

KAMO CLUB (Inc.)

ESTABLISHED 1943



SEVENTY THIRD ANNUAL REPORT

for the Year ended

31 May 2017

to be presented at the

ANNUAL GENERAL MEETING

on Sunday 13 August 2017 at 10.00am

in the Clubrooms

KAMO CLUB (Inc.)

Notice of Meeting

Notice is hereby given that the 73rd Annual General Meeting of the Kamo Club (Inc.) will be held at the Kamo Clubrooms on Sunday 13 August 2017 at 10.00am.

Business

1. Apologies
2. Confirmation of Minutes
3. Annual Reports/Financial Accounts
4. Election of Officers
5. Notices of Motion
6. General

CURRENT MEMBERSHIP CARDS MUST BE PRODUCED FOR A VOTING PAPER

Please Note: On AGM Day, Club doors will close at 10.00am and will re-open at 2.00pm.

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KAMO CLUB (Inc.)
Office Bearers 2016-2017

Patron: A. McNabb

Kaumatua: P. Butler

President: D. Conaghan

Vice President: D. Steele

Treasurer: J. Nuttall

Board:

C. Bale, G. Birch, G. Gee,
A. McFarlane, P. Morgans, K. Steele.

Chief Executive Officer: N. Curtis

Executive Services Officer: L. Hylton-Cave

Minute Secretary: Leanne Martinovich

Duty Manager: A. Bristowe

TAB Manager: C. Pratt

Dining Room Staff: S. Allen, M. Burgess, R. Hotere,
C. Johnson, J. Kitchen, C. McKervey, S. Maddox.

Coach and Door Staff: B. Burgess, R. Koellner, A. Molloy.

Cleaners: T. Johnstone, C. McKervey, R. van Boldrik.

Snooker and Pool Table Maintenance: F. Ritchie

Auditors: Orbit Audits

Life Members:

D. Bailey, D. Conaghan, G. Gee, M. Grant, M. McCallum,
A. McNabb, G. Neeley, A. Scott, L. Watkins, D. Woodman.

Bankers:

ANZ Bank New Zealand Ltd

Club Premises:

7-11 Meldrum Street, Kamo, Whangarei.

Postal Address:

PO Box 4147, Kamo 0141, Whangarei.

Telephone: 09 435 1765

Transport: 09 435 3457

Email: kamoclub@xtra.co.nz

Website: www.kamoclub.co.nz

KAMO CLUB (Inc.)

President's Report

I have great pleasure in presenting my report for this past year. While it has been a good business year for the club it has been a hard year for me personally. The PC world has caught up with us and the distinction between Governance and Management has been difficult for all.

As President I have strived to bring the Board closer to you the members. This has involved attending numerous section meetings and listening to your requests and while not all ideas have been able to be implemented they have assisted in the board's direction. I have attended all major club events both Sporting and Social and enjoyed them all. Being only a figure head is not my way and I make no excuses for that.

During the past trading year we as a club have had some very good events such as Melbourne Cup day, Spring Fever weekend, Joseph Parker fight night, Sports Person of the year, the list goes on. Thank you to those who organised, prepared and controlled all events. Being a club member is one thing but to put in so much work to make things happen without any payback is most enlightening and a credit to you all.

Congratulations to all sections both Sporting and Social for your efforts during the past year, your support has been tremendous once again. Those of you who travelled behaved in a matter which promoted our club nationwide. Thank you all for your outstanding achievements. Next year your club hosts the Ladies North Island Golf in February, our own 75th Jubilee at Easter and the North Island Table Tennis Tournament on Queens Birthday weekend.

Special thanks must go to our Treasurer John Nuttall whose dedication to his position is undeniable, Vice President David Steele and Board member Karen Steele for their contribution to all sporting codes. Thank you to all other board members for your input. We do not always agree on all matters but at least everyone of you has had the opportunity to make decisions of your own beliefs.

To all Bar Staff, Kitchen staff and Office staff, a big thank you for a job well done. At all times you have conducted yourselves in a friendly and efficient manner. Your jobs are not always easy but you have handled them with both urgency and diplomacy.

There is no doubt that we as a club face challenges and changes and we must all be vigilant and continue to look forward and strive for even better outcomes to all eventualities.



Dennis Conaghan
President

KAMO CLUB (Inc.)

Treasurer's Report

I am pleased to report on the results of the Club for the year ended 31 May 2017.

Firstly I will say it is always a challenge for the Board to ensure that the Club makes a profit without making too much profit off its members. In this financial year we are reporting a surplus of \$70,664 before depreciation and tax compared with last year's surplus of \$92,000. I'd like to see this average \$90,000 a year and that's the goal for future years. This will allow funds for repayment of debt, purchase of assets and accumulation of some cash reserves for quieter times.

