

Performance Report

Raglan Club Inc
For the year ended 31 March 2020

Prepared by Bizworx Consultancy Limited, Chartered Accountants

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Approval of Financial Report

Raglan Club Inc For the year ended 31 March 2020

The Executive Committee are pleased to present the approved financial report including the financial statements of Raglan Club Inc for year ended 31 March 2020.

APPROVED

Debbie Dalbeth

President

Date

Maxine Picard

Treasurer

Date



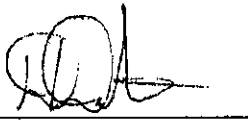
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Date 15/6/2020



Maxine Picard

Treasurer

Date 15/6/2020



Entity Information

Raglan Club Inc

For the year ended 31 March 2020

Legal Name of Entity

Raglan Club Incorporated

Entity Type and Legal Basis

Raglan Club Inc is a Chartered Club, incorporated under the Incorporated Societies Act 1908.

Registration Number

213523

Entity's Purpose or Mission

The objects for which Raglan Club Inc is established are:

- To establish, maintain and conduct a chartered club of a non-religious, non-commercial or non-racial character and to promote the social, recreational, sporting, educational and cultural interest of the members of the Club.
- To conduct, administer and maintain a Chartered Club for its members and for such persons as are authorised from time to time in accordance with the terms of any license granted to the Club.
- To provide amenities and cultural activities and promote sport and generally provide an atmosphere where the members may meet and enjoy companionship with one another.

Entity Structure

Governance of the Raglan Club Incorporated is vested in the Executive Committee. The Executive Committee is comprised of:

- A President
- A Vice-President
- An Executive Secretary
- A Treasurer
- A maximum of four committee members

Staff are employed to attend to the day-to-day operations of the Club.

Adjuncts are represented on the Executive by a nominated Executive Committee member.

Main Sources of Entity's Cash and Resources

The main sources of cash and resources are Club members, their guests, and the community.

Main Methods Used by Entity to Raise Funds

The Raglan Club Incorporated raises funds through:

- Trading
- Sport, social, and entertainment activities
- Gaming
- Membership fees
- Fundraising activities
- Sponsorship and donations



Entity's Reliance on Volunteers and Donated Goods or Services

The Executive Committee of Raglan Club Incorporated is comprised of volunteers. The Adjuncts are run by volunteers. The Club is reliant on volunteer help to run sport, social, and entertainment activities, fundraising, and some day-to-day tasks.

Physical Address

22 Bow Street, Raglan, Raglan, New Zealand, 3225

Postal Address

PO Box 53, Raglan, Raglan, New Zealand, 3265



Statement of Service Performance

Raglan Club Inc

For the year ended 31 March 2020

Description of Entity's Outcomes

Outcome: To provide a venue for people to gather to engage in fellowship, sports and other activities

	Actual 2020	Budget 2020	Actual 2019
Crop Swop Vegetable swop meet	20	26	26
Care and Craft Craft meet	32	52	52
Coast Guard Bar Crossing Training	2	3	3
Markets Stalls for public and members	4	0	9
Travel Club Trips away for members	6	6	6
Fishing Club Fishing trips	13	8	8
Darts and Snooker adjuncts	31	40	40
Indoor bowls	32	35	35
Outdoor bowls Includes social bowls	121	125	125
500 Card	48	50	50
Womens' Wellness	0	0	36
Zumba	10	0	0
Ukulele Learning	10	0	0
Funerals	3	0	0
Prostate Cancer Awareness Fundraising Event	1	0	0
Ink Spillers Raglan Writers Collective	1	0	0
Defibrillator training and health checks	1	0	0



Statement of Financial Performance

Raglan Club Inc

For the year ended 31 March 2020

	NOTES	2020	2019
Revenue			
Donations, fundraising and other similar revenue	1	31,034	15,523
Fees, subscriptions and other revenue from members	1	24,635	29,686
Revenue from providing goods or services	1	778,065	823,103
Interest, dividends and other investment revenue	1	703	81
Other revenue	1	240	-
Total Revenue		834,678	868,393
Expenses			
Expenses - Current Year			
Volunteer and employee related costs	2	145,694	167,667
Costs related to providing goods or services	2	511,982	522,758
Grants and donations made	2	500	261
Other expenses	2	2,409	979
Total Expenses - Current Year		660,584	691,664
Prior Period Adjustment	12	-	5,000
Total Expenses		660,584	696,664
Surplus/(Deficit) for the Year		174,093	171,729



