

*Matamata  
Club (Inc.)*

# Annual Report and Balance Sheet

For the year ended March 31 2021

To be presented at the 100th Annual Meeting of members  
To be held in the Rawhiti Lounge on

**Sunday 27 June 2021 at 2:00pm**

## Business

- 1 To confirm the Minutes of the Annual General Meeting, held 28th June 2020
- 2 To receive and adopt the Annual Report and Financial Statements
- 3 To elect a Patron, President, Vice-President, two Board Members, an Adjunct Committee, and an Appeals Committee
4. To appoint an Auditor
5. To set Subscriptions for year commencing 1st April 2022
6. General Business

**NOTE:** In accordance with Rules 13.5 a, b and c, nominations must be deposited with the General Manager at least two (2) days before the Annual General Meeting.

Nomination forms are available from the Club.

*Please provide any General Business matters in writing to the General Manager by Friday 25th June*

*D Oliver*  
**GENERAL MANAGER**

# President's Report 2021

Welcome to this year's Annual General Meeting. Covid-19 impacts continued to dictate how the Club operated with a lockdown during April through to 21st May, and Level 2 restrictions throughout the year. These restrictions meant most functions were cancelled and customer confidence did not seem to recover for the full year.

Two essential iterations of the Government wage subsidies were received to a total of \$146,000. This was instrumental in achieving financial consolidation for the year. In addition, the Board borrowed an additional \$100,000 from a third party which paid the overrun on the Mitre 10 development of costs including driveway remediation, surveying, and re-lining of sewer pipes.

The Mitre 10 loan had been repaid to an amount of \$125,800 at year end and continues to decrease.

The Club purchased two new gaming machines and two new games on hire purchase - these will be paid off in November 2022. A four percent increase in gaming takings highlights to the Board the need to ensure games are current.

The Club maintained its support of the community and this year contributed to the Matamata Girl Guides, Matamata Lions Club, the Kaimai Rangers, Drome Cycle Masters, Matamata College, Central Kids, Matamata Gym Club, Cambridge Raceway, Bedford Park Trust, Matamata Foodbank, Rotary Club and many other community groups.

The Club has weathered a difficult year and I attribute the stability achieved to the support of the Board and David Oliver, General Manager, who have assisted with making some difficult and quick decisions. It has been a juggling act that many companies have had to face, but we think those decisions will hold us in good stead for the next year. Thanks also to the staff who have adjusted to new ways of working, and always put the customers first. I am proud Matamata Club has continued to be a safe place for our members and their guests to meet.

Nominations are now open for President, Vice President, Board and Adjunct Committee. We welcome all nominations so please get them in to David Oliver by **7pm on Friday 25th June**.

*Rene Thomson*  
PRESIDENT

*Please provide any General Business matters in writing to the General Manager by **Friday 25th June**.*



the following statement is more accurate: “The Net working capital shows a negative \$240,637 compared with a negative \$19,654 in the previous year which is not a satisfactory result. This decline of \$220,983 particularly reflects the investment in property, plant and equipment of \$245,316.”

## **ANNUAL REPORT AND BALANCE SHEET:**

**Proposed:** Keith Lunn                      **Seconded:** Alex Wright                      Carried  
“That the Financial Report and Annual Statement of Accounts be received.”

Keith updated the members regarding the Covid-19 impact:

There was a projected loss of \$46k up to 31st March 2020.

Wages subsidies have been received of \$83k and \$55k.

There was a 62% decrease in the first month of opening compared with the previous year. This has since improved to a decrease of 50%. As a result of this decrease, Matamata Club received a loan of \$31.6k from the government with 12 months interest free.

The Club was tracking to a break-even year if Covid-19 had not happened; it has cost approximately \$10k a week to be shut.

The Budget is conservative and difficult to forecast with the Covid-19 impact.

David Lee noted there was approximately a three percent decline in the restaurant which cost about \$10k for the year. This is a controllable function and wondered if the committee were aware of this decline. David Oliver advised the 2-4-1 offer was stopped as non-members were benefitting from this. That took away about \$15-\$18k revenue. This promotion was recommenced a few months later for members only.

**Proposed:** Keith Lunn                      **Seconded:** Gail Bailey  
“That the Financial Report as presented be adopted.”                      Carried

## **ELECTION OF OFFICERS**

### **Nominations were received and the following were elected as:-**

**Patron:** Cliff Hazelton – As there was only one nomination Cliff Hazelton was declared elected Patron of the Matamata Club.

**President:** Keith Lunn advised there was only one nomination Rene Thomson was declared elected President of the Matamata Club.

Rene thanked Keith and the Board Members. He has been Vice President for the previous three years. Rene noted the next 12 months will not be easy with the Covid-19 impact and urged the members to come in and use the Club.

Rene passed the Chair back to Keith.

**Vice President:** As there was only one nomination Alex Wright was declared elected Vice President of the Matamata Club.

Alex introduced himself and reflected on his time at the Club, having been a member since 18 years old. Alex has been a member of the board for two years and is looking forward to bringing new ways of thinking to the role and meeting the challenges head on.

