

JOHNSONVILLE CLUB INCORPORATED
PERFORMANCE REPORT
FOR THE YEAR ENDED 31 August 2023

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JOHNSONVILLE CLUB INCORPORATED

ENTITY INFORMATION

FOR THE YEAR ENDED 31 August 2023

Legal Name of Entity:

Johnsonville Club Incorporated

Type of Entity and legal basis:

Incorporated Society

Registration Number:

216220

Entity's Purpose or Mission:

The Club was incorporated in April 1954 under the Incorporated Societies Act 1908. The Club aims to provide amenities and cultural activities and promote sports and generally to provide an atmosphere where members may meet and enjoy companionship with one another.

Entity Structure:

The governance of the Club is vested in the Board of the Club and is applied under Club Rules. The Board comprises a President, two Vice Presidents and six Board Members. The Board appoints a suitably qualified Manager, who is responsible for the day-to-day maintenance, operations and services of the Club.

The Manager is responsible for the engagement and dismissal of such employees as may be essential to provide adequate and efficient services, maintenance of the assets and control of the Club and such other duties as are conducive to the office.

Main Sources of the Entity's Cash and Resources:

The Johnsonville Club caters to members and their guests, who are admitted to the premises under legislated provisions, and is a hospitality operation based around the provision of food and beverage to a social audience. It provides lounge, entertainment and dining areas for that audience. The Club provides appropriate areas for gaming and sports as well as function, conference and events facilities. The Club's revenue stems from members' subscriptions, sales of beverages, alcoholic and non-alcoholic products provided through the bar, food products provided through the restaurant, social and function facilities, adjunct activities and gaming revenue.

Physical Address:

1 Norman Lane, Johnsonville, 6037

Postal Address:

PO Box 13045 Johnsonville Wellington 6440

Main Methods Used by the Entity to Raise Funds

The main sources of income are the members patronage of the Club Bar and Facilities, Membership fees and functions.

Entity's Reliance on Volunteers and Donated Goods or Services

The entity does not rely on volunteers or donations for any aspect of the operating of the club, however all members of the Board are volunteers.

JOHNSONVILLE CLUB INCORPORATED
STATEMENT OF SERVICE PERFORMANCE
FOR THE YEAR ENDED 31 August 2023

Description of the Entity's Outcomes:

The Johnsonville Club aims to provide facilities that are a safe, secure, friendly and comfortable environment where social needs and support functions can be provided through delivery of our goods and services as required by members and their guests.

Description and Quantification of the Entity's Outputs:

	This Year	Last Year
Number of Members at year end	1,481	1,434
Special Licences for Functions provided	10	11
Prizes given to members in the Membership Draw	16,887	13,800
Monthly Board Meetings	10	12
Housie Nights	22	20
Poker Nights	45	40
Major Ticketed Events	2	1

JOHNSONVILLE CLUB INCORPORATED
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 August 2023

	Notes	This Year \$	Last Year \$
Revenue			
Income from Members	1-A	56,998	36,740
Income from Goods or Services	1-B	1,338,431	1,173,467
Interest Received		10,738	1,245
Government Subsidies	1-C	-	157,845
Total Revenue		1,406,167	1,369,297
Expenses			
Adjuncts' Expenses		9,549	5,414
Employee related Costs	2-A	418,093	429,509
Costs Related to Providing Goods & Services	2-B	550,459	477,939
Grants and donations made	2-C	18,842	16,053
Other Expenses	2-D	469,498	444,381
Total Expenses		1,466,442	1,373,296
Surplus/(Deficit) for the Year before Income Tax		(60,275)	(3,999)
Less: Income Tax		7,654	3,755
Surplus/(Deficit) for the Year after Income Tax		(67,929)	(7,754)

The financial information should be read in conjunction with the accompanying Statement of Accounting Policies, Notes to the Performance Report and the Audit Report on pages 7-17

JOHNSONVILLE CLUB INCORPORATED
STATEMENT OF FINANCIAL POSITION
AS AT 31 August 2023

	Notes	This Year \$	Last Year \$
Assets			
Current Assets			
Bank Accounts and Cash	3	562,352	580,569
Debtors and Prepayments		6,306	4,007
Inventory		16,235	15,612
Total Current Assets		<u>584,893</u>	<u>600,188</u>
Non-Current Assets			
Property, plant and equipment	4	5,278,121	5,337,630
Total Assets		<u>5,863,014</u>	<u>5,937,818</u>
Current Liabilities			
Members Subscriptions in advance		28,217	37,409
Creditors and accrued expenses		111,946	109,601
Employee Costs Payable		23,425	28,626
Income Tax		8,452	3,279
Income received in advance		7,817	7,817
Total Current Liabilities		<u>179,858</u>	<u>186,732</u>
Total Liabilities		<u>179,858</u>	<u>186,732</u>
Total Assets less Total Liabilities (Net Assets)		<u>5,683,156</u>	<u>5,751,085</u>
Accumulated Funds			
Accumulated surpluses	5	2,046,913	2,114,842
Reserves		3,636,243	3,636,243
		<u>5,683,156</u>	<u>5,751,085</u>