This statement should be read in conjunction with the accompanying Notes and attached Audit Report

Statement of Financial Position

Raglan Club Inc

As at 31 March 2020

	NOTES	31 MAR 2020	31 MAR 2019
Assets			
Current Assets			
Bank accounts and cash	3	295,650	94,112
Debtors and prepayments	3	20,716	21,332
Inventory	3	14,600	11,678
Total Current Assets		330,966	127,123
Non-Current Assets			
Property, Plant and Equipment	5	1,459,309	1,448,421
Total Non-Current Assets		1,459,309	1,448,421
Total Assets		1,790,276	1,575,543
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	42,151	35,361
Unused donations and grants with conditions	4	31,191	-
Other current liabilities	4	20,814	22,352
Total Current Liabilities		94,155	57,713
Non-Current Liabilities		-	-
Total Liabilities		94,155	57,713
Total Assets less Total Liabilities (Net Assets)		1,696,120	1,517,830
Accumulated Funds			
Capital contributed by owners or members	9	52,349	48,151
Accumulated surpluses or (deficits)	9	1,009,689	835,596
Reserves	9	634,083	634,083
Total Accumulated Funds		1,696,120	1,517,830



This statement should be read in conjunction with the accompanying Notes and attached Audit Report

Statement of Cash Flows

Raglan Club Inc

For the year ended 31 March 2020

	2020	2019
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	31,034	15,349
Fees, subscriptions and other receipts from members	24,635	29,686
Receipts from providing goods or services	778,992	822,920
Interest, dividends and other investment receipts	703	81
GST	2,374	(1,176)
Payments to suppliers and employees	(605,202)	(686,807)
Donations or grants paid	(500)	(261)
Cash flows from other operating activities	(1,588)	(5,000)
Total Cash Flows from Operating Activities	230,448	174,793
Cash Flows from Investing and Financing Activities		
Proceeds from loans borrowed from other parties	25,643	98,410
Net movements in Adjunct accounts for year	4,420	1,864
Payments to acquire property, plant and equipment	(59,919)	(19,988)
Repayments of loans borrowed from other parties	(28,769)	(243,546)
Cash flows from other investing and financing activities	29,715	(1,346)
Total Cash Flows from Investing and Financing Activities	(28,910)	(164,606)
Net Increase/(Decrease) in Cash	201,538	10,187
Bank Accounts and Cash		
Opening cash	94,112	83,925
Closing cash	295,650	94,112
Net change in cash for period	201,538	10,187



This statement should be read in conjunction with the accompanying Notes and attached Audit Report

Statement of Accounting Policies

Raglan Club Inc

For the year ended 31 March 2020

Basis of Preparation

The entity 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 equal to or less than \$2,000,000. 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.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Raglan Club Incorporated is required to return income tax on income earned from non-exempt activities and sources.

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.

Inventory

Inventory is stated at the lower of cost, determined on a first in first out basis, and net realisable value. Due allowance has been made for obsolete or damaged stock.

Property, plant and equipment

With the exception of Land and Buildings, all owned property, plant and equipment are recorded at cost less depreciation, where applicable. The Land and Buildings were brought into the accounts at registered valuation, and subsequent additions are recorded at cost less depreciation.

Depreciation

Depreciation has been calculated using rates which are expected to write off the asset over the term of its useful life.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.



Notes to the Performance Report

Raglan Club Inc

For the year ended 31 March 2020

2020 2019

1. Analysis of Revenue

Revenue from providing goods or services

1-A: Lounge Trading Account

Sales

Bar Sales	483,652	562,425
Bowling Club Bar	41,977	40,273
Bar Meals	246	427
Total Sales	525,876	603,125

Cost of Sales

Purchases - Lounge	(203,644)	(214,575)
Rebates Received	6,920	6,507
Total Cost of Sales	(196,724)	(208,068)

Less: Direct Expenses

Bar Licences	-	(1,607)
Bar Meals	(402)	(355)
Member Vouchers Redeemed	(10,839)	-
R & M - Bar	(3,234)	(3,979)
Replacements	(1,825)	(1,731)
Sundry Bar Expenses	(423)	-
Wages - Bar & Bowling Club	(75,865)	(101,968)
Direct Expenses	(92,587)	(109,640)