### **Board of Management: (2 to be elected)**

As there were only two nominations, Gail Bailey and Jimmy Neal were duly elected Board Members of the Matamata Club.

Jimmy and Gail introduced themselves.

Keith thanked Steve Dench who did not stand for the Board this year. Steve was instrumental in starting the Fishing Competition, which will be held later this year.

**Appeals Committee:** The following five nominees were declared elected to the Appeals Committee: Cliff Hazelton, Bruce Milne, Kevin Dare, Robert Williams, and Kevin Smith



# Matamata Club Incorporated

## Contents of Performance Report

For the Year Ended 31 March 2021

Entity Information.....	7
Statement of Service Performance.....	8
Statement of Financial Performance .....	8
Statement of Financial Position .....	9
Statement of Cash Flows .....	10
Notes to and forming part of the Performance Report.....	11-20
Divisional Statements of Financial Performance .....	21
Statement of Changes in Accumulated Funds – Gaming .....	22
Audit Report.....	23-24

# Matamata Club Incorporated

## Performance Report

For the Year Ended 31 March 2021

### Entity Information

Matamata Club Incorporated is a club, registered under the Incorporated Societies Act 1908.

<b>Entity's Purpose or Mission</b>	Provide services for the enjoyment of its members
<b>Address</b>	9 Waharoa Road East, Matamata
<b>Main Sources of Cash and Resources</b>	Matamata Club's main sources of funds are through its member's subscription fees and purchasing food and beverages from the restaurant and bars. Gaming revenue contributes toward the maintenance of buildings. Funds are also received from rental income.
<b>Main Methods Used to Raise Funds</b>	Chargeable goods and services
<b>Entity's Reliance on Volunteers and Donated Goods or Services</b>	Matamata Club is run by a volunteer Board who do not receive financial gain, and sporting adjuncts are co-ordinated by volunteers.
<b>Auditors</b>	GK Audit Services Limited, Auckland
<b>Entity Structure</b>	<p>A board of Management made up of six Board Members</p> <ul style="list-style-type: none"><li>1 x Elected President</li><li>1 x Elected Vice-President</li><li>2 x Elected Board Members</li><li>2 x Appointed Board Members</li></ul> <p>The Board adhere to the Clubs Constitution and make decisions guided by the Clubs 5- Year Strategic Plan, Annual Work Programme, Annual Business Plan and Budget.</p>
<b>Operational Structure</b>	Matamata Club's operations are managed by a team of 15 paid employees consisting of: <ul style="list-style-type: none"><li>1 x General Manager</li><li>1 x Office Administrator</li><li>13 x Kitchen Staff and Bar Staff</li></ul>
<b>Accountants</b>	CooperAitken Ltd, Chartered Accountants
<b>Bankers</b>	Westpac Bank, Matamata
<b>IRD Number</b>	010-848-555

# Statement of Service Performance

For the Year Ended 31 March 2021

## Description of the Club's Outcomes

Providing a sustainable venue, entertainment and catering for the benefit of members, guests and affiliates.

	Actual 2021	Actual 2020
<b>Membership</b>		
Members on Register 1st April	1013	1046
Plus New Members	211	164
Less Deaths & Resignations	38	17
Less Unofficial Struck Off	159	179
Members on Register 31st March	1018	1013
	Actual 2021	Actual 2020
<b>Entertainment (No. of Days)</b>		
Karaoke	10	11
Live Music	11	27
DJ	1	-
	Actual 2021	Actual 2020
<b>Functions</b>		
Functions with Catering	127	192
Room Hire Only	22	29

# Statement of Financial Performance

For the Year Ended 31 March 2021

	Note	Unaudited Budget 2022 \$	Actual 2021 \$	Actual 2020 \$
<b>Revenue</b>				
Donations, fundraising and other similar revenue	2	28,500	175,361	47,429
Fees, subscriptions and other revenue from members	3	58,936	54,958	63,966
Revenue from providing goods or services	4	1,351,795	1,206,318	1,409,848
Interest, dividends and other investment revenue	5	111	32	42
<b>Total Revenue</b>		<b>1,439,342</b>	<b>1,436,668</b>	<b>1,521,285</b>
<b>Less Expenses</b>				
Expenses related to public fundraising	6	25,000	22,258	33,968
Volunteer and employee related costs	7	444,552	469,283	494,444
Costs related to providing goods or services	8	687,465	588,676	741,402
Grants and donations	9	5,500	3,448	4,625
Other expenses	10	242,894	282,330	266,728
<b>Total Expenses</b>		<b>1,405,411</b>	<b>1,365,996</b>	<b>1,541,167</b>
<b>(Deficit) Surplus before Income Tax</b>		<b>33,931</b>	<b>70,672</b>	<b>(19,881)</b>
Income Tax Expense	11	28,604	33,178	25,545
<b>(Deficit) Surplus</b>		<b>5,327</b>	<b>37,495</b>	<b>(45,426)</b>



These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.