The financial information should be read in conjunction with the accompanying Statement of Accounting Policies, Notes to the Performance Report and the Audit Report on pages 7-17

JOHNSONVILLE CLUB INCORPORATED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 August 2023

	This Year \$	Last Year \$
Cash Flows from Operating Activities		
Cash was received from:		
Members Subscriptions	47,807	55,075
Receipts from providing goods or services	1,333,421	1,173,284
Interest	10,738	1,245
Government Subsidies	-	157,845
	<u>1,391,966</u>	<u>1,387,449</u>
Cash was applied to:		
Payments to suppliers and employees	1,346,287	1,195,773
Grants	18,842	16,053
Interest	-	798
Income Tax	2,481	2,513
Net GST Paid	1,124	- 5,359
	<u>1,368,734</u>	<u>1,209,780</u>
Net Cash Flows from Operating Activities	<u>23,231</u>	<u>177,669</u>
Cash Flows from Investing and Financing Activities		
Cash was applied to:		
Payments to acquire property, plant and equipment	41,448	42,217
Repayment of Bank Loans	-	16,747
Net Cash Flows from Investing and Financing Activities	<u>(41,448)</u>	<u>(58,964)</u>
Net Increase/(Decrease) in Cash	(18,217)	118,705
Opening Cash	<u>580,569</u>	<u>461,864</u>
Closing Cash	<u>562,352</u>	<u>580,569</u>
This is represented by:		
Bank Accounts and Cash	562,352	580,569

The financial information should be read in conjunction with the accompanying Statement of Accounting Policies, Notes to the Performance Report and the Audit Report on pages 7-17

JOHNSONVILLE CLUB INCORPORATED

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 August 2023

Basis of Preparation

The Club has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000 for the last two annual reporting periods. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Tier 2 PBE Accounting Standards Applied

The Club has elected to adopt NFP PBE IPSAS 17 Property Plant and Equipment in relation to its Land and Buildings by revaluing these assets at least every three years with any changes recognised in the relevant revaluation reserves by class of asset. All property valuations are to be carried out by a registered property valuer.

Measurement Basis

Unless otherwise stated the measurement basis adopted is that of modified historical cost.

Land and buildings are presented at fair value.

Goods and Services Tax (GST)

All amounts are recorded exclusive of GST, except for Debtors and Accounts Payable which are stated inclusive of GST. The Club is registered for GST.

Income Tax

The Club has an Income Tax Liability on its property trading activities for the current year. Other Trading with non-members is liable for Income Tax but as no profit has been generated on that trading there is no tax liability. All other activities are with Club Members and is within the tax principle of mutuality, which does not give rise to tax liabilities.

Bank Accounts and Cash

Bank Accounts and Cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Property Plant, Equipment and Depreciation

Fixed Assets are shown at cost less accumulated depreciation and impairment losses except for land and buildings, which have been revalued to fair value and then depreciated. Land and Buildings are revalued at least every three years. The latest valuation is at 31 August 2021 and was carried out by Telfer Young, registered valuers ANZIV, SNZPI. Cost includes expenditure that is directly attributable to the acquisition of the asset. Depreciation is charged on the diminishing value basis over the useful life of the asset, except for land. Land is not depreciated. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

Depreciation rates used are as follows:

Gaming Machines	20%-40% on the Diminishing Value
Plant & Equipment	9%-67% on the Diminishing Value
Furniture & Fittings	10%-25% on the Diminishing Value
Office Equipment	33%-50% on the Diminishing Value
Sound Systems	33% - 40% on the Diminishing Value
Building Refurbishments	9.5%-30% on the Diminishing Value
Buildings	3% on the Diminishing Value
Land	Nil

JOHNSONVILLE CLUB INCORPORATED
STATEMENT OF ACCOUNTING POLICIES CONTINUED
FOR THE YEAR ENDED 31 August 2023

Revenue Recognition

Subscription revenue is recognised on an accruals basis, the subscription period is 1 September to 31 August. Rental Income is brought to account on a straight line basis over the term of the lease. All other income is recognised as it is received when all risks and rewards of ownership have been passed to the customer and can be reliably measured.