Net Lounge Income 236,564 285,418

1-B: Cigarettes Trading Account

Sales	-	2
Net Cigarettes Income	-	2

1-C: Kitchen Trading Account

Sales

Kitchen Contract Income	15,887	4,983
Total Sales	15,887	4,983

Direct Expenses

R & M Kitchen	(2,448)	(3,618)
Total Direct Expenses	(2,448)	(3,618)

Net Kitchen Income (Expense) 13,438 1,366

1-D: Transportation Trading Account

Courtesy Bus Donations	3,819	6,217
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Direct Expenses

Depreciation - Courtesy Bus	(1,957)	(294)
Fuel Courtesy Bus	(2,713)	(2,973)



	2020	2019
R & M-Courtesy Bus	(1,668)	(3,218)
Wages - Courtesy Bus	(8,162)	(102)
Total Direct Expenses	(14,500)	(6,587)
Net Transportation Income (Expense)	(10,681)	(370)
1-E: Coffee Trading Account		
Sales	1,175	1,454
Direct Expenses		
Coffee Expenses	(542)	(747)
Coffee Machine Lease	-	(1,479)
Total Direct Expenses	(542)	(2,226)
Net Coffee Income (Expense)	633	(772)
1-F: Gaming Machines Trading Account		
Income		
Interest on Gaming Account	17	24
Sales	191,576	169,669
Total Income	191,594	169,694
Direct Costs		
Depreciation - Gaming Machines	(10,521)	(6,648)
Electronic Monitoring Expenses	(13,816)	(4,783)
Gaming Duty	(44,063)	(39,024)
Gaming Licences	(14,740)	(22,627)
Gaming Machine Repairs & Maintenance	(12,458)	(12,810)
Problem Gambling Levy	(2,020)	(2,537)
Training Expenses	-	(1,131)
Total Direct Costs	(97,617)	(89,559)
Other Expenses		
Accounting Fees	(1,021)	(1,168)
Audit Fees	(280)	(280)
Electricity	(1,409)	(1,580)
Wages	(5,224)	(5,350)
Insurance	(913)	(924)
Total Other Expenses	(8,847)	(9,302)
Gross Operating Surplus from Gaming Machines	85,129	70,833
Other Revenue from providing goods or services		
Dump Station Income	9	26
Entertainment	196	2,052
Hire Income	13,822	9,320
Market Income	12,944	8,896
Motorhome Income	12,281	10,519
Sundry Income	480	5,714
TAB Commission	-	1,127
Total Other Revenue from providing goods or services	39,732	37,653
Net Revenue from providing goods or services	364,816	394,129



	2020	2019
Donations, fundraising and other similar revenue		
Raffles		
Raffle Income	21,551	7,632
Raffle Expenses	(3,622)	(4,568)
Net Raffle Income	17,930	3,064
Other donations and fundraising revenue		
Donations	4,376	2,800
Sponsorship	2,609	5,091
Wages Subsidy Applied	2,498	-
Total Other donations and fundraising revenue	9,483	7,891
Total Donations, fundraising and other similar revenue	27,413	10,955
Fees, subscriptions and other revenue from members		
Subscriptions	24,635	29,686
Total Fees, subscriptions and other revenue from members	24,635	29,686
Interest, dividends and other investment revenue		
Interest Income	685	57
Total Interest, dividends and other investment revenue	685	57
Other revenue		
Gain on Disposal of Fixed Assets	240	-
Total Other revenue	240	-
Net revenue after Cost of Sales and Direct Expenses	417,790	434,827
Add back Cost of Sales and Direct Expenses	(416,888)	(433,567)
Total Revenue	834,678	868,393
	2020	2019

2. Analysis of Expenses

Costs related to providing goods or services

Accident Compensation Levies	390	1,677
Accountancy Fees	9,185	10,880
Advertising	379	1,157
Audit Fees	2,520	2,820
Bank Charges	427	2,135
Catering Hospitality	28	528
Clubs NZ Membership Fee	2,594	3,731
Clubs NZ Seminars	1,373	-
Consultancy	415	405
Depreciation	35,104	35,984
EFTPOS Expenses	4,033	2,610
Entertainment Expenses	1,704	1,337
Freight	16	320
General Expenses	496	3,545
Hospitality	1,559	1,060
Insurance	17,356	17,623
Interest Paid	2,346	10,459
Jackpots	10,000	4,375