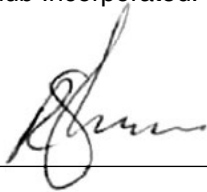
# Statement of Financial Position


As at 31 March 2021

	Note	2021 \$	2020 \$
<b>Current Assets</b>			
Cash and Bank Accounts	13	41,011	43,583
Trade Receivables	14	1,015	(919)
Inventories	15	16,671	18,849
Current Investments	16	2,966	4,281
<b>Total Current Assets</b>		<b>61,662</b>	<b>65,794</b>
<b>Non Current Assets</b>			
Property, Plant & Equipment	17	6,452,989	6,471,978
<b>Total Assets</b>		<b>6,514,651</b>	<b>6,537,772</b>
<b>Current Liabilities</b>			
Cash and Bank Account	18	3,808	-
Payables & Accruals	19	152,068	275,372
Current Portion of Lease & Hire Purchase Liabilities	20	19,248	-
Income Tax Payable	12	29,266	19,475
GST Payable		21,817	11,584
<b>Total Current Liabilities</b>		<b>226,207</b>	<b>306,431</b>
<b>Non Current Liabilities</b>			
Term Loans – Secured	21	2,586,789	2,581,000
Lease & Hire Purchase Liabilities	20	13,820	-
<b>Total Non-Current Liabilities</b>		<b>2,600,609</b>	<b>2,581,000</b>
<b>Total Liabilities</b>		<b>2,826,816</b>	<b>2,887,431</b>
<b>Net Assets</b>		<b>3,687,835</b>	<b>3,650,341</b>
<b>Accumulated Funds</b>			
Capital	22	4,422,189	4,384,695
Reserves	23	(734,354)	(734,354)
<b>Total Accumulated Funds</b>		<b>3,687,835</b>	<b>3,650,341</b>

Signed on Behalf of the Matamata Club Incorporated Board:

The Performance Report has been approved by the Members of the Committee, for and on behalf of the Matamata Club Incorporated:

  
 \_\_\_\_\_ President Date 19/5/2021

  
 \_\_\_\_\_ Vice-President Date 19/5/2021

GK Audit  
Services  
Limited

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Statement of Cash Flows

For the Year Ended 31 March 2021

	Note	2021 \$	2020 \$
<b>Cash Flows from Operating Activities</b>			
<b>Cash was received from:</b>			
Donations, fundraising and other similar receipts		175,360	124,987
Fees, subscriptions and other receipts from members		53,024	68,638
Receipts from providing good or services		1,208,496	1,413,118
Interest, dividends and other investment receipts		32	42
		<b>1,436,912</b>	<b>1,606,785</b>
Net GST		10,233	99,916
<b>Cash was applied to:</b>			
Payments to suppliers and employees		1,406,689	1,611,234
Donations or grants paid		3,448	4,625
Taxation		23,387	14,091
		<b>1,433,524</b>	<b>1,629,950</b>
<b>Net Cash Flows from Operating Activities</b>		<b>13,621</b>	<b>76,751</b>
<b>Cash Flows from Investing Activities</b>			
<b>Cash was received from:</b>			
Receipts from the sale of investments		1,315	-
Proceeds from loans borrowed from other parties		38,857	-
		<b>40,172</b>	<b>-</b>
<b>Cash was applied to:</b>			
Payments to acquire property, plant and equipment		60,173	245,316
Payments to purchase investments		-	4,202
		<b>60,173</b>	<b>249,518</b>
<b>Net Cash Flows from Investing Activities</b>		<b>(20,001)</b>	<b>(249,518)</b>
Net Decrease in Cash Held		(6,380)	(172,767)
Cash at the Beginning of the Year		43,583	216,351
<b>Cash at the End of the Year</b>		<b>37,203</b>	<b>43,584</b>
<b>This is represented by:</b>			
Cash and Bank Accounts		37,203	43,584



These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Notes to and forming part of the Performance Report

For the Year Ended 31 March 2021

## 1 Statement of Accounting Policies

### Reporting Entity

Matamata Club Incorporated is a club, registered under the Incorporated Societies Act 1908.

The performance report of Matamata Club Incorporated has been prepared according to Generally Accepted Accounting Practice in New Zealand as determined by the External Reporting Board.

### Statement of Compliance and Basis of Preparation

Matamata Club Incorporated is eligible to apply Tier 3 PBE Accounting Requirements : 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. The club has elected to report in accordance with PBE SFR-A (NFP). All transactions in the Performance Report are reported using the accrual basis of accounting.

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by the club, unless otherwise stated in the Specific Accounting Policies.

The Information is presented in New Zealand dollars. All values are rounded to the nearest \$.

The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

### Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied:

(a) Inventories

Inventories are recognised at lower of cost and net realisable value, determined on a first-in first-out basis.

(b) Property, Plant & Equipment and Investment Property

Property, plant and equipment is recognised at cost less aggregate depreciation. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

All other repairs and maintenance are recognised as expenses in the Statement of Financial Performance in the financial period in which they are incurred.

Land & buildings have been valued based on a valuation completed by SGHU Valuations on 13 September 2017.

(c) Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense recognised in the Statement of Financial Performance is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years.

(d) Goods and Services Taxation (GST)

Revenue and expenses have been recognised in the performance report exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates.