Valuation of Inventories

Inventories are valued at the lower of cost and net realisable value. Cost has been assigned to inventory items on hand at balance dated using the first-in-first-out basis.

Accounts Receivable

Accounts Receivable are stated at realisable book value after providing against debts where collection is doubtful.

Loans

Loans are recognised when the amount borrowed has been received. The loan is recognised at the principal value plus accrued interest less repayments made.

Employee Entitlements

Employee entitlements to salaries and wages, annual leave and other benefits are recognised as an expense in the period when they accrue to the employees.

Leases

Operating lease payments are recognised as an expense in the period when the amounts are payable.

Functional Currency

These financial statements are presented in New Zealand dollars (\$), which is the Club's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest whole dollar.

Changes in Accounting Policies

There have been no changes in accounting policies for the current year and none for the previous year.

JOHNSONVILLE CLUB INCORPORATED

NOTES TO THE PERFORMANCE REPORT

FOR THE YEAR ENDED 31 August 2023

	This Year	Last Year
	\$	\$
Note 1 Analysis of Revenue		
<u>1-A Income from Members</u>		
Subscriptions	46,393	33,027
Adjuncts Income	10,606	3,713
	56,998	36,740
<u>1-B Revenue from providing goods or services</u>		
Bar Sales	731,373	625,969
Restaurant Income	-	-
Rental Income	59,691	61,924
Gaming Income	462,015	418,654
Raffles Income	54,405	40,350
Housie Income	4,088	4,220
TAB Commission	7,091	6,098
Poker Income	657	- 585
Parking Income	3,600	4,350
Room Hire	11,996	9,275
Taxi Chits	2,147	2,635
Sundry Income	1,368	577
	1,338,431	1,173,467
<u>1-C Government Subsidies</u>		
Covid 19 Wage Subsidy	-	100,557
Covid Resurgence Subsidy	-	57,288
	-	157,845
Note 2 Analysis of Expenses		
<u>2-A Employee related costs</u>		
Bar Wages	227,566	149,467
Property Wages	10,000	10,000
Gaming Wages	52,000	52,000
TAB Wages	4,050	1,986
Administration Wages	109,800	99,578
Wages funded by Covid 19 Wage Subsidy	-	99,667
Staff Meals	2,602	3,997
Staff Training	3,225	1,352
Kiwisaver Employer Contributions	9,627	8,893
ACC Levies	- 777	2,568
	418,093	429,509

JOHNSONVILLE CLUB INCORPORATED

NOTES TO THE PERFORMANCE REPORT

FOR THE YEAR ENDED 31 August 2023

	This Year	Last Year
	\$	\$
Note 2 Analysis of Expenses Continued		
<u>2-B Costs Related to Providing Goods & Services</u>		
Cost of Sales & Expenses Bar	311,547	260,769
Cost of Sales & Expenses Restaurant	4,979	7,897
Rental Property Expenses	23,806	25,555
Gaming Direct Costs	177,057	162,301
Raffles Purchases	31,612	18,820
Housie Costs	1,285	2,423
TAB Costs	174	174
	550,459	477,939
 <u>2-C Grants and Donations</u>		
Donations & Grants Community	9,316	10,234
Sporting & Cultural Sections Grants	9,526	5,820
	18,842	16,053
 <u>2-D Other Expenses</u>		
Administration Expenses	137,025	112,011
Operations & Maintenance Expenses	129,425	132,480
Promotions & Hospitality Expenses	102,090	87,322
Depreciation	100,957	108,649
Loss on Sale of Assets	-	3,920
	469,498	444,381
 Note 3 Analysis of Cash and Bank Balances		
ANZ Main Account	78,698	376,353
Poker Proceeds	5,158	4,392
Raffles Bank	30,056	101,435
Gaming Float	3,101	10,526
ANZ Housie Account	28,832	23,370
Gaming High Interest	-	27
ANZ Gaming Account	30,163	25,106
Flexi Facility	- 57	8
Adjuncts Bank Accounts	10,435	13,229
Gaming Depreciation Account	32,514	-
On-Call Deposit Account	65,298	-
Term Deposit	250,000	-
Cash on Hand	28,154	26,124
	562,352	580,569

