

Timaru Bridge Club 2022 financial report

The Club's Profit and Loss Account for the year to 30 September 2022 shows a loss of just \$1,473. This is great news as members may recall the committee's concern that the Club may incur a significant loss.

While there has been substantial extra expenditure including exterior painting \$4,400, additional insurance \$2,400 and bidding pads \$2,800 and concern around reduced income, our careful monitoring and cautious message has paid off.

The decision was made to spread the cost of the bidding pads over the next four years and the cost to be carried forward is shown as prepayments in the Balance Sheet.

While we have managed to live within our means, it is important to note that our total income dropped by \$10,500 in a year. Reduced income includes rental of our rooms, donations, grants, sponsorship and tournament income. (NZ Bridge charges have been offset against tournament income this year.)

It is pleasing that table fees are slightly up on last year and that subscriptions have been maintained.

However, if we look back to pre-covid times, table fees were \$33,869 for 2019 (compared to \$23,946 for 2021/ 2022) and subscriptions \$17,771 for 2019 (\$13,337 for 2022)

Therefore there has been an even bigger reduction in total income of \$28,000 in the last 3 years (since 2019).

The Balance Sheet as at 30 September still shows healthy bank balances. The committee has set aside the term deposit of \$13,324 for asset replacement and a separate tournament account has been set up.

The depreciation schedule shows a number of assets as being disposed of. We have followed the auditor's advice and written off these low value assets.

Where should the focus of the Club and committee be going forwards?

Budgeting was set up this year and our actual result was very close to our budgeted outcome. We should continue to budget for annual surpluses or at least to break even. Cutting our cloth is no mean feat in the light of our membership of just 174 and responsibility for the meeting the costs and maintenance of our clubrooms.

While there is money in the bank, these funds need to be protected as a buffer against future operating losses. The club has incurred losses for the last two years and made small surpluses in the two years prior.

It is clear that we need to refocus on our revenue streams ...

Our first areas of focus should be subscriptions and table fees or in other words; lessons and playing opportunities. Fostering the game of Bridge is our purpose after all. The bronze sessions are working well as a nursery for our beginners and our retention rate has improved.

Sponsorship may be an obvious opportunity but pursuing this is still difficult as businesses are recovering from covid times. We could still think about a package we could offer to sponsors.

The committee needs to rethink our approach on the rental of our rooms.

We have been proud of the success of our tournaments and suggestions have been made that we should run more. However, much work is involved and net tournament income for this year was just \$2,355.

Grant applications should be considered in the light of prioritised and planned cyclical maintenance and asset replacement projects. We should not lose sight of the importance of maintaining and improving our building, equipment and furniture. This year's committee set up a working group and were prepared to apply for grants to replace the air conditioners but thankfully our insurance company agreed to fully fund their replacement. We should now look to the next project.

To summarise, my view is that the club committee's priority areas should be careful budgeting and monitoring, increasing membership and playing opportunities, and making grant applications.

A final note...

The committee must not leave insurance in the too hard basket. This year our building was revalued for the first time in 16 years! At least we have been fortunate and there has not been a major disaster in this time. Our premium is based on full replacement cost and because the valuation has nearly doubled in these years the premium has increased significantly. We may have to look at insuring a much lower functional replacement value, however we could only consider doing this if we believed we could operate from a much smaller building or were prepared to take on this risk.