All Items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated Inclusive of GST. The club is registered for GST .

(e) Changes in Accounting Policies

All accounting policies have been applied on a basis consistent with those from previous performance report, except for the following specific changes:



These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Notes to and forming part of the Performance Report (continued)

For the Year Ended 31 March 2021

	Unaudited Budget		
	2022	2021	2020
	\$	\$	\$
<b>2 Donations, fundraising and other similar revenue</b>			
MSD Wage Subsidy	-	146,334	5,250
Raffle Income	28,500	29,026	42,179
<b>Total Donations, fundraising and other similar revenue</b>	<b>28,500</b>	<b>175,361</b>	<b>47,429</b>
<b>3 Fees, subscriptions and other revenue from members</b>			
Social Income	5,500	6,844	15,805
Subscriptions	53,436	48,114	48,161
<b>Total Fees, subscriptions and other revenue from members</b>	<b>58,936</b>	<b>54,958</b>	<b>63,966</b>
<b>4 Revenue from providing goods or services</b>			
Facilities Hire Income	8,767	5,820	10,398
Rent Received	301,350	300,088	298,841
Sales – Bar	521,000	443,736	532,023
Sales – Restaurant	258,000	206,968	294,852
Sales – Gaming	246,400	235,658	226,024
Courtesy Van Income	8,256	3,639	8,689
Sundry Income	8,022	10,410	25,107
Centenary Income	-	-	13,913
<b>Total Revenue from providing goods or services</b>	<b>1,351,795</b>	<b>1,206,318</b>	<b>1,409,848</b>
<b>5 Interest, dividends and other investment revenue</b>			
Interest Received	111	32	42
<b>Total Interest, dividends and other investment revenue</b>	<b>111</b>	<b>32</b>	<b>42</b>
<b>6 Expenses related to public fundraising</b>			
Raffle Expenses	25,000	22,258	33,968
<b>Total Expenses related to public fundraising</b>	<b>25,000</b>	<b>22,258</b>	<b>33,968</b>
<b>7 Volunteer and employee related costs</b>			
Wages – Bar	171,930	159,406	165,405
Wages – Gaming	4,800	581	4,446
Wages – Restaurant	100,620	138,001	148,375
President & VP Expenses	9,700	8,486	9,467
Staff Expenses & Training	3,650	9,032	3,256
Wages – Administration & Other	153,852	153,778	163,493
<b>Total Volunteer and employee related costs</b>	<b>444,552</b>	<b>469,283</b>	<b>494,444</b>



These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Notes to and forming part of the Performance Report (continued)

For the Year Ended 31 March 2021

	Unaudited Budget		
	2022	2021	2020
	\$	\$	\$
<b>8 Costs related to providing goods or services</b>			
Opening Stock – Bar	18,000	15,302	16,935
Opening Stock – Restaurant	1,739	3,546	2,830
Closing Stock – Bar	(18,000)	(14,932)	(15,302)
Closing Stock – Restaurant	(1,739)	(1,739)	(3,546)
Purchases – Bar	195,544	159,053	193,295
Purchases – Restaurant	98,040	86,453	120,719
Gaming Tax & Levies	61,600	56,307	54,352
Gaming Repairs & Other Direct Expenses	50,659	40,157	56,295
Restaurant Operating Expenses	17,980	14,719	25,092
Restaurant Promotion	15,056	12,538	18,512
Advertising	10,535	9,372	9,973
Bank Fees & Charges	4,142	5,258	4,449
Buildings, Furniture & Fittings	21,839	13,907	28,906
Centenary Expenses	-	-	16,360
Cleaning & Laundry	6,600	5,327	4,454
Communication	6,369	6,682	5,090
Conference Expenses	5,000	5,586	4,704
Electricity & Gas	17,822	17,841	19,860
Grounds	3,541	3,348	3,407
Insurance & ACC	42,506	38,073	35,717
Member Social Expenses	67,663	53,721	84,824
Other Administration Expenses	7,618	8,014	9,457
Printing, Postage & Stationery	12,151	12,297	12,377
Plant & Equipment	12,926	12,230	9,690
Rates	17,800	15,089	11,578
Security Expenses	8,576	8,485	7,280
Vehicle Expenses	3,498	2,041	4,093
<b>Total Costs related to providing goods or services</b>	<b>687,465</b>	<b>588,676</b>	<b>741,402</b>
<b>9 Grants and donations</b>			
Donations	5,500	3,448	4,625
<b>Total Grants and donations</b>	<b>5,500</b>	<b>3,448</b>	<b>4,625</b>
<b>10 Other expenses</b>			
Gaming Loan Interest	2,678	1,971	-
Accountancy	12,533	11,790	10,750
Audit Fees	7,700	6,357	5,467
Bad Debts Written Off	-	258	39
Depreciation	60,666	79,162	61,158
Interest - IRD Use of Money	-	205	-
Interest – Other	135,827	154,664	153,671
IRD Penalties	-	18	88
Lease – Till	9,600	9,137	10,945
Legal Fees – Deductible	-	5,820	2,454
Loan Fees	-	758	-
Loss On Sale Of Fixed Assets	-	-	8,602
Merchant Fees & Eftpos (GST incl)	3,236	2,775	3,002
Subscriptions, Licences & Permits	10,654	9,416	10,553
<b>Total Other expenses</b>	<b>242,894</b>	<b>282,330</b>	<b>266,728</b>

