

National Rifle Association of New Zealand (Inc)

Financial Statements

For the Year Ended 31 August 2019

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Financial Statements
For the Year Ended 31 August 2019

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National Rifle Association of New Zealand (Inc)
Approval of Financial Statements
For the Year Ended 31 August 2019

Approval by Council

The NRANZ Council are pleased to present the Financial Statements of National Rifle Association of New Zealand (Inc) for the year ended 31 August 2019



President



Treasurer

16/12/19

Date

National Rifle Association of New Zealand (Inc).
Statement of Financial Performance
For the Year Ended 31 August 2019

	<u>12 months to 31</u> <u>August 19</u>	<u>12 months to 31</u> <u>August 18</u>
<u>Notes</u>		
<u>OPERATING INCOME</u>		
Sale of Supplies	112,504	94,395
1 Affiliations & Championship Levies	58,476	38,135
Interest	12,174	9,939
Donations	8,366	11,285
2 Other	1,573	32,110
TOTAL OPERATING INCOME	193,093	185,864
<u>LESS COST OF SALES</u>		
Purchase of Inventory	94,554	74,088
Freight, Customs & Distribution to Clubs	3,647	2,513
TOTAL COST OF SALES	98,201	76,601
GROSS PROFIT	94,892	109,263
<u>LESS OPERATING EXPENSES</u>		
Office Admin - (Phone, Post, Supplies etc)	966	3,504
3 Secretary Salary & Employment - less portion to champs	6,041	5,468
HQ's Bldg - (Power, Mntce, Security)	9,052	18,379
Campus Grounds & Tgt Shed	4,759	2,196
Seddon Range Maintenance	21,714	14,608
4 Professional Svcs and Overheads	18,445	15,315
5 Internet & Web Site	1,893	2,394
Council Meetings and Delegate Travel	2,226	2,589
6 Write Off & Shrinkage	1,355	121
Depreciation Claimed	7,611	7,310
NZ Rifle Teams / Commonwealth Games reps	5,647	4,976
Secondary School Programme	-	1,278
Jnr & New Shooter Dev Programmes	-	1,138
TOTAL OPERATING EXPENSES	79,709	79,274
OPERATING NET SURPLUS / DEFICIT	15,183	29,988
<u>CHAMPIONSHIP MEETING</u>		
TOTAL CHAMP MEETING INCOME	-	77,599
<u>LESS CHAMP MEETING EXPENSES</u>		
Range, Tgt Costs, 80% Rnge Mtnc & Hire	-	15,792
Wages - (Includes portion NRA Sec Salary)	-	49,554
Event Administration	-	4,972
Prizes, Trophies, Medals, Badges, Sponsor Payout	-	6,615
TOTAL CHAMP MEETING EXPENSES	-	76,933
CHAMP MEETING NET SURPLUS / DEFICIT	-	666

This statement is to be read in conjunction with the accompanying Notes to the Financial Statements and Independent Auditor's Report.



National Rifle Association of New Zealand (Inc).
Statement of Financial Performance
For the Year Ended 31 August 2019

<u>LRWC 2019</u>	12 months to 31 August 19	12 months to 31 August 18
<u>INCOME</u>		
MBEI Grant	187,127	17,873
Other Grants	3,800	-
Entries	294,953	-
Other income	80,657	-
TOTAL INCOME	566,537	17,873
<u>EXPENSES</u>		
Refund levies to NРАНZ clubs	55,000	-
Range Operations	162,176	8,569
Catering	52,055	-
Onsite venue, security & traffic management	39,603	3,196
Promotion	4,439	1,884
Computing & Printing	7,914	616
Medals, badges etc	30,777	-
Survey	12,850	-
Project Management / meetings	2,145	1,779
Other	25,356	1,828
TOTAL EXPENSES	392,315	17,873
LRWC2019 NET SURPLUS / DEFICIT	174,222	0
<u>SUMMARY</u>		
Surplus / Deficit - <u>Championship Meeting</u>	-	666
Surplus / Deficit - <u>Operating</u>	15,183	29,988
Surplus / Deficit - <u>LRWC2019</u>	174,222	0
NET SURPLUS / DEFICIT	189,405	30,655

This statement is to be read in conjunction with the accompanying Notes to the Financial Statements and Independent Auditor's Report.



National Rifle Association of New Zealand (Inc).
Statement of Financial Position
As at 31 August 2019

	As at 31 Aug 19	As at 31 Aug 18
Opening Balance	591,730	561,075
Net Surplus / Deficit	189,405	30,655
Closing Balance	781,135	591,730
Represented by:		
<u>CURRENT ASSETS</u>		
Bank and Cash	70,434	40,873
7 Accounts Receivable	9,397	127,050
8 Term Deposits	481,316	324,467
Inventories	93,093	124,353
9 Sundry	3,191	2,027
TOTAL CURRENT ASSETS	657,431	618,769
<u>FIXED ASSETS (NET OF DEPRECIATION)</u>		
Buildings	91,605	91,605
Target Carriers	49,667	51,875
Plant, Machinery, Tooling & Support Equipment	14,693	14,910
Office Equipment & Furniture	3,625	3,388
Belts & Trophies	11,278	11,278
Museum Firearms	5,276	5,276
Team Coaching Aid	666	888
TOTAL FIXED ASSETS	176,811	179,221
TOTAL ASSETS	834,241	797,990
<u>LESS CURRENT LIABILITIES</u>		
Creditors (Accts Payable)	4,263	11,991
GST	4,776	10,549
10 Income in Advance	-	143,316
11 Public Funding & Sponsorship	44,066	40,403
TOTAL CURRENT LIABILITIES	53,106	206,259
NET ASSETS REPRESENTING MEMBERS EQUITY	781,135	591,730
	0	0