Some points I would like to note:

Bar revenue is up \$876K from \$789K last year, but the GP percentage for the bar is down because we have not passed through all cost increases for liquor – for the members benefit.

The kitchen continues to be a problem child reporting a deficit of \$47,000 compared to \$7,000 the year before and effectively “eating up” the increased bar Gross Profit. This needs to be looked at in the next 12 months.

Rentals result is pleasing, increasing \$13,000 but I do need to highlight there is deferred maintenance, particularly around insulation which needs to be addressed in our rentals in coming years.

Gaming had a good result again and we used \$294,822 gaming money in and around the Club. You can refer to Note 18 of the financial statements to see exactly where. You will note, in fact, gaming shows a slight loss after this expenditure and that is because we have had surpluses from previous years and we are not allowed to accumulate much more in the way of surpluses without approval from the Department of Internal Affairs.

The coach revenue was up slightly but overall the coach result continues to be a loss. As noted above this is one of those areas where we do not seek to profit from the members. The coach provides a valuable service and this feeds into the bar results in particular.

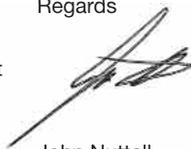
In terms of raffles, revenue was up by \$20,000 and raffles have returned \$35,000 to Sections and \$16,000 to the Club. The only difference you will find, is that the Friday night Spin the Wheel Raffles are now included in that trading account.

The Club still has a strong balance sheet, net assets exceed \$5 million and it is important to note that the rental properties currently on our books are \$2.8 million. I have not wanted to spend \$5,000 in valuation fees to get these revalued, but I am of the view these are worth a lot more than that.

Next year's reports will be in a new layout to comply with new reporting standards for Charities and 'not for profit organisations'.

Thanks to Dennis Conaghan, David Steele, Norman Curtis, Staff and my fellow Board Members for their support over the last 12 months and I am looking forward to continued support of Members in the coming year.

Regards



John Nuttall
Treasurer

KAMO CLUB (Inc.) Management Report

What makes a successful club? The question has been posed many times and there has been a multitude of answers and opinion, understandably given the diversity of the membership of clubs.

Culture & Values, to quote Ron Browne, ClubsNSW, are the key. 'When the Culture is right, matching the feel and comfort sought by members, the support of those members is fantastic and drives a very successful and sustainable model. Members really get the "My Club" sense of connection. Values, like mateship, safety, respect, family, community, honesty, support, diligence, excellence and so on truly inform a winning club culture'. We must embrace these strengths to continue to make our club a leader in the field.

A message I conveyed early in my association with the Kamo Club and we are now seeing the results with increases in all areas driven mainly by an increase in membership in addition to a mostly positive atmosphere.

Membership now stands at 2347, subscription income does not reflect that as in changing our subscription year to December results in halving income until October renewals and this will even out over the two year period.

Bar continues to increase with your club attaining million dollar bar turnover for the first time. A dip to below 60% GP has been rectified by our recent increase in bar pricing. A new till system was installed during the year and is perform satisfactorily with a few modifications to software to tailor it to our needs as a club.

Gaming is still the Hollywood aspirant with an increase of over 30k. Your board is still committed to investment in this area with one new machine and a conversion during the year. This is to ensure we don't get behind the 8-ball as technology changes very quickly indeed and there are plenty of other venues around the city.

The dining room performance overall has been poor, in the last quarter and saw any gains that were made in the first part of the year disappear. However the issues have been settled and we look forward to a more positive result in the year ahead.

The coach fleet now boasts two near new Toyota Hiace's and good old number 4 Hiace which still performs reliably, There has been an increase in the investment in the coach operation as we now run three buses on busier nights which reflects on the bottom line. I will make comment here and acknowledge the tremendous effort of Allan McFarlane who is our permanent volunteer bus driver who saves the club a considerable amount due his effort.

Any questions on the financial statements please address them to our Treasurer John Nuttall or myself prior to the AGM as well-researched answers from people with the facts are far more productive and satisfying than uninformed conjecture.

Thanks to all the bar staff for your efforts, it's not the easiest task in the World and your efforts are much valued. Craig, welcome to the kitchen team and thank you to the rest of the team up there. Leanne in the office an integral part of the team many thanks. Barry, Ross and Annette thanks for getting us all home safely.



Norman Curtis
CEO

KAMO CLUB (Inc.)

Election of Officers

President:

D. Conaghan, R. Topia.

Vice President:

C. Bale (elected unopposed).

Treasurer:

J. Nuttall

Board Members:

A. McFarlane, D. Steele, K. Steele.
(elected unopposed)

Nominees will be allowed a maximum of three minutes to talk prior to voting and will be called up in alphabetical order.

KAMO CLUB (Inc.)