GK Audit  
Services  
Limited

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Notes to and forming part of the Performance Report (continued)

For the Year Ended 31 March 2021

	2021	2020
	\$	\$
<b>11 Tax Reconciliation</b>		
Surplus (Deficit) before Income Tax	70,672	(19,881)
<b>Permanent Differences</b>		
IRD Penalties	18	88
Tax Exempt Income	(1,136,549)	(1,222,402)
Tax Exempt Expenses	1,184,351	1,333,428
<b>Total Permanent Differences</b>	<b>47,820</b>	<b>111,114</b>
<b>Taxable Income</b>	<b>118,492</b>	<b>91,233</b>
Tax Expense at 28%	33,178	25,545
<b>Tax Expense</b>	<b>33,178</b>	<b>25,545</b>
<b>12 Income Tax</b>		
<b>Opening Balance</b>	19,475	8,021
<b>Plus:</b>		
Provision For Taxation	33,178	25,545
<b>Less:</b>		
Previous Year Provisional Tax Paid	4,358	3,636
Current Year Provisional Tax Paid	17,878	7,168
Terminal Tax Paid	1,146	3,281
Rwt Paid	6	5
	<b>23,387</b>	<b>14,090</b>
<b>Income Tax Payable</b>	<b>29,266</b>	<b>19,475</b>
Current Year Provisional Tax Paid After Balance Date was \$0 Therefore Total Current Year Provisional Tax Paid was \$17,877.82		
<b>13 Cash and Bank Accounts</b>		
<b>Cash Balance</b>		
Cash On Hand	31,001	24,974
<b>Bank Account Balances</b>		
Westpac 00 Account	-	10,666
Westpac 02 Account	7,006	3,828
Westpac 04 Account	970	3,397
Westpac 06 Account	2,034	719
	<b>10,010</b>	<b>18,609</b>
<b>Total Cash and Bank Accounts</b>	<b>41,011</b>	<b>43,583</b>

There is a bank overdraft limit of \$60,000 with an interest rate of 8.5%

# Notes to and forming part of the Performance Report (continued)

For the Year Ended 31 March 2021

	2021 \$	2020 \$
<b>14 Trade Receivable</b>		
Accounts Receivable	1,015	(919)
<b>Total Trade Receivable</b>	<b>1,015</b>	<b>(919)</b>

All amounts are short-term and have been reviewed for indicators of impairment. The carrying value of trade receivables is considered a reasonable approximation of fair value.

<b>15 Inventories</b>		
<b>Stock on Hand</b>		
Stock on Hand	16,671	18,849
<b>Total Inventories</b>	<b>16,671</b>	<b>18,849</b>

<b>16 Current Investments</b>		
Horse Syndicate Clearing Account	(2,034)	(719)
Bond Deposit	5,000	5,000
<b>Total Current Investments</b>	<b>2,966</b>	<b>4,281</b>

	Opening Carrying Amount \$	Purchases/ (Sales or Disposals) \$	Depreciation & Impairment \$	Closing Carrying Amount \$
<b>17 Property, Plant &amp; Equipment</b>				
<b>Property, Plant &amp; Equipment 2021</b>				
Land & Development	5,717,705	(17,235)	9,789	5,690,681
Kitchen Equipment	556	-	124	432
Buildings	595,726	-	429	595,297
Gaming Machines & Equipment	92,100	64,707	43,839	112,968
Plant & Machinery	44,561	834	12,001	33,394
Vehicles	1,790	-	537	1,253
Furniture & Fittings	11,282	1,886	4,125	9,043
Office Equipment	8,258	9,981	8,318	9,921
<b>Total Property, Plant &amp; Equipment</b>	<b>6,471,978</b>	<b>60,173</b>	<b>79,162</b>	<b>6,452,989</b>
<b>Property, Plant &amp; Equipment 2020</b>				
Land & Development	4,303,592	1,423,905	9,792	5,717,705
Kitchen Equipment	718	-	162	556
Buildings	596,188	-	462	595,726
Gaming Machines & Equipment	83,051	40,292	31,243	92,100
Plant & Machinery	46,396	11,284	13,118	44,561
Vehicles	2,557	-	767	1,790
Furniture & Fittings	14,653	-	3,371	11,282
Office Equipment	119	10,382	2,243	8,258
<b>Total Property, Plant &amp; Equipment</b>	<b>5,047,274</b>	<b>1,485,862</b>	<b>61,158</b>	<b>6,471,978</b>



These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Notes to and forming part of the Performance Report (continued)

