

Performance Report

Raglan Club Inc
For the year ended 31 March 2023

Prepared by Bizworx Consultancy Limited, Chartered Accountants

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Approval of Financial Report

Raglan Club Inc

For the year ended 31 March 2023

The Executive Committee are pleased to present the approved financial report including the financial statements of Raglan Club Inc for year ended 31 March 2023.


APPROVED



Debbie Dalbeth

President

Date 16/6/23



Maxine Picard

Treasurer

Date 16/6/23

Entity Information

Raglan Club Inc

For the year ended 31 March 2023

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, New Zealand, 3225

Postal Address

PO Box 53, Raglan, New Zealand, 3265



Statement of Service Performance

Raglan Club Inc

For the year ended 31 March 2023

Description of Entity's Outcomes

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

	Actual 2023	Budget 2023	Actual 2022
Crop Swop Vegetable swop meet	11	12	12
Coast Guard Bar Crossing Training	4	1	1
RSA	1	1	0
Travel Club Trips away for members	1	2	2
Fishing Club Fishing trips	4	3	3
Darts and Snooker adjuncts trips away	1	0	0
Indoor bowls trips away	8	8	8
Outdoor bowls Includes social bowls	72	76	76
Cards 500 Club	34	30	30
Zumba sessions for the community	20	144	144
Funerals	3	0	3



Statement of Financial Performance

Raglan Club Inc

For the year ended 31 March 2023

	NOTES	2023	2022
Revenue			
Donations, fundraising and other similar revenue	1	39,478	120,898
Fees, subscriptions and other revenue from members	1	27,896	19,030
Revenue from providing goods or services	1	1,199,171	646,648
Interest, dividends and other investment revenue	1	5,830	630
Other revenue	1	1,197	-
Total Revenue		1,273,572	787,207
Expenses			
Expenses - Current Year			
Volunteer and employee related costs	2	419,126	250,175
Costs related to providing goods or services	2	786,919	526,033
Grants and donations made	2	750	730
Other expenses	2	16	1,254
Total Expenses - Current Year		1,206,811	778,192
Total Expenses		1,206,811	778,192
Surplus/(Deficit) for the Year		66,761	9,015



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 2023

	NOTES	31 MAR 2023	31 MAR 2022
Assets			
Current Assets			
Bank accounts and cash	3	455,784	357,341
Debtors and prepayments	3	24,804	22,444
Inventory	3	19,572	19,111
Other Current Assets	3	3,532	3,532
Total Current Assets		503,692	402,428
Non-Current Assets			
Property, Plant and Equipment	5	1,494,977	1,482,244
Total Non-Current Assets		1,494,977	1,482,244
Total Assets		1,998,669	1,884,672
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	59,176	42,135
Employee costs payable	4	37,938	-
Other current liabilities	4	11,440	11,440
Total Current Liabilities		108,554	53,575
Non-Current Liabilities			
Other non-current liabilities	4	4,767	16,206
Total Non-Current Liabilities		4,767	16,206
Total Liabilities		113,321	69,781
Total Assets less Total Liabilities (Net Assets)		1,885,348	1,814,890
Accumulated Funds			
Capital contributed by owners or members	9	66,020	62,323
Accumulated surpluses or (deficits)	9	1,185,246	1,118,484
Reserves	9	634,083	634,083
Total Accumulated Funds		1,885,348	1,814,890



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 2023

	2023	2022
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	39,478	126,898
Fees, subscriptions and other receipts from members	27,896	19,030
Receipts from providing goods or services	1,197,406	647,879
Interest, dividends and other investment receipts	5,830	630
Cash receipts from other operating activities	1,197	-
GST	7,919	5,658
Payments to suppliers and employees	(1,118,735)	(686,498)
Donations or grants paid	(750)	(730)
Cash flows from other operating activities	-	87
Total Cash Flows from Operating Activities	160,241	112,955
Cash Flows from Investing and Financing Activities		
Proceeds from loans borrowed from other parties	-	27,646
Net movements in Adjunct accounts for year	2,758	7,881
Payments to acquire property, plant and equipment	(90,982)	(132,873)
Repayments of loans borrowed from other parties	(11,440)	-
Cash flows from other investing and financing activities	37,867	(8,857)
Total Cash Flows from Investing and Financing Activities	(61,798)	(106,202)
Net Increase/(Decrease) in Cash	98,443	6,752
Bank Accounts and Cash		
Opening cash	357,341	350,589
Closing cash	455,784	357,341
Net change in cash for period	98,443	6,752