Carole Brand on behalf of Julie Chambers (Treasurer) and the 2022 Committee

Profit and Loss

Timaru Bridge Club

For the year ended 30 September 2022

| | 2022 | 2021 |
|------------------------------------|------------------|------------------|
| Playing Income | | |
| Table Fees | 23,946.67 | 22,542.22 |
| Playing Expenses | (2,231.18) | (1,819.64) |
| Opening Stock - Pads | - | (1,120.50) |
| Total Playing Income | 21,715.49 | 19,602.08 |
| Bar Trading Income | | |
| Opening Stock | (357.50) | (170.50) |
| Bar Sales | 447.92 | 977.05 |
| Purchases | (265.86) | (1,128.54) |
| Bar Expenses | (231.67) | - |
| Closing Stock | 251.32 | 357.50 |
| Total Bar Trading Income | (155.79) | 35.51 |
| Net Tournament Income | | |
| Tournament Income | 13,337.80 | 11,908.25 |
| Tournament Expenses | (10,981.83) | (6,156.20) |
| Total Net Tournament Income | 2,355.97 | 5,752.05 |
| Other Income | | |
| Donations | 503.10 | 2,000.00 |
| Interest Income | 239.57 | 243.46 |
| Other Revenue | 173.91 | 1,988.87 |
| Rental | 864.34 | 4,902.13 |
| Sponsorship/Grants | - | 1,587.83 |
| Subscription | 13,748.10 | 13,852.74 |
| Total Other Income | 15,529.02 | 24,575.03 |
| Total Income | 39,444.69 | 49,964.67 |
| Operating Expenses | | |
| Advertising | 544.84 | 504.84 |
| Audit Expenses | 1,200.00 | 1,200.00 |
| Bank Fees | 40.00 | 10.00 |
| Building Maintenance | 5,974.40 | 15,898.89 |
| Cleaning Wages | 4,898.25 | 7,031.36 |
| Club Prizes | - | 396.52 |
| Computer Expenses | 1,530.11 | 1,796.24 |
| Consulting | 300.00 | - |
| Entertainment | - | 173.91 |
| Equipment (New) | 276.16 | - |
| Equipment Maintenance | 206.90 | 844.15 |
| General Expenses | 360.17 | 555.46 |
| Grants/Honorarium | 2,600.00 | 2,700.00 |

| | 2022 | 2021 |
|---------------------------------|-------------------|-------------------|
| Honours Board and Engraving | 420.57 | 286.09 |
| Housekeeping | 803.72 | 2,925.81 |
| Insurance | 6,012.43 | 3,637.41 |
| IRD charges | - | 252.60 |
| Levies & Master Points | 3,260.00 | 5,368.83 |
| Light, Power, Heating | 3,977.17 | 4,488.48 |
| Office Expenses | 267.40 | 717.89 |
| Printing & Stationery | 398.20 | 280.21 |
| Rates | 1,138.68 | 1,311.22 |
| Security | 579.40 | 560.20 |
| Telephone & Internet | 745.74 | 817.03 |
| Tournament entry fees | 542.61 | 646.96 |
| Valuation Fees | 750.00 | - |
| Total Operating Expenses | 36,826.75 | 52,404.10 |
| Net Profit | 2,617.94 | (2,439.43) |
| Non cash expenses | | |
| Depreciation | 3,065.45 | 3,455.80 |
| Loss On Sale of Assets | 1,026.40 | - |
| Total Non cash expenses | 4,091.85 | 3,455.80 |
| Net Profit (Loss) | (1,473.91) | (5,895.23) |

Balance Sheet

Timaru Bridge Club

As at 30 September 2022

| | 30 SEP 2022 | 30 SEP 2021 |
|----------------------------------|-------------------|-------------------|
| Assets | | |
| Bank | | |
| BNZ Cheque Account | 25,152.48 | 30,751.80 |
| BNZ Tournament Account | 2,328.87 | 1,512.57 |
| BNZ Term Deposit | 13,324.51 | 13,119.96 |
| Total Bank | 40,805.86 | 45,384.33 |
| Current Assets | | |
| Accounts Receivable | 200.00 | 260.50 |
| Prepayments | 2,477.06 | - |
| Stock on Hand - Bar | 251.32 | 357.50 |
| Total Current Assets | 2,928.38 | 618.00 |
| Fixed Assets | | |
| Buildings | 320,000.00 | 650,434.53 |
| Land | 340,000.00 | 8,788.00 |
| Plant, Equipment & Furniture | 9,245.20 | 12,582.90 |
| Total Fixed Assets | 669,245.20 | 671,805.43 |
| Total Assets | 712,979.44 | 717,807.76 |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | 533.74 | 2,876.51 |
| GST | 324.43 | 2,796.36 |
| PAYE Payable | 95.35 | 166.68 |
| Total Current Liabilities | 953.52 | 5,839.55 |
| Total Liabilities | 953.52 | 5,839.55 |
| Net Assets | 712,025.92 | 711,968.21 |
| Equity | | |
| Current Year Earnings | (1,473.91) | (5,895.23) |
| Retained Earnings | 86,671.91 | 92,567.14 |
| Revaluation Reserve | 626,827.92 | 625,296.30 |
| Total Equity | 712,025.92 | 711,968.21 |