For the Year Ended 31 March 2021

	2021	2020
	\$	\$
<b>18 Cash and Bank Account</b>		
Westpac 00 Account	3,808	-
<b>Total Cash and Bank Account</b>	<b>3,808</b>	<b>-</b>
<b>19 Payables &amp; Accruals</b>		
<b>Other Payables &amp; Accruals</b>		
Holiday Pay Accrued	33,022	39,456
Income In Advance	33,738	27,336
Accounts Payable	81,315	130,761
Westpac Credit Card	3,993	262
MSD Wage Subsidy Received In Advance	-	77,557
<b>Total Payables &amp; Accruals</b>	<b>152,068</b>	<b>275,372</b>
<b>20 Lease &amp; Hire Purchase Liabilities</b>		
<b>Oxford Financing - Gaming Machines</b>		
Non-Current Portion - Oxford Financing - Gaming Machines	16,558	-
Non-Current Portion - Less Unexpired Hire Purchase Charges	(2,739)	-
<b>Non-Current Portion</b>	<b>13,820</b>	<b>-</b>
Current Portion of Hire Purchase 959	19,248	-
	<b>33,068</b>	<b>-</b>
Interest Rate: 8.95%		
Secured By: Bubble Blast Gaming Machines x2		
Repayments: \$1,790.34 per month for 24 months		
<b>Total Current Portion of Lease &amp; Hire Purchase Liabilities</b>	<b>19,248</b>	<b>-</b>
<b>Total Non-Current Lease &amp; Hire Purchase Liabilities</b>	<b>13,820</b>	<b>-</b>



These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.



# Notes to and forming part of the Performance Report (continued)

For the Year Ended 31 March 2021

	2021 \$	2020 \$
<b>21 Term Loans – Secured</b>		
<b>Westpac Term Loan – 92</b>		
Total Outstanding	902,521	1,000,000
Interest Rate: 5.15% (2020: 5.45%)		
Secured by: First Mortgage over Land & Improvements		
Repayments: Interest Only		
<b>Westpac Term Loan – 95</b>		
Total Outstanding	252,668	281,000
Interest Rate: 5.15% (2020: 5.45%)		
Secured by: First Mortgage over Land & Improvements		
Repayments: Interest Only		
<b>Loan – Third Party Investor</b>		
Total Outstanding	1,400,000	1,300,000
Interest Rate: 6.00%		
Secured by: Second Mortgage over Land & Improvements		
Repayments: Interest Only		
<b>Inland Revenue Small Business Loan</b>		
Total Outstanding	31,600	-
Interest Rate: 0.00% if fully repaid within 2 years		
Interest Rate: 3% for the entire term of the loan if not fully repaid within 2 years		
Term: 5 years (60 months)		
Repayments are not compulsory in the first 24 months. After 24 months, requirement to make regular payments for both the principal and interest. Voluntary payments can be made at any time.		
<b>Total Term Loans - Secured</b>	<b>2,586,789</b>	<b>2,581,000</b>
<b>22 Capital</b>		
Opening Balance	4,384,695	4,430,121
<b>Plus:</b>		
Net Surplus	37,495	-
<b>Less:</b>		
Net Deficit	-	45,426
<b>Total Capital</b>	<b>4,422,189</b>	<b>4,384,695</b>
<b>23 Reserves</b>		
<b>Land Revaluation Reserve</b>		
Opening Balance	(734,354)	(734,354)
<b>Closing Balance</b>	<b>(734,354)</b>	<b>(734,354)</b>
<b>Total Reserves</b>	<b>(734,354)</b>	<b>(734,354)</b>



These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Notes to and forming part of the Performance Report (continued)

For the Year Ended 31 March 2021

## 24 Related Parties

The following related party transactions took place during the year:

- A member of the Club advanced a further \$100,000 to the Club and the conditions of this loan are disclosed in Note 21 of the Performance Report. At balance date, \$1,400,000 was owing to this member.
- Some Club members including committee and staff have traded with the Club. The Club trades with businesses where several members have interest.  
Electrical maintenance work carried out by a company owned by Jimmy Neal, Board Member. Some alcohol products are purchased through Super Liquor Matamata which is owned by Mark Grice, Board Member.  
Jimmy Neal Electrical and Super Liquor were used prior to the owner being board members.

Rene Thomson, President is a Director of Comag, and Alex Wright, Vice President is a Director of Wrightway Builders Ltd. Both providers used by Club.

All transactions carried out are normally at arm's length.

2021	2020
\$	\$

## 25 Commitments

### Matamata-Piako District Council Development Contribution:

The club has been invoiced by the Matamata-Piako District Council for a Development Contribution due to the council's view of perceived negative impact on the road network. Matamata Club Inc has responded to this requesting a waiver as the Club believe there has been a positive impact.

-	44,434
---	--------

### Stanley Construction - Final Retention Payment

At the time of preparing the Matamata Club Inc's financial statements, Stanley Construction was in liquidation. The Club has received no communication from the liquidators.

-	58,888
---	--------

## 26 Contingent Liabilities and Guarantees

The club has no contingent liabilities and no guarantees as at 31 March 2021. (2020: Contingent Liabilities Nil. Guarantees Nil.)

## 27 Events Occurring After Balance Date

In March 2020, there was a worldwide impact on most entities due to COVID 19. This meant that the board had to make a vigilant assessment on the entity's continuance.