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 2023

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 2023

2023 2022

1. Analysis of Revenue

Revenue from providing goods or services

1-A: Lounge Trading Account

Sales		
Bar Sales	602,435	373,171
Bowling Club Bar	-	11,200
Bar Meals	-	705
Total Sales	602,435	385,076
Cost of Sales		
Purchases - Lounge	(245,913)	(171,732)
Rebates Received	5,279	6,477
Total Cost of Sales	(240,635)	(165,254)
Less: Direct Expenses		
Bar Licences	(690)	(825)
Bar Meals	-	(1,244)
R & M - Bar	(5,138)	(1,446)
Replacements < 1,000 - Club	(4,335)	(301)
Sundry Bar Expenses	(1,005)	-
Wages - Bar & Bowling Club	(133,204)	(99,133)
Direct Expenses	(144,371)	(102,949)
Net Lounge Income	217,429	116,873

1-B: Kitchen Trading Account

Sales		
Kitchen Income	302,161	36,826
Total Sales	302,161	36,826
Cost of Sales		
Kitchen Food Purchases	(123,815)	(23,901)
Total Cost of Sales	(123,815)	(23,901)
Direct Expenses		
Depreciation - Kitchen Equipment	(9,584)	(9,887)
Kitchen Expenses	(2,196)	(1,139)
Kitchen Licences	(877)	-
Replacements < \$1,000 - Kitchen	(809)	(1,565)
R & M Kitchen	(2,671)	(2,079)
Wages - Kitchen	(155,676)	(41,199)
Total Direct Expenses	(171,812)	(55,870)
Net Kitchen Income (Expense)	6,534	(42,946)



	2023	2022
1-C: Transportation Trading Account		
Courtesy Bus Donations	2,015	2,022
Direct Expenses		
Depreciation - Courtesy Bus	(991)	(1,415)
Fuel Courtesy Bus	(2,643)	(2,134)
R & M-Courtesy Bus	(1,864)	(738)
Wages - Courtesy Bus	-	(9,541)
Total Direct Expenses	(5,498)	(13,828)
Net Transportation Income (Expense)	(3,483)	(11,806)
1-D: Coffee Trading Account		
Sales	-	369
Direct Expenses		
Coffee Expenses	(317)	(917)
Total Direct Expenses	(317)	(917)
Net Coffee Income (Expense)	(317)	(548)
1-E: Gaming Machines Trading Account		
Income		
Interest on Gaming Account	333	19
Sales	263,298	194,336
Total Income	263,631	194,355
Direct Costs		
Depreciation - Gaming Machines	(25,833)	(35,232)
Electronic Monitoring Expenses	(650)	(618)
Gaming Duty	(60,560)	(44,697)
Gaming Licences	(26,223)	(23,628)
Gaming Machine Repairs & Maintenance	(12,543)	(11,720)
Problem Gambling Levy	(3,069)	(1,743)
Training Expenses	-	(114)
Total Direct Costs	(128,877)	(117,753)
Other Expenses		
Accounting Fees	(1,721)	(1,030)
Audit Fees	(350)	(325)
Electricity	(1,951)	(1,462)
Wages	(5,037)	(26,861)
Insurance	(982)	(960)
Total Other Expenses	(10,041)	(30,638)
Gross Operating Surplus from Gaming Machines	124,713	45,965



	2023	2022
Other Revenue from providing goods or services		
Entertainment	-	2,923
Hire Income	10,091	6,957
Market Income	4,856	6,235
Motorhome Income	13,761	9,397
Sundry Income	554	2,508
Total Other Revenue from providing goods or services	29,262	28,019
Net Revenue from providing goods or services	374,138	135,557
Donations, fundraising and other similar revenue		
Raffles		
Raffle Income	24,285	18,518
Raffle Expenses	(5,137)	(4,068)
Net Raffle Income	19,147	14,450
Other donations and fundraising revenue		
Donations	8,933	214
MSD Training & Wages Subsidies	-	5,478
MSD COVID-19 Wages Subsidies	-	66,688
Resurgence Support Payments and COVID-19 Support Payments	6,261	30,000
Total Other donations and fundraising revenue	15,193	102,380
Total Donations, fundraising and other similar revenue	34,341	116,830
Fees, subscriptions and other revenue from members		
Subscriptions	27,896	19,030
Total Fees, subscriptions and other revenue from members	27,896	19,030
Interest, dividends and other investment revenue		
Interest Income	5,497	611
Total Interest, dividends and other investment revenue	5,497	611
Other revenue		
Insurance Claims	1,197	-
Total Other revenue	1,197	-
Net revenue after Cost of Sales and Direct Expenses	443,069	272,030
Add back Cost of Sales and Direct Expenses	(830,503)	(515,178)
Total Revenue	1,273,572	787,207