Depreciation Schedule

Timaru Bridge Club

For the year ended 30 September 2022

| NAME | COST | OPENING VALUE | PURCHASES | DISPOSALS | LOSS | RATE | DEPRECIATION | CLOSING ACCUM DEP | CLOSING VALUE |
|---|-------------------|------------------|-------------------|-----------|-------|--------|---------------|----------------------|-------------------|
| Buildings | | | | | | | | | |
| Building | 88,066.77 | 25,138.23 | - | - | - | 3.00% | 754.15 | 63,682.69 | 24,384.08 |
| Building Revaluation 1-9-20 | 295,615.92 | - | 295,615.92 | - | - | | - | - | 295,615.92 |
| Land | 8,788.00 | 8,788.00 | - | - | - | | - | - | 8,788.00 |
| Land Revaluation 1-9-20 | 331,212.00 | - | 331,212.00 | - | - | | - | - | 331,212.00 |
| Total Buildings | 723,682.69 | 33,926.23 | 626,827.92 | - | - | | 754.15 | 63,682.69 | 660,000.00 |
| Plant, Equipment & Furniture | | | | | | | | | |
| 17" Dell Computer | 1,471.44 | 941.39 | - | - | - | 20.00% | 188.28 | 718.33 | 753.11 |
| Air Conditioning two units | 17,078.00 | 800.00 | - | - | - | 20.00% | 160.00 | 16,438.00 | 640.00 |
| AV projector | 3,705.00 | 92.00 | - | - | - | 20.00% | 18.40 | 3,631.40 | 73.60 |
| Bar Cooler | 2,000.00 | 1,700.00 | - | - | - | 20.00% | 340.00 | 640.00 | 1,360.00 |
| bookcase (Back Room) | 780.00 | 175.20 | - | - | - | 20.00% | 35.04 | 639.84 | 140.16 |
| Cafe bar | 4,353.00 | 244.00 | - | - | - | 20.00% | 48.80 | 4,157.80 | 195.20 |
| Card Dealing Machine | 7,637.00 | 400.00 | - | - | - | 20.00% | 80.00 | 7,317.00 | 320.00 |
| Card Shuffler | 32.00 | - | - | - | - | 20.00% | - | - | - |
| Carpet back room | 17,000.00 | 275.20 | - | - | - | 20.00% | 55.04 | 16,779.84 | 220.16 |
| Carpet Main room | 17,080.00 | 502.40 | - | - | - | 20.00% | 100.48 | 16,678.08 | 401.92 |
| Cash Register | 699.00 | 48.80 | - | 48.80 | 48.80 | 20.00% | - | - | - |
| Ceiling Fans | 1,262.00 | 67.20 | - | 67.20 | 67.20 | 20.00% | - | - | - |
| Chairs | 8,624.00 | 40.00 | - | - | - | 20.00% | 8.00 | 8,592.00 | 32.00 |
| Clock Main room | 65.00 | 4.80 | - | 4.80 | 4.80 | 20.00% | - | - | - |
| Computer Laptop HP desktop | 1,300.00 | 200.00 | - | - | - | 20.00% | 40.00 | 1,140.00 | 160.00 |
| Computer Laptop P probook | 1,266.00 | 80.00 | - | 80.00 | 80.00 | 20.00% | - | - | - |
| Computer Laptop Toshiba Satellite Pro | 1,080.00 | 40.00 | - | 40.00 | 40.00 | 20.00% | - | - | - |