	2020	2019
Laundry & Cleaning	3,499	4,342
Lease Costs	2,997	3,257
Legal Fees	-	2,507
Licences	1,386	2,540
Member Purchases	465	3,061
Power - Electricity & Gas	26,765	30,043
Presentations & Bereavements	139	99
Printing, Stationery, and Photocopying	4,646	4,941
Repairs & Maintenance	26,535	11,289
Rates	10,176	13,536
Rubbish Removal	3,051	3,636
Security	2,935	3,566
Sky TV Expenses	7,667	7,702
Staff Expenses	-	1,442
Subscriptions	1,232	72
TAB Licences, Fees, and Expenses	-	1,304
Telephone, Tolls & Internet	3,005	4,307
Uniforms	312	-
Wages	56,054	58,570
Total Costs related to providing goods or services	240,788	256,858
Grants and donations made		
Donations Paid	500	-
Sponsorship	-	261
Total Grants and donations made	500	261
Other expenses		
Income Tax Expense	1,588	-
Loss on Disposal of Fixed Assets	821	979
Total Other expenses	2,409	979
Total Expenses Excluding Cost of Sales and Direct Expenses	243,697	258,098
Add Back Cost of Sales and Direct Expenses	416,888	433,567
Total Expenses	660,584	691,664
	2020	2019

3. Analysis of Assets

Bank accounts and cash

Bank accounts

Westpac Cheque Account	61,240	16,405
Westpac Gaming Account	25,363	30,831
Westpac Kitchen Cheque Acct	137	441
Westpac Online Bonus Saver	-	2,281
Westpac Online Saver Account	185,448	16,009
Westpac Term Deposit	11,063	-
Total Bank accounts	283,250	65,967

Cash Floats

Bowling Club Float	400	400
Gaming Float	10,000	12,237



	2020	2019
Lounge Float	2,000	2,000
Deposits on Hand not yet banked	-	13,508
Total Cash Floats	12,400	28,145
Total Bank accounts and cash	295,650	94,112
Debtors and prepayments		
Trade Receivables	823	666
Accrued Interest	41	-
Income Tax	128	12
Prepayments	18,314	18,269
Unexpired Interest - Abbotts	1,410	1,407
Unexpired lease interest	-	978
Total Debtors and prepayments	20,716	21,332
Inventory		
Inventory	14,600	11,678
Total Inventory	14,600	11,678
Other non-current assets		
Fixed Assets	1,459,309	1,448,421
Total Other non-current assets	1,459,309	1,448,421

	2020	2019
4. Analysis of Liabilities		
Creditors and accrued expenses		
Accrued expenses	8,581	9,496
GST	4,338	(5,075)
Trade Creditors	29,232	30,940
Total Creditors and accrued expenses	42,151	35,361
Unused donations and grants with conditions		
Wages Subsidy	31,191	-
Total Unused donations and grants with conditions	31,191	-
Other current liabilities		
Flexirent - Current Portion	-	3,172
Abbott Premium Finance	18,726	18,680
Income Tax	1,588	-
Kitchen Bond	500	500
Total Other current liabilities	20,814	22,352

5. Property, Plant and Equipment

	2020	2019
Land	422,675	422,675
Buildings and Improvements		
Buildings and Improvements	918,975	918,975
Accumulated depreciation - buildings	(454,561)	(432,828)
Total Buildings and Improvements	464,414	486,147



	2020	2019
Office Equipment		
Office Equipment	84,340	103,485
Accumulated depreciation - equipment	(80,889)	(98,798)
Total Office Equipment	3,451	4,687
Furniture and Fittings		
Furniture and fittings	479,519	481,502
Accumulated depreciation - furniture and fittings	(417,476)	(412,611)
Total Furniture and Fittings	62,043	68,891
Gaming Machines		
Gaming Machines	668,014	619,024
Less Accumulated Depreciation - Gaming Machines	(619,573)	(609,052)
Total Gaming Machines	48,441	9,972
Motor Vehicles		
Motor Vehicles	8,696	24,862
Accumulated depreciation - vehicles	(1,957)	(24,141)
Total Motor Vehicles	6,739	721
Bowling Club assets		
Bowling Club Assets	568,480	574,827
Accumulated depreciation - Bowling Club assets	(116,933)	(119,498)
Total Bowling Club assets	451,547	455,329
Total Property, Plant and Equipment	1,459,309	1,448,421

Depreciation has been calculated using rates which are expected to write off the asset over the term of its useful life.