Notices of Motion

The Board puts forward the following Notices of Motion:

1. That Rule 29.6 Restricted Membership, Section 11 be revoked:
11) Not eligible if resident within the Whangarei District Boundary.
2. That the words "Restricted Membership" be substituted with the words "Introductory Membership".

Proposed: Chuck Norris (1105); Seconded: Roddy Finlayson (436).

3. That Rule 10.1(6) be amended to read: Every candidate for office as an Executive Board Member must have been a member of the Club for at least two (2) years. Every candidate for office as an Ordinary Board Member must have been a member of the Club for at least one (1) year.

**Minutes of the 72nd Annual General Meeting
of the KAMO CLUB INCORPORATED**

held in the Kamo Club Rooms,
Meldrum Street Kamo on Sunday 14th August 2016.

Present

Meeting presided over by President Ray Topia with 221 members present.

President Ray Topia declared the meeting open and welcomed all those present, a special welcome to Patron, Kaumatua, Life Members and Auditor. He then requested that all present be upstanding and to observe a period of silence as a mark of respect to those members who had passed away during the year.

Apologies

Apologies were received from 23 members. Moved Laurie Watkins/seconded John Cork apologies be accepted.

Voting Strength

The voting strength was established at 221.

Confirmation of the minutes of the 71st Annual General Meeting

Resolved: That the minutes of the 71st Annual General Meeting as circulated be confirmed as a true and correct record. Moved John Nuttall/seconded Rod Vincent.

Matters Arising

T Cartwright expressed concern over inaccurate details with regard to board purchase of gaming chairs in Minutes from 71st AGM Minutes. One vote against acceptance of minutes

Election of Scrutineers

President advised meeting Club Manager N Curtis will be Returning Officer and Head Scrutineer. Resolved: That Laurie Watkins, Gary Leydon, Rod Finlayson will act as scrutineers for the meeting.

Reports

President Ray Topia moved his Report as circulated be accepted/seconded Carol Mead. No discussion on President's Report.

Treasurer's Report

Treasurer spoke to his Report. Resolved: Moved John Nuttall/seconded Mel Grant Financial Report for the year 31/05/2016 be received and approved.

Moved Ray Topia /seconded Carol Mead that above reports be accepted.

Election of Officers

President: D Conaghan – Duly Elected.
R Topia.

Vice President: D Rowe.
D Steele – Duly Elected.

Nominees given three minutes to address the meeting. D. Rowe speaking D Conaghan called point of order objected to content of D Rowe's speech. President asked D Conaghan to please sit down as he had, had his time.

Treasurer: John Nuttall – Unopposed.

Board: Robert Adamson.
Gary Birch – Duly Elected.
Graham Eastgate .
George Gee – Duly Elected.
Peter Morgans – Duly Elected.

Moved Max McCullen /seconded John Cork ballot papers be destroyed.

Election of Auditor

Resolved: That Brent Martin of Orbit Auditors remain for the ensuing year.

Election of Solicitor

Resolved: That Philip Smith remain as Club Solicitor for the coming year.

Expenses

Resolved: That expenses allowance remain at \$125.00 for the coming year.

Notice of Motion - Kamo Club Incorporated.

Notice of Motion 1:

Presented by John Nuttall - Restricted Membership explained the motion. Moved John Nuttall/seconded Karen Steele motion moved seconded open for discussion. J Nuttall spoke on behalf of motion. No further discussion.

Resolved.

Notice of Motion 2

Ray Topia read the rules of Club Subscriptions. Explained the reason for changing dates non-financial members are still being paid for to Clubs NZ, changing of dates, club will then not to have pay for unfinancial members. Moved Ray Topia/seconded Peter Morgan. Motion open for discussion. No further discussion. Resolved: That the subscriptions remain the same for the 2016/2017 financial year (moved George Gee/seconded Mel Grant)

Subscriptions for Youth Members

Resolved: That the subscriptions remain the same for the 2016/2017 financial year (moved John Nuttall/seconded George Gee).

General Business

Max Smith: Discussion Monday/Thursday nights draw non-financial members being drawn. Club manager N Curtis responded to this.

Alan McNabb: Ballot sheets nominator's seconders signatures cannot be read. Suggestion extra line go on ballot sheet to print names.

Alison Healy: Honorarium payment to Board Members? R Topia responded to this Rules set by Board not the AGM. Amount and who receives Honorarium explained to meeting. These figures to be checked.

John Nuttall: Discussion re 2018 Club Reunion booklet being put together articles photos needed.

George Gee: Shooting section questioned why the notice board had been moved and a church plaque in place? R Topia: These are Returned Servicemen from Kamo Church. Church asked club to display. G Gee: Section members not consulted unhappy Notice Board moved. Suggested if members not happy consult Club President / Manager. Max Smith: Suggested church plaque go in front foyer to be seen by all.

Karen Steele: High school students at the club Wednesday PM for one hour learning to play pool. More helpers needed.