Depreciation Schedule

| NAME | COST | OPENING VALUE | PURCHASES | DISPOSALS | LOSS | RATE | DEPRECIATION | CLOSING ACCUM DEP | CLOSING VALUE |
|--|----------|---------------|-----------|-----------|-------|--------|--------------|----------------------|---------------|
| Computer table storage room | 349.00 | 52.00 | - | 52.00 | 52.00 | 20.00% | - | - | - |
| Crockery | 227.00 | 16.80 | - | 16.80 | 16.80 | 20.00% | - | - | - |
| Defibrillator | 2,294.25 | 1,835.40 | - | - | - | 20.00% | 367.08 | 825.93 | 1,468.32 |
| Digital Timer | 556.00 | 21.60 | - | 21.60 | 21.60 | 20.00% | - | - | - |
| Dishwasher | 3,681.00 | 176.00 | - | - | - | 20.00% | 35.20 | 3,540.20 | 140.80 |
| Door Curtains | 611.00 | 46.40 | - | 46.40 | 46.40 | 20.00% | - | - | - |
| Dustbuster | 52.00 | - | - | - | - | 20.00% | - | - | - |
| Exterior Lights | 165.00 | - | - | - | - | 20.00% | - | - | - |
| Fan heater | 50.00 | 3.20 | - | 3.20 | 3.20 | 20.00% | - | - | - |
| Fan heater | 450.00 | 80.00 | - | 80.00 | 80.00 | 20.00% | - | - | - |
| Fire extinguisher | 150.00 | 40.00 | - | 40.00 | 40.00 | 20.00% | - | - | - |
| Floor Mats | 250.00 | 8.80 | - | 8.80 | 8.80 | 20.00% | - | - | - |
| Fluro light fittings | 1,611.00 | 40.00 | - | 40.00 | 40.00 | 20.00% | - | - | - |
| Fridge/Freezer | 1,160.00 | 835.20 | - | - | - | 20.00% | 167.04 | 491.84 | 668.16 |
| Guillotine | 150.00 | 8.00 | - | 8.00 | 8.00 | 20.00% | - | - | - |
| Hotwater urn | 167.00 | 0.80 | - | 0.80 | 0.80 | 20.00% | - | - | - |
| Kitchen trolley | 390.00 | 18.40 | - | 18.40 | 18.40 | 20.00% | - | - | - |
| Litter bins | 200.00 | 40.00 | - | 40.00 | 40.00 | 20.00% | - | - | - |
| Microphone & Stand | 168.00 | 11.20 | - | 11.20 | 11.20 | 20.00% | - | - | - |
| Microwave | 89.00 | 4.80 | - | 4.80 | 4.80 | 20.00% | - | - | - |
| Notice boards | 339.00 | 16.00 | - | 16.00 | 16.00 | 20.00% | - | - | - |
| Oven | 500.00 | 40.00 | - | 40.00 | 40.00 | 20.00% | - | - | - |
| Printer/photocopier Colour HP Office Pro | 250.00 | 40.00 | - | 40.00 | 40.00 | 20.00% | - | - | - |
| Projector Screen & Stand | 478.00 | 75.20 | - | 75.20 | 75.20 | 20.00% | - | - | - |
| Ricoh Photocopier | 2,756.00 | - | - | - | - | 20.00% | - | 2,756.00 | - |
| Security System | 1,372.00 | 37.60 | - | - | - | 20.00% | 7.52 | 1,341.92 | 30.08 |
| Small Trolley | 50.00 | - | - | - | - | 20.00% | - | - | - |