In the current year, the Club has made a surplus of \$37,495. The net assets of the Club is negative (\$164,545). The Board is however satisfied that the entity is able to survive for the next 12 months as it has adequate surpluses and cash reserves to support itself post Covid 19. This situation will be monitored by the board and management on a regular basis. Based on this assumption and the forecasts and cashflows prepared by the entity, the board is comfortable that the entity is able to meet all its liabilities when it falls due and will continue to operate for the next 12 months from the date these reports have been signed off.



These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Notes to and forming part of the Performance Report (continued)

At at 31 March 2021

	2021 \$	2021 \$	2020 \$	2020 \$
<b>28 Notes to Gaming Trading Account</b>				
<i>Gaming Account</i>				
<b>GROSS PROCEEDS</b>		<b>235,658</b>		<b>226,024</b>
<b>Direct Gaming Costs</b>				
EMS	12,600		14,305	
Gaming licence	10,705		15,242	
Gaming repairs	15,286		23,749	
Interest on Gaming Machine Loan	1,971		-	
Electricity	1,565		3,000	
	<b>42,128</b>		<b>56,295</b>	
<b>Gaming Tax &amp; Levies</b>				
Gaming duty	54,194		51,987	
Problem gambling levy	2,114		2,365	
	<b>56,307</b>		<b>54,352</b>	
<b>Direct Wages</b>	<b>581</b>		<b>4,446</b>	
<b>Total Direct Gaming Costs</b>		<b>(99,017)</b>		<b>(115,093)</b>
<b>Depreciation – Gaming Machines</b>	43,839		31,243	
<b>Loss on sale of Gaming Machines</b>	-		8,602	
	<b>43,839</b>		<b>39,845</b>	
<b>Indirect Gaming Costs</b>				
Accounting fees	200		200	
Audit Fees	200		200	
Insurance	2,831		2,500	
	<b>3,231</b>		<b>2,900</b>	
<b>Total Indirect Gaming Costs</b>		<b>(47,070)</b>		<b>(42,745)</b>
		<b>89,572</b>		<b>68,185</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

GK Audit  
Services  
Limited

# Notes to and forming part of the Performance Report (continued)

At at 31 March 2021

	2021	2021	2020	2020
	\$	\$	\$	\$
<b>29 Notes to Gaming Trading Account (continued)</b>				
<i><b>Applied</b></i>				
Wages – Cleaning & Admin	27,046		2,020	
Advertising	4,124		4,388	
Cleaning supplies & laundry	1,971		1,648	
Conference expenses	5,586		4,704	
Communication	2,472		1,883	
General expenses	3,834		4,521	
Heating & lighting	6,601		7,348	
Licences & subscriptions	3,484		3,905	
President & VP expenses	-		4,200	
Printing & stationery	4,550		4,579	
Rates	5,583		4,284	
R&M Non-Gaming	4,525		15,301	
Security	3,139		2,694	
Staff Training	9,032		215	
Staff Uniform & Expenses	3,342		1,125	
Sky	4,282	(89,572)	5,370	(68,185)
<b>Undistributed Net Proceeds</b>		-		-
<i><b>General Account</b></i>				
<b>INCOME</b>				
Donations, fundraising and other similar revenue	175,361		47,429	
Fees, subscriptions and other revenue from members	54,958		63,966	
Revenue from providing goods or services	970,660		1,183,824	
Other revenue	32		42	
<b>Gross Income</b>		<b>1,201,010</b>		<b>1,295,261</b>
<b>OPERATING COSTS</b>				
Expenses related to public fundraising	22,258		33,968	
Volunteer and employee related costs	468,702		489,998	
Costs related to providing goods and services	489,381		628,255	
Grants and donations	3,448		4,625	
Other expenses	236,120		226,481	
<b>Gross Operating Costs</b>	<b>1,219,909</b>		<b>1,383,327</b>	
<b>Less Transferred from Gaming – Applied</b>	<b>89,572</b>	<b>1,130,338</b>	<b>68,185</b>	<b>1,315,142</b>
<b>Profit / (Loss) for year</b>		<b>70,673</b>		<b>(19,881)</b>

# Divisional Statement of Financial Performance

For the Year Ended 31 March 2021

	Note	2021 \$	2020 \$
<b>BAR TRADING ACCOUNT</b>			
<b>Operating Revenue</b>			
Revenue		443,736	532,023
<b>Less Cost of Sales</b>			
Opening Stock		15,302	16,935
Purchases		159,053	193,295
Closing Stock		(14,932)	(15,302)
<b>Total Cost of Sales</b>		<b>159,423</b>	<b>194,928</b>
<b>Gross Surplus from Trading</b>		<b>284,313</b>	<b>337,095</b>
<b>Less Direct Costs</b>			
Total Direct Costs		159,406	165,405
<b>Gross Surplus</b>		<b>124,907</b>	<b>171,689</b>
<b>RESTAURANT TRADING ACCOUNT</b>			
<b>Operating Revenue</b>			
Revenue		206,968	294,852
<b>Less Cost of Sales</b>			
Opening Stock		3,546	2,830
Purchases		86,453	120,719
Closing Stock		(1,739)	(3,546)
<b>Total Cost of Sales</b>		<b>88,260</b>	<b>120,003</b>
<b>Gross Surplus from Trading</b>		<b>118,707</b>	<b>174,850</b>
<b>Less Direct Costs</b>			
Total Direct Costs		165,259	191,979
<b>Gross Deficit (Surplus)</b>		<b>(46,551)</b>	<b>(17,129)</b>
<b>GAMING TRADING ACCOUNT</b>			
<b>Operating Revenue</b>			
Revenue		235,658	226,024
<b>Less Direct Costs</b>			
Total Direct Costs		99,017	115,093
<b>Gross Surplus</b>		<b>136,641</b>	<b>110,930</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.