JOHNSONVILLE CLUB INCORPORATED

NOTES TO THE PERFORMANCE REPORT

FOR THE YEAR ENDED 31 August 2023

Note 4 Property Plant and Equipment

The Club's Land and Buildings at 1 Norman Lane were revalued as at 31 August 2021 in line with the Club's accounting policies. The valuation was conducted by Telfer Young (Wellington) Limited registered valuers ANZIV, SPINZ. The land and Buildings at 14 Burgess Road were revalued as at 31 August 2021 in line with the Club's accounting policies. The valuation was conducted by Telfer Young (Wellington) Limited registered valuers ANZIV, SPINZ. The overall reduction in the value of the building at 1 Norman Lane of \$813,774 was greater than the existing revaluation reserve for that property of \$396,755. This resulted in \$417,019 being charged to General Funds. The 2021 revaluation of land and buildings was completed in accordance with the New Zealand valuation standards. The standards value the land portion of the assets ahead of the building, as an overall asset valuation. This has resulted in a reallocation between the asset classes and revaluation reserves

This Year					
Asset Class	Opening Carrying Amount	Purchases	Sales/Write Offs	Current Year Depreciation	Closing Carrying Amount
	\$	\$	\$	\$	\$
Land – 1 Norman Lane	3,130,000				3,130,000
Building – 1 Norman Lane	62,887			26,299	36,588
Building Refurbishment	7,167			719	6,448
Land – 14 Burgess Road	1,560,000				1,560,000
Building - 14 Burgess Road	403,401			16,102	387,299
Furniture & Fittings	39,855	3,305		5,917	37,243
Office Equipment	2,143			1,237	906
Plant and Equipment	39,348	8,595		11,105	36,838
Gaming Machines	92,201	29,548		39,358	82,391
Sound System	629			220	409
Total	5,337,630	41,448	-	100,957	5,278,121

Last Year					
Asset Class	Opening Carrying Amount	Purchases	Sales	Current Year Depreciation	Closing Carrying Amount
	\$	\$	\$	\$	\$
Land – 1 Norman Lane	3,130,000	-	-	-	3,130,000
Building – 1 Norman Lane	90,000	-	-	27,113	62,887
Building Refurbishment	8,129	-	135	827	7,167
Land – 14 Burgess Road	1,560,000	-	-	-	1,560,000
Building - 14 Burgess Road	420,000	-	-	16,599	403,401
Furniture & Fittings	41,385	4,253	574	5,209	39,855
Office Equipment	3,270	855	21	1,961	2,143
Plant and Equipment	42,950	10,375	1,182	12,794	39,348
Gaming Machines	111,279	26,995	2,267	43,806	92,201
Sound System	968	-	-	339	629
Total	5,407,981	42,478	4,180	108,649	5,337,630

JOHNSONVILLE CLUB INCORPORATED**NOTES TO THE PERFORMANCE REPORT****FOR THE YEAR ENDED 31 August 2023****Note 5 Accumulated Funds**

	This Year	Last Year
	\$	\$
Accumulated Surpluses		
<u>General Funds</u>		
Opening Balance	2,103,386	2,095,660
Surplus/(Deficit) for the year	<u>(69,501)</u>	<u>7,727</u>
Closing Balance	<u>2,033,885</u>	<u>2,103,386</u>
<u>Gaming Funds</u>		
These funds are the surplus funds from the Gaming Activities and are available for future Authorised Purposes		
Opening Balance	12,274	26,053
Surplus/(Deficit) for the year	<u>515</u>	<u>(13,779)</u>
Closing Balance	<u>12,789</u>	<u>12,274</u>
<u>Adjuncts Funds</u>		
These funds are the surplus funds from adjuncts' activities		
Opening Balance	(818)	884
Surplus/(Deficit) for the year	<u>1,057</u>	<u>(1,702)</u>
Closing Balance	<u>239</u>	<u>(818)</u>
Total Accumulated Surpluses	<u>2,046,913</u>	<u>2,114,842</u>
Reserves		
<u>Land Revaluation Reserve</u>		
These funds are the surplus funds from Land Revaluations, available for any future reductions in value		
Opening Balance	3,615,000	3,615,000
Surplus/(Deficit) for the year	<u>-</u>	<u>-</u>
Closing Balance	<u>3,615,000</u>	<u>3,615,000</u>
<u>Buildings Revaluation Reserve</u>		
These funds are the surplus funds from Buildings Revaluations, available for any future reductions in value		
Opening Balance	21,243	21,243
Surplus/(Deficit) for the year	<u>-</u>	<u>-</u>
Closing Balance	<u>21,243</u>	<u>21,243</u>
Total Reserves	3,636,243	3,636,243

JOHNSONVILLE CLUB INCORPORATED

NOTES TO THE PERFORMANCE REPORT

FOR THE YEAR ENDED 31 August 2023

Note 6 Contingent Liabilities and Capital Commitments

At balance date there were no capital commitments (2022: Nil).