Buildings and improvements	1% to 8% SL and 4% to 11% DV
Office equipment	8% to 60% DV
Furniture and fittings	2% to 67% DV
Gaming machines	40% DV
Vehicles	30% DV
Bowling Club	1% to 3% SL and 4% to 80% DV

Land and buildings were brought into the accounts at registered valuation, and subsequent additions are recorded at cost less depreciation where applicable. Government valuations at 1 July 2018 are:

22-24 Bow Street	\$1,980,000
19 James Street	\$950,000
15B Wallis Street	\$365,000
19A Wallis Street	\$390,000

6. Loans and Finance Leases

Flexirent Loans

All Flexirent loans were paid off during the year ended 31 March 2020.



Abbotts Premium Finance

	Current portion	Term portion	Loan matures	Monthly repayment
Insurance	18,680	0	March 2020	\$1,868.02

Westpac Loans & Securities held by Westpac

A security over 22 - 24 Bow Street is held by Westpac as at 31 March 2020. (2019: Both Westpac loans were repaid in full during March 2019. The security over 22 - 24 Bow Street had not been discharged as at 31 March 2019.)

7. Authorised Purpose Payments

	This Year \$	Last Year \$
Repairs and Maintenance incl wages	9,069	6,869
Rates	7,481	7,155
Security	3,331	2,951
Sky TV and Entertainment Expenses	6,519	3,612
Telephone	2,039	1,457
Cleaning including cleaning wages	6,353	7,270
Accounting fees	5,226	3,466
Advertising	303	380
Audit fees	1,400	
Bank charges	213	581
Bus fuel	1,344	868
General expenses	27	42
Insurance	9,595	7,432
Electricity	13,844	17,452
Administration wages	13,812	8,035
Bus wages	5,551	61
Printing, Stationery, Photocopying	3,014	1,668
Presentations & Bereavements	139	0
Total	\$89,260	\$69,299

8. Gaming Reserve

Included in Accumulated Funds

	This Year \$	Last Year \$
Opening balance	8,203	6,669
Plus: Net surplus from gaming	85,129	70,833
Less: Authorised Purpose Payments	(89,260)	(69,299)



Closing balance	4,072	8,203
Net movements in Gaming Reserve for year	(4,131)	1,534

2020 2019

9. Accumulated Funds

Accumulated Funds

Opening Balance	835,596	663,867
Accumulated surpluses or (deficits)		
Current year earnings	174,093	171,729
Total Accumulated surpluses or (deficits)	174,093	171,729
Total Accumulated Funds	1,009,689	835,596

Reserves

Revaluation reserves

Building Revaluation Reserve	316,819	316,819
Land Revaluation Account	317,264	317,264
Total Revaluation reserves	634,083	634,083
Total Reserves	634,083	634,083

Trust Accounts

Darts Club	5,932	5,665
Fishing Club	2,993	1,779
Indoor Bowls Club	6,651	6,722
Outdoor Bowls Club	25,249	23,682
Snooker Club	3,752	2,997
Travel Club	7,770	7,307
Total Trust Accounts	52,349	48,151

Total Accumulated Funds	1,696,120	1,517,830
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10. Commitments

Raglan Club Incorporated leases EFTPOS machinery through EFTCO. This lease has a minimum term of 12 months, and commenced 21 October 2019. The Club's commitment on this lease is estimated to be \$1,274 at 31 March 2020. The former lease for EFTPOS equipment was through Technology Holdings, and this lease was cancelled early and was paid out 16 January 2020 at a cost of \$891. **(2019: Raglan Club Incorporated leased EFTPOS machinery through Technology Holdings. The leases were rolled over in November 2016 for a period of 36 months. The Club's commitment to expenditure on these leases as at 31 March 2019 was estimated to be \$1,268).**

