COMMITMENTS

The Club has entered into the following service contracts:

	Current (next 12 months)	Term (after 12 months)
Irrigation	\$ 2,750.00	\$ 2,750.00
Pond Maintenance	\$ 1,850.00	\$ 14,800.00
Cart Maintenance	\$ 17,680.00	\$ 36,833.00

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 2018, the statement of financial position as at 31 July 2018, 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 2018 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
18/10/2018