# Statement of Changes in Accumulated Funds

For the Year Ended 31 March 2021

	Note	2021 \$	2020 \$
<b>Accumulated Funds</b>			
Opening Balance		4,384,695	4,430,121
Net Surplus/(Deficit)		37,495	(45,426)
Less: Gaming Surplus/(Deficit)		-	-
<b>Closing Balance</b>		<b>4,422,189</b>	<b>4,384,695</b>
<b>Gaming Funds</b>			
These funds are the surplus funds from the Gaming Activities and are available for future Authorised Purposes			
Opening Balance		-	-
Net Surplus/(Deficit)		-	-
<b>Closing Balance</b>		<b>-</b>	<b>-</b>
<b>Total Accumulated Funds</b>			
Opening Balance		4,384,695	4,430,121
Net Increases/(Decreases)		37,495	(45,426)
<b>Closing Balance</b>		<b>4,422,189</b>	<b>4,384,695</b>

## **INDEPENDENT AUDITOR'S REPORT**

**To: The Members of Matamata Club Incorporated.**

### **Qualified Opinion**

We have audited the accompanying performance report of Matamata Club Incorporated on pages 8 to 22, which comprise the Statement of Comprehensive Revenue and Expenses, Statement of Changes in Net Assets, Statement of Cashflows, Statement of Financial Position as at 31 March 2021, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph below, the performance report on pages 8 to 22 present fairly, in all material respects the financial position of Matamata Club Incorporated as at 31 March 2021, and its financial performance and cashflow for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards (Tier 3- Not for Profit PBE IPSAS) issued in New Zealand.

### **Basis of Qualified Opinion**

The Club's Land and Buildings are reflected at a book value of \$6,285,978 in the statement of financial position as at 31 March 2021. This is based on a September 2017 valuation report as per note 1(b) on page 8. The book value includes subsequent additions and modifications to land and building at cost less the depreciation charge. This is a departure from applicable accounting standard Public Benefit Entity Simple Format Reporting - Accrual (Not for Profit), which requires an entity wishing to revalue an asset to apply the relevant requirements of PBE IPSAS 17, except that they may use rateable or government valuation instead of fair value. If a fair value is to be used, PBE IPSAS 17 requires market value to be reassessed with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. It also requires the entire class of property to which that asset belongs to, i.e. all land, building and other improvements to be revalued to market value.

In applying the provision in PBE SFR-A (NFP) that allows the use of the rateable value, (\$4,750,000) the effect of this departure is that the carrying value of the land and buildings of \$6,285,978 is overvalued by \$1,535,978. It is not practicable for us to determine the effect of this departure from the standard using a fair (market) value.

Our firm also carries out a review of the Gaming Income forecast for the Club. With this exception and other than our capacity as auditor, we have no other relationship with, or interests in Matamata Club Incorporated.

### ***Executive Committee's Responsibility for the Performance Report***

The Executive Committee is responsible on behalf of the entity for:

- a) the preparation and fair presentation of the performance report which comprise:
  - entity information
  - identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable to report in the statement of service performance.
  - the statement of Comprehensive Revenue and Expenses, Statement of Changes in Net Assets, Statement of Cashflows, Statement of Financial Position, Statement of accounting policies and notes to the performance reporting in accordance with Public Benefit Entity International Public Sector Accounting Standards (Tier 3- Not for Profit PBE IPSAS) issued in New Zealand.
- b) for such internal control as the Executive Committee determines is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the financial performance, the Club's officers are responsible for assessing the Club's ability to continue as a going concern, disclosing as applicable, matters relating to going concern and using the going concern basis of accounting unless the officers either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities**

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 our 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Club 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with the Club's officers regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Material Uncertainty Related to Going Concern**

We draw your attention to Note 27 on page 18 in the performance report which indicates that Matamata Club Incorporated has a negative working capital of \$164,545. These conditions, along with other matters as set forth in Note 27, indicate that a material uncertainty exists that may cast significant doubt on the Club's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Restriction on Use of Report**

This report is made solely to the members of Matamata Club Incorporated, as a collective body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of Matamata Club Incorporated, as a collective body, for our audit work, for this report or for the opinions we have formed.

*GK Audit Services Limited*

**GK Audit Services Limited**  
**Taupo, New Zealand**  
**20 May 2021**

[www.gkaudit.co.nz](http://www.gkaudit.co.nz)