This statement is to be read in conjunction with the accompanying Notes to the Financial Statements and Independent Auditor's Report.



National Rifle Association of New Zealand (Inc).
Statement of Accounting Policies
For the Year Ended 31 August 2019

Reporting Entity

These are the financial statements of National Rifle Association of New Zealand Incorporated (The "Association"). The Association is an incorporated society registered under the Incorporated Societies Act 1908.

Basis of Preparation

The financial statements of the Association have been prepared for reporting to its members and as required for funding purposes.

General Accounting Policies

The measurement base adopted is that of historical cost. Reliance is placed on the fact that the entity is a going concern. Accrual accounting is used to match expenses and revenues.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied.

Income

Income is recorded on an accrual basis when earned.

Champ Meeting Income

Entry Fees income in relation to Championship meetings are receivable in advance, but only the Entry Fees received that relate to the current financial year are recognised as income. Entry Fees for the following financial year are included (excluding GST) in the Statement of Financial Position as "Income in Advance".

Grants Income

Grants are recognised as income when spent. Any unspent portion of the grant is recorded in as a liability in the Statement in Financial Position as "income in Advance".

Accounts Receivable

Accounts Receivable are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

Fixed Assets & Depreciation

The following Fixed Assets are stated at cost less accumulated depreciation. Depreciation has been calculated using the following methods and rates:

	Rate:	Method
Target Carriers	2.5%	Straight Line
Plant & Machinery	20%	Diminishing Value
Office Equipment	25%	Diminishing Value
Computer Hardware & Software	25%	Diminishing Value
Furniture & Fittings	15%	Diminishing Value
Championship Support Equipment	25%	Diminishing Value
Team Coaching Aids	25%	Diminishing Value

Buildings, Belts & Trophies and Museum Firearms are stated at their revalued amounts according to a formal valuation carried out by Tony Loughnan in 2008.

This statement is to be read in conjunction with the accompanying Notes to the Financial Statements and Independent Auditor's Report.



National Rifle Association of New Zealand (Inc).
Statement of Accounting Policies
For the Year Ended 31 August 2019

Goods & Services Tax

These financial statements have been prepared on a GST exclusive basis, with the exception of Accounts Receivable and Creditors, which include GST when invoiced.

Income Tax

The Association is approved as a body promoting amateur games or sports and is therefore exempt from income tax under Section CW46 of the Income Tax Act 2007, provided no part of the funds of the Association is used or available to be used for private pecuniary profit of a member.

Inventories

Inventories are stated at the lower of cost or net realisable value, using a perpetual inventory system. A stocktake is performed on or close to balance date and also randomly during the year. Old or obsolete inventories are disposed of during the year. Inventories are written up or down based on stocktakes.

Sale of Supplies is recognised as income when invoiced and Cost of Goods Sold is recognised as an expense when a sale is invoiced.

Public Funding & Sponsorship

Funds received for specific purposes are recorded as a liability until spent.

Changes in Accounting Policies

There have been no changes in accounting policies during the year.

National Rifle Association of New Zealand (Inc).
Notes to the Financial Statements
For the Year Ended 31 August 2019

	As at 31 Aug 19	As at 31 Aug 18
1		
Affiliation Fees Recd	55,978	34,569
Championship Levies	2,498	3,566
	58,476	38,135
2		
OTHER INCOME		
Courier Freight Charged	263	205
Equipment Hire (containers)	-	157
Grants	-	20,200
Other	1,310	11,549
	1,573	32,110
3		
SECRETARY SALARY		
Total Employment Expenses	30,123	26,822
Less portion of Secretary Allocated to Champ Meeting	- 24,082	- 21,354
	6,041	5,468
4		
PROFESSIONAL SERVICES & OVERHEADS		
Subscription - ICFRA	422	491
Subscription - NZ Shooting Federation	5,100	5,100
Subscription - NRA GB	-	211
Subscription - COLFO	478	-
Subscription - NZ Guns and Hunting	150	150
Subscription - Microsoft	103	-
Professional Fees - Lease of Hill Top Reserve from UHCC	97	97
Professional Fees - Auditor	3,140	750
Treasurer Honararium	2,000	1,000
Insurance - Bldgs, Ammo, Trophies, Contents	2,882	3,146
Insurance - Public & Statutory Liability	638	718
Insurance - Professional Indemnity (Rnge Certification)	1,350	1,350
Bank Fees	85	329
Donation to COLFO	2,000	-
True Flite promotion	-	1,723
Chairman's Hospitality	-	250
	18,445	15,315
5		
INTERNET & WEBSITE		
Website Related Costs	23	250
Internet Services	937	1,577
Web Hosting and Master Charges	933	566
	1,893	2,394
6		
WRITE-OFF		
Shrinkage	1,155	121
Bad Debt Written Off	200	-
	1,355	121

This statement is to be read in conjunction with the accompanying Notes to the Financial Statements and Independent Auditor's Report.