2023

2022

2. Analysis of Expenses

Costs related to providing goods or services

Accident Compensation Levies	1,765	1,074
Accountancy Fees	15,487	9,325
Advertising	1,141	705
Audit Fees	3,400	3,175
Bank Charges	4,163	1,646
Catering Hospitality	520	235
Clubs NZ Membership Fee (Capitation)	2,928	2,496
Consultancy	860	-
Depreciation	41,827	42,268
EFTPOS Expenses	2,824	2,598
Entertainment Expenses	18,420	2,497
Freight	17	65
General Expenses	444	1,061
Hospitality	940	525
Insurance	18,641	18,319
Interest Paid	1,686	983
Jackpots	22,800	11,900
Laundry & Cleaning	5,366	3,689
Lease Costs	-	1,499
Licences	1,876	2,284
Member Purchases	1,546	99
Payroll Processing Fees	1,003	263
Power - Electricity & Gas	36,732	27,768
Presentations & Bereavements	52	80
Printing, Stationery, and Photocopying	3,802	3,854
Repairs & Maintenance	33,368	23,742
Rates	13,562	12,495
Rubbish Removal	3,457	2,129
Security	1,548	571
Sky TV Expenses	9,102	7,082
Staff Expenses	35	260
Subscriptions	224	-
Telephone, Tolls & Internet	2,561	3,976
Travelling & Accommodation	370	-
Wages	123,075	72,368
Total Costs related to providing goods or services	375,542	261,031

Grants and donations made

Donations Paid	-	230
Sponsorship	750	500
Total Grants and donations made	750	730



	2023	2022
Other expenses		
Loss on Disposal of Fixed Assets	16	1,254
Total Other expenses	16	1,254
Total Expenses Excluding Cost of Sales and Direct Expenses	376,307	263,015
Add Back Cost of Sales and Direct Expenses	830,503	515,178
Total Expenses	1,206,811	778,192
	2023	2022

3. Analysis of Assets

Bank accounts and cash		
Bank accounts		
Westpac Cheque Account	60,714	55,876
Westpac Gaming Account	46,201	25,368
Westpac Online Saver Account	309,978	246,746
Westpac Debit Card Account	469	-
Westpac Term Deposit	11,537	11,339
Total Bank accounts	428,898	339,329
Cash Floats		
ATM Float	680	440
Bowling Club Float	400	400
Gaming Float	10,000	10,000
Lounge Float	2,000	2,000
Deposits on Hand not yet banked	13,806	5,172
Total Cash Floats	26,886	18,012
Total Bank accounts and cash	455,784	357,341
Debtors and prepayments		
Trade Receivables	8,781	3,399
Provision for Doubtful Debts	(1,630)	(1,630)
Accrued Interest	58	21
Prepayments	15,208	16,581
Unexpired lease interest	2,388	4,073
Total Debtors and prepayments	24,804	22,444
Inventory		
Inventory	19,572	19,111
Total Inventory	19,572	19,111
Other current assets		
Income Tax	3,532	3,532
Total Other current assets	3,532	3,532
Other non-current assets		
Fixed Assets	1,494,977	1,482,244
Total Other non-current assets	1,494,977	1,482,244