Raglan Club Incorporated leases a Sharp photocopier. This lease commenced 16 July 2015 for a period of 60 months. The Club's commitment on this lease is estimated to be \$690 as at 31 March 2020. **(2019: \$3,450)**

There were no contracts for capital expenditure at balance date. **(2019: Nil)**

11. Contingent Liabilities and Guarantees

There were no contingent liabilities or guarantees as at 31 March 2020. **(2019: Nil.)**

12. Prior Period Adjustment

There were no prior period adjustments during the year ended 31 March 2020. **(2019: The TAB payments as shown in the statement of financial position for prior years were recorded in the 2006 (\$3,000) and 2009 (\$2,000) audited financial statements of the Club. There is no subsequent record of the bond being repaid but TAB have confirmed that they no longer hold the bond. It was decided to write the bond off in the year ended 31 March 2019).**



13. Related Parties

There were no transactions involving related parties during the financial year.

14. Extraordinary Items

COVID-19 Pandemic

New Zealand entered into a pandemic management plan which commenced with the closure of its borders on 19 March 2020, and the introduction of a four-level alert system on 21 March 2020. Raglan Club Inc was required to cease to trade with members and public under the lockdown level 4 order issued at 11:59pm on 25 March 2020.

Wages Subsidy

The New Zealand government provided a wages subsidy to businesses affected by the lockdown. Raglan Club Inc applied for the wages subsidy.

Subsidy received 27 March 2020	\$33,689
Subsidy applied 30 March 2020	\$2,498
Balance carried forward	\$31,191

15. Events After the Balance Date

COVID-19 Pandemic

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March 2020, New Zealand increased its COVID-19 alert level to level 4, and a nationwide lockdown commenced.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined.

16. Ability to Continue Operating

The year ended 31 March 2020 saw the Raglan Club Inc end the financial year with funds in the bank, and no long term debt. While the Executive Committee expect the months ahead to be challenging as a result of the COVID-19 pandemic, the Club is entering this difficult time in a relatively strong financial position. *(2019: The Executive Committee with the support of the members of Raglan Club Inc implemented strategies to improve operations during the year ended 31 March 2019. The achievement of an operating surplus for the year ended 31 March 2019 enabled the Club to clear all long term debt, resulting in a positive cash flow, and a financial position where the current ratio (cash assets, inventory and receivables divided by current liabilities) was 2.2).*



INDEPENDENT AUDITORS' REPORT

To the Members of Raglan Club Incorporated

Opinion

We have audited the accompanying performance report of Raglan Club Incorporated on pages 4 to 19, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 March 2020, and the statement of financial position as at 31 March 2020, the statement of accounting policies and other explanatory information.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the performance report on pages 4 to 19 presents fairly, in all material respects:
 - the entity information for the year ended 31 March 2020;
 - the service performance for the year then ended; and
 - the financial position of Raglan Club Incorporated as at 31 March 2020, and its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting Accrual (Not-For-Profit).

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Performance Report section of our report. We are independent of Raglan Club Incorporated in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and 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 opinion. Other than in our capacity as auditor we have no relationship with, or interests in, Raglan Club Incorporated.

Executive Committees' Responsibility for the Performance Report

The Executive Committee are responsible on behalf of the entity for determining that the Public Benefit Entity Simple Format Reporting Accrual (Not-For-Profit) framework is acceptable in the entity's circumstances and, for:

- (a) 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;
- (b) the preparation and fair presentation of the performance report which comprises: - the entity information; - the statement of service performance; and - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with Public Benefit Entity Simple Format Reporting Accrual (Not-For Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and
- (c) for such internal control as the Executive Committee determine is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Executive Committee are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Committee either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report 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) and ISAE (NZ) 3000 (Revised) 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 decisions of users taken on the basis of this performance report.

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 performance report, 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 Executive Committee and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If 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 entity 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 represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Executive Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on use of our Report

This report is made solely to the Members of Raglan Club Incorporated as a collective body. Our audit work has been undertaken so that we might state to the Members, as a collective body, those matters which we are required to state to them in an auditor's 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 Raglan Club Incorporated and the Members, as a collective body, for our audit work, for this report or for the opinion we have formed.

Jefferies Nock

Jefferies Nock & Associates
Hamilton
18 June 2020