Depreciation Schedule

| NAME | COST | OPENING VALUE | PURCHASES | DISPOSALS | LOSS | RATE | DEPRECIATION | CLOSING ACCUM DEP | CLOSING VALUE |
|---|-------------------|------------------|-------------------|-----------------|-----------------|--------|-----------------|----------------------|-------------------|
| stepladder | 132.00 | 6.40 | - | 6.40 | 6.40 | 20.00% | - | - | - |
| Stretcher bed | 100.00 | 10.40 | - | 10.40 | 10.40 | 20.00% | - | - | - |
| Sundry plant | 2,154.00 | - | - | - | - | 20.00% | - | - | - |
| Table cloths | 832.00 | 40.00 | - | 40.00 | 40.00 | 20.00% | - | - | - |
| Tables | 4,000.00 | 400.00 | - | - | - | 20.00% | 80.00 | 3,680.00 | 320.00 |
| Tablets | 6,500.00 | 400.00 | - | - | - | 20.00% | 80.00 | 6,180.00 | 320.00 |
| Tablets | 1,826.09 | 1,734.79 | - | - | - | 20.00% | 346.96 | 438.26 | 1,387.83 |
| Telephone Landline | 156.00 | - | - | - | - | 20.00% | - | - | - |
| Televison 40 inch | 1,000.00 | 160.00 | - | - | - | 20.00% | 32.00 | 872.00 | 128.00 |
| vacum cleaner | 488.00 | 45.60 | - | 45.60 | 45.60 | 20.00% | - | - | - |
| Vacuum Cleaner | 599.00 | 407.32 | - | - | - | 20.00% | 81.46 | 273.14 | 325.86 |
| Wall heater back room | 2,000.00 | 200.00 | - | - | - | 20.00% | 40.00 | 1,840.00 | 160.00 |
| Water filter | 537.00 | 40.00 | - | 40.00 | 40.00 | 20.00% | - | - | - |
| Window curtains | 4,181.00 | 40.00 | - | 40.00 | 40.00 | 20.00% | - | - | - |
| Zip Water Heater Kitchen | 500.00 | 40.00 | - | 40.00 | 40.00 | 20.00% | - | - | - |
| Total Plant, Equipment & Furniture | 128,952.78 | 12,582.90 | - | 1,026.40 | 1,026.40 | | 2,311.30 | 98,971.58 | 9,245.20 |
| Total | 852,635.47 | 46,509.13 | 626,827.92 | 1,026.40 | 1,026.40 | | 3,065.45 | 162,654.27 | 669,245.20 |

Notes to the Financial Statements

Timaru Bridge Club

For the year ended 30 September 2022

Statement of Accounting Policies

The financial statements presented here are for the entity Timaru Bridge Club Incorporated

The Timaru Bridge Club Incorporated is registered under the Incorporated Societies Act 1908

It is not publicly accountable and it does not qualify as a large entity.

The financial statements of the Timaru Bridge Club are Special Purpose Financial Statements and have been prepared for the members.

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used with the exception of certain items for which specific accounting policies have been identified.

Changes in Accounting Policies

The financial statements have been prepared on a GST exclusive basis. The comparatives have been prepared on a GST exclusive basis.

1. SPECIFIC ACCOUNTING POLICIES

In the preparation of these financial statements, the specific accounting policies are as follows:

a) Property, Plant and Equipment

The entity has the following classes of Property, Plant and Equipment:

- Land 0%
- Building 3%
- Plant and Equipment 20%

The Land and Buildings have been revalued to the rateable value dated 30 September 2021.

b) Goods & Services Tax

These financial statements have been prepared on a GST exclusive basis.

c) Taxation

No provision for Income Tax has been made as the Society is exempt from income tax.

d) Revenue

Sales of goods are recognised when they have been delivered and accepted by the customer.

Interest income is recognised using the effective interest method.

e) Going Concern

The entity will continue in operation as a going concern in the foreseeable future.

2. REVIEW

These financial statements have been subject to review, please refer to the Review Report provided.