	2023	2022
4. Analysis of Liabilities		
Creditors and accrued expenses		
Accrued expenses	9,517	9,576
GST	10,558	(4,108)
Trade Creditors	38,322	36,667
Vouchers	779	-
Total Creditors and accrued expenses	59,176	42,135
Employee costs payable		
Holiday & Leave Accrued	37,938	-
Total Employee costs payable	37,938	-
Other current liabilities		
FinanceNow - Current Portion	11,440	11,440
Total Other current liabilities	11,440	11,440
Non-Current Liabilities		
FinanceNow - Term Portion	4,767	16,206
Total Non-Current Liabilities	4,767	16,206
	2023	2022
5. Property, Plant and Equipment		
Land	422,675	422,675
Buildings and Improvements		
Buildings and Improvements	927,737	918,975
Accumulated depreciation - buildings	(516,342)	(495,829)
Total Buildings and Improvements	411,396	423,146
Office Equipment		
Office Equipment	102,446	101,795
Accumulated depreciation - equipment	(86,758)	(77,542)
Total Office Equipment	15,688	24,253
Furniture and Fittings		
Furniture and fittings	504,965	486,069
Accumulated depreciation - furniture and fittings	(437,452)	(429,012)
Total Furniture and Fittings	67,512	57,057
Gaming Machines		
Gaming Machines	612,563	623,504
Accumulated depreciation - gaming machines	(531,063)	(566,156)
Total Gaming Machines	81,500	57,348



	2023	2022
Kitchen Equipment		
Kitchen equipment	72,310	60,812
Accumulated depreciation - kitchen equipment	(19,665)	(10,081)
Total Kitchen Equipment	52,645	50,731
Motor Vehicles		
Motor Vehicles	8,696	8,696
Accumulated depreciation - vehicles	(6,384)	(5,393)
Total Motor Vehicles	2,312	3,302
Bowling Club assets		
Bowling Club Assets	569,655	568,480
Accumulated depreciation - Bowling Club assets	(128,406)	(124,748)
Total Bowling Club assets	441,249	443,732
Total Property, Plant and Equipment	1,494,977	1,482,244

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	15.5% to 20% SL and 40% DV
Kitchen equipment	8% to 67% 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 October 2020 are:

22-24 Bow Street	\$2,750,000
19 James Street	\$1,410,000
15B Wallis Street	\$585,000
19A Wallis Street	\$620,000

6. Loans and Finance Leases

Raglan Club Incorporated did not enter into any loans or finance leases during the year ended 31 March 2023. (2022: Raglan Club Incorporated installed a new till and inventory POS system, and entered into a lease agreement with FinanceNow in June 2021. The agreement is for 36 months, and repayments are \$1,075 per month).

Westpac Loans & Securities held by Westpac

A security over 22 - 24 Bow Street is held by Westpac as at 31 March 2023. This position remains unchanged from the previous year.



7. Authorised Purpose Payments

	This Year \$	Last Year \$
Repairs and Maintenance incl wages	19,193	0
Rates	5,223	0
Security	350	0
Sky TV and Entertainment Expenses	4,611	0
Telephone	838	0
Cleaning including cleaning wages	6,593	0
Accounting fees	4,245	0
Advertising	144	0
Audit fees	109	0
Bank Charges	783	0
Clubs NZ AGM Expenses	1	0
General Expenses	5	0
Insurance	9,272	0
Electricity	18,348	0
Administration wages	37,657	0
Printing, Stationery, Photocopying	1,431	0
Presentations & Bereavements	0	0
Kitchen Equipment	8,190	45,371
Playground Equipment	5,249	0
Total	\$122,242	\$45,371

8. Gaming Reserve

Included in Accumulated Funds

	This Year \$	Last Year \$
Opening balance	3,089	2,495
Plus: Net surplus from gaming	124,713	45,965
Less: Authorised Purpose Payments	(122,242)	(45,371)
Closing balance	5,560	3,089
Net movements in Gaming Reserve for year	2,471	594



2023 2022

9. Accumulated Funds

Accumulated Funds	2023	2022
Opening Balance	1,118,484	1,109,470
Accumulated surpluses or (deficits)		
Current year earnings	66,761	9,015
Total Accumulated surpluses or (deficits)	66,761	9,015
Total Accumulated Funds	1,185,246	1,118,484
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	5,768	4,573
Fishing Club	6,243	2,959
Indoor Bowls Club	8,706	8,878
Outdoor Bowls Club	28,959	26,593
Snooker Club	5,758	4,828
Sunday School	2,232	7,254
Travel Club	8,352	7,237
Total Trust Accounts	66,020	62,323
Total Accumulated Funds	1,885,348	1,814,890