National Rifle Association of New Zealand (Inc).
Notes to the Financial Statements
For the Year Ended 31 August 2019

7 ACCOUNTS RECEIVABLE

Accounts Receivable	9,397	1,210
MBIE Grant Receivable in Advance	-	69,000
Champ Meeting Entries Receivable in Advance	-	56,840
	9,397	127,050

8 TERM DEPOSITS

03015 6 mths to 6/1/20 3.05%	\$ 40,917	\$ 39,623
03017 6 mths to 5/1/20 3.05%	\$ 48,677	\$ 47,153
03024 6 mths to 30/12/19 3.3%	\$ 21,965	\$ 21,277
03023 1 yr to 4/4/20 3.4%	\$ 66,266	\$ 64,025
03026 1 yr to 9/8/19 3.0%	\$ 50,000	\$ 50,000
03025 8 mths to 28/9/19 3.28%	\$ 53,491	\$ 52,388
03027 1 yr to 13/6/20 3.15%	\$ 50,000	\$ 50,000
03030 5 mths to 30/10/19 2.8%	\$ 50,000	-
03031 4 mths to 14/11 2.65%	\$ 50,000	-
03032 5 mths to 24/1 2.60%	\$ 50,000	-
	\$ 481,316	\$ 324,467

9 SUNDRY ASSETS

Accrued Interest	\$ 3,191	\$ 2,027
	\$ 3,191	\$ 2,027

10 INCOME IN ADVANCE

Income Received in Advance	-	\$ 1,146
MBIE Grant Unspent	-	\$ 32,127
MBIE Grant invoiced in Advance	-	\$ 60,000
Champ meeting income invoiced in advance	-	\$ 47,080
WRA Entries Collected	-	\$ 2,963
	\$ -	\$ 143,316

11 PUBLIC FUNDING & SPONSORSHIP

Ballinger Trust	\$ 2,182	\$ 2,182
Overseas Team Fund (OTF)	\$ 4,078	\$ 1,234
2019 LRWC Donations	-	\$ 3,800
2019 LRWC Members Levies	\$ 29,740	\$ 23,807
Junior Development fund	\$ 8,066	\$ 9,380
	\$ 44,066	\$ 40,403

12 RELATED PARTIES

There were no material related party transactions during the year ended 31 August 2019 (2018: Nil).

13 CAPITAL COMMITMENTS

There are no capital commitments as at 31 August 2019 (2018: Nil).

14 EVENTS OCCURRING AFTER BALANCE DATE

There have been no events occurring after balance date that would materially affect these financial statements.

Independent Auditor's Report

To the Members of National Rifle Association of New Zealand Inc.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion on Cash Transactions

We have audited the financial statements of National Rifle Association of New Zealand Inc. (the 'Association') on pages 4 to 10, which comprise the Statement of Financial Position as at 31 August 2019, and the Statement of Financial Performance for the year then ended, and the Statement of Accounting Policies and Notes to the Financial Statements.

In our opinion, the accompanying financial statements on pages 4 to 10 present the financial position of the Association as at 31 August 2019, and its financial performance for the year then ended and are prepared, in all material respects, in accordance with the Association's Constitution and the accounting policies set out on pages 7 and 8 of the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Responsibilities of the Auditor* section of our report. We are independent of the Association 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 we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In common with similar organisations, control over cash transactions prior to them being recorded is limited, and there were no satisfactory audit procedures that we could perform to confirm independently that all cash income was properly recorded.

Other than in our capacity as auditor we have no relationship with, or interest in, National Rifle Association of New Zealand Inc.

Basis of Accounting

We draw your attention to the Statement of Accounting Policies, which describes the basis of preparation. The financial statements have been prepared for reporting to members and for funding purposes. As a result, the financial statements may not be suitable for another purpose.

Responsibilities of the Committee

The Committee is responsible for the preparation of these financial statements in accordance with the accounting policies on pages 7 and 8 of the financial statements, and for such internal control as the Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



Independent Auditor's Report – Page 2 of 2 continued

To the Members of National Rifle Association of New Zealand Inc.

Responsibilities of the Auditor

Our responsibility is to express an opinion on the financial statements based on our audit. Our objectives are

- a) to obtain reasonable assurance about whether the financial statements as a whole is free from material misstatement, whether due to fraud or error, and
- b) 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.

Please refer to the below website for further details on our responsibilities as auditor:

https://www.xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx

The engagement partner on the audit resulting in this Independent Auditor's Report is Chris Clark.

Miller Gale & Winter

16 December 2019
Miller Gale & Winter
Chartered Accountants
Christchurch, New Zealand