At balance date there are no known contingent liabilities(2022: Nil).

Note 7 Guarantee

The Club has given a guarantee to the TAB for \$10,000 in accordance with their requirements for use of their facilities.

Note 8 Operating Lease Commitments

Not Later than one year	312	312
Later than one year and no later than five years	-	-
Later than five years	-	-
	312	312

Note 9 Related Party Transactions

All Board Members, Executive and key management are members of the Club. As members they enjoy the services and facilities of the Club on the same terms and conditions as other members.

There was a transaction with Waltons Decorating Services, Johnathan Walton is a Board Member.

The transaction was for the supply of timber stain at a price of \$83.95 including GST.

There are no other related party transactions.

Note 10 Subsequent Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation of these financial statements (2022: Nil).

	Note	This Year		Last Year	
		\$	\$	\$	\$
Note 11 Gaming operations					
Gaming Machine Revenue			462,015		418,654
Interest on Gaming Funds			272		8
			462,287		418,662
Accounting Fees		1,750		1,750	
Audit Fees		3,900		3,900	
Gaming Duty		106,183		97,781	
Problem Gambling Levy		5,734		4,090	
Electronic Monitoring Costs		12,522		11,585	
Gaming Machine Maintenance		19,148		16,341	
Gaming Licences		14,420		14,507	
Interest on Gaming Finance		-		798	
Electricity		5,200		5,000	
Insurance		8,200		6,550	
			177,057		162,301
Gaming Wages		52,000		52,000	
Loss on Sale of Gaming Machines		-		-	
Depreciation on Gaming Machines		39,358		43,806	
			268,415		258,107
Net Gaming Income			193,872		160,555
Less: Authorised Purposes	12		193,357		174,334
Gaming Surplus/(Deficit)			515		(13,779)

JOHNSONVILLE CLUB INCORPORATED

NOTES TO THE PERFORMANCE REPORT

FOR THE YEAR ENDED 31 August 2023

	This Year		Last Year	
	\$	\$	\$	\$
Note 12 Gaming Authorised Purposes				
Accounting Fees		4,350		4,350
Audit Fees		15,075		16,185
Bank Fees		4,206		3,542
Computer Expenses		12,970		11,415
Insurance - Club		52,235		42,213
Levies - Clubs NZ Membership		5,941		4,878
Postage		274		257
Printing & Stationery		8,219		9,198
Rates - Club		8,029		6,915
Telephone & Internet		5,554		5,378
Subscriptions - Sky TV		18,573		15,562
Electricity		19,519		18,826
Gas		263		392
Membership Cards		2,488		2,633
Security (part Only)		12,645		15,410
Welfare		1,069		1,127
Salaries & Wages (Part Only)		3,105		-
Donations & Grants - Community	13	9,316		10,234
Sporting & Cultural Sections Grants	14	9,526		5,820
		193,357		174,334
Note 13 Gaming Grants Community				
Costs for Children's Christmas Party		933		4,301
Christmas Party Food		3,285		-
Softball Tournament Grant		435		340
Johnsonville Christmas Tree Lights		-		2,139
Axe throwing competitor grant		500		-
Grant to Karate Club		-		374
Police Managers Guild Trust		-		575
Wellington Softball Umpires uniforms		1,044		-
Newlands Softball Team - uniforms		519		-
Johnsonville Junior Softball tournament travel		652		-
Netballer travel grant		300		-
Johnsonville Softball Club tournament		1,000		-
Marching Club Uniforms		348		409
Johnsonville Bowling Club - defibrillator and signage		-		2,000
Wellington Softball Association		-		956
Refund re prior year		-		(860)
Johnsonville Women's Softball grant		300		-
		9,316		10,234
Note 14 Gaming Grants Cultural and Sporting Sections				
Entries Snooker & Billiards Tournaments		301		274
Club Champs & Tournaments		276		1,120
Euchre Tournament Entry Fees and Expenses		496		1,510
Golf entry fees and travel for Tournaments		2,225		548
Recover Snooker Table		1,350		-
Darts tournament entry fees and Dart Boards		1,013		1,464
Bowls entry fees and accommodation for Tournaments		3,865		904
		9,526		5,820