10. Commitments**Operating leases**

Raglan Club Incorporated leases EFTPOS machinery through EFTCO. This lease has a minimum term of 12 months, and commenced 21 October 2020. The Club's commitment on this lease is estimated to be \$1,694 at 31 March 2023. **(2022: Raglan Club Incorporated leased EFTPOS machinery EFTCO. The Club's commitment to expenditure on this lease as at 31 March 2022 was estimated to be \$2,364).**

Capital commitments

There were no contracts for capital expenditure at balance date. **(2022: Nil.)**

11. Contingent Liabilities and Guarantees

There were no contingent liabilities or guarantees as at 31 March 2023. **(2022: Nil.)**

12. Related Parties

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



13. Extraordinary Items

COVID-19 Pandemic

New Zealand continues to be affected by the COVID-19 pandemic, which commenced in March 2020. At the time of issuing the Special Purpose Financial Report the full impact of the pandemic is not known. **(2022: On 17 August 2021 New Zealand moved the COVID-19 alert level to level 4, and a nationwide lockdown commenced. Businesses were required to close, and only essential travel was allowed.)**

Wages Subsidies

There were no wages subsidies received by Raglan Club Incorporated during the year ended 31 March 2023. **(2022: Raglan Club Incorporated received \$66,688 in wages subsidies during the year).**

	2022	2021
Opening balance	\$0	\$31,191
Wages Subsidies received during the year	\$66,688	\$21,545
Subsidies applied during the year	(\$66,688)	(\$52,736)
Closing balance	\$0	\$0

Resurgence Payments (RSP) and COVID-19 Support Payments (CSP)

Raglan Club Incorporated received COVID-19 Support Payments totalling \$7,200 excluding GST, from Inland Revenue during the year ended 31 March 2023. These payments are subject to GST, are included as Operating Revenue, and have been applied to operating expenses. **(2022: Raglan Club Incorporated also received Resurgence Payments and COVID-19 Support Payments totalling \$30,000 excluding GST from Inland Revenue during the year ended 31 March 2022.)**

Subsidies and Support Payments received may be subject to review or audit by the relevant Government agency. Retention of the full subsidies or support payments received is dependent on Raglan Club Incorporated being able to prove entitlement.

14. Events After the Balance Date

COVID-19 Pandemic

The COVID-19 pandemic was described as a subsequent event in the financial statements issued for the year ended 31 March 2020, 31 March 2021, and 31 March 2022. New Zealand has opened its borders, and most businesses are now trading normally. The long term effect of the global pandemic remains unknown at this time.

15. Ability to Continue Operating

Raglan Club Incorporated was able to trade normally during the year ended 31 March 2023 and expects to continue to operate in the foreseeable future. **(2022: The year ended 31 March 2022 trading results reflected the effects of the COVID-19 pandemic lockdowns and restricted trading conditions that were in place during the year).**



INDEPENDENT AUDITOR'S REPORT

To the Members of Raglan Club Incorporated

Qualified Opinion

We have audited the accompanying performance report of Raglan Club Incorporated on pages 4 to 20, 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 2023, the statement of financial position as at 31 March 2023, 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 20 presents fairly, in all material respects:

- the entity information for the year ended 31 March 2023;
- the service performance for the year then ended; and
- the financial position of Raglan Club Incorporated as at 31 March 2023, and its financial performance, and cash flows for the year then ended in accordance with the requirements of the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) standard, issued in New Zealand by the New Zealand Accounting Standards Board (PBE SFR-A (NFP)).

Basis for Qualified Opinion

In common with organisations of a similar nature, control over some revenue, including sponsorship, donations, catering, raffles, bar sales, and other cash collections prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control. This limitation has caused us to qualify our audit 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 service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS1) "The Audit of Service Performance Information".

Our responsibilities under those standards are further described in the Auditor's 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 'International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand), 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 Committee' Responsibility for the Performance Report

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

(a) service performance criteria that are suitable in order to prepare service performance information in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) standard issued in New Zealand by the New Zealand Accounting Standards Board (PBE SFR-A (NFP));

(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 PBE SFR-A (NFP), 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.

Auditor's 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 NZ AS1 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.
- Obtain an understanding of the process applied by the entity to select what and how to report its service performance.
- Evaluate whether the service performance criteria are suitable so as to result in service performance information that is in accordance with the PBE SFR-A (NFP) framework.
- 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.

Stuart Duff & Associates

Stuart Duff & Associates Limited

Hamilton

15 June 2023