Sheryl Riceman: Questioned Board Meeting Minutes being available to Club Members. R Topia: minutes on the noticeboard.

Ty Herd: Club is lacking music IE Jukebox.

Graham Forbes: Outside BBQ area is designated smoking area? What is to happen when BBQ eating out there. Club Manager N Curtis: Area well ventilated so he sees no problem. George Jones: Health and Safety issue serving food and smoking in same area.

Ken Thompson: Entry to club without producing membership card. Doors are insecure anybody can walk in, need card swipe system. N Curtis: Later in day/evening doors are secure. Jill Dahl: Security to Club for Staff if free access to the Club. Max Smith: Suggested a doorman, old membership cards still work in the door. Brenda Morgans: Under the Sale of Liquor any member of the public must be signed in by a Club Member.

Ty Herd: No music in outdoor area. Children in BBQ area is there an age restriction.

George Gee: Drop area in front of the Club hard to access because of vans. Elderly in wheelchairs cannot be dropped off.

Dennis Conaghan: Humble receiver of election to President. He thanked Ray Topia for his service to the Club.

Closure

Ray Topia thanked scrutineer's, door keepers, minute secretary, staff and board members for making this AGM a success. Congratulations to the new board, commiserations to those who didn't make it. Thanked Welfare ladies who have resigned for a job well done.

There being no further General Business, President Ray Topia declared the meeting closed. He thanked everyone for attending and invited them to stay and enjoy the Club's hospitality.

The Meeting closed at 11.45am.

Financial Statements 31 May 2017

The Kamo Club Inc



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Trading Accounts

The Kamo Club Inc For the year ended 31 May 2017

Bar

	31-May-17	31-May-16
Income		
Sales	876,412	789,186
Total Income	876,412	789,186
Expenses		
Opening Stock	27,953	33,706
Fees, Licences & Registrations	1,999	1,780
Purchases	358,958	302,852
Repairs & Maintenance	3,085	12,288
Wages	170,221	164,988
Closing Stock	(28,726)	(27,953)
Total Expenses	533,491	487,660
Total	342,921	301,526

Wholesale

	31-May-17	31-May-16
Income		
Sales	27,594	26,718
Total Income	27,594	26,718
Expenses		
Purchases	24,834	24,047
Total Expenses	24,834	24,047
Total	2,759	2,672

Cigarettes

	31-May-17	31-May-16
Income		
Sales	33,878	43,552
Total Income	33,878	43,552
Expenses		
Opening Stock	3,662	5,277
Purchases	29,225	38,283
Closing Stock	(3,831)	(3,662)
Total Expenses	29,056	39,899
Total	4,821	3,653

Catering

	31-May-17	31-May-16
Income		

This financial report has been subject to audit. Please refer to the auditors report.



Trading Accounts

Sales	372,075	356,042
Total Income	372,075	356,042
Expenses		
Opening Stock	3,338	2,904
Electricity	3,773	3,892
Gas	4,905	4,738
Manager/Board Hospitality	-	-
Purchases	203,366	183,450
Repairs & Maintenance	5,117	9,041
Wages	202,590	162,542
Closing Stock	(3,308)	(3,338)
Total Expenses	419,782	363,228
Total	(47,707)	(7,186)

Rentals

	31-May-17	31-May-16
Income		
Rent Received - Residential	112,822	107,607
Rent Received - Commercial	25,346	25,425
Total Income	138,168	133,031
Expenses		
Insurance - Residential	6,663	8,269
Insurance - Commercial	608	777
Mortgage Interest	32,067	35,611
Property Management Fees	9,366	9,165
Rates - Residential	21,123	19,646
Rates - Commercial	6,361	5,732
Repairs & Maintenance - Residential	18,055	23,515
Repairs & Maintenance - Commercial	295	-
Total Expenses	94,538	102,716
Total	43,630	30,316

Gaming Machines

	31-May-17	31-May-16
Income		
Gaming Income	536,675	505,419
Interest Received	115	414
Total Income	536,790	505,832
Expenses		
Audit Fees	650	650
Authorised Expenditure Applied to General Account	294,822	240,498
Depreciation	43,278	45,690
Electronic Monitoring	13,750	10,674
Gaming Machine Duty	123,225	116,848
Insurance	3,268	1,856
Licencing	12,273	8,473

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Trading Accounts

Problem Gambling Levy	8,695	7,581
Repairs & Maintenance	16,104	15,840
Wages	19,805	18,825
Power - Gaming Machines	3,657	-
Total Expenses	539,528	466,934
Total	(2,738)	38,898

TAB

	31-May-17	31-May-16
Income		
Commissions	1,788	-
Total Income	1,788	-
Expenses		
Printing & Stationery	321	99
Wages	27,645	24,985
Total Expenses	27,966	25,084
Total	(26,178)	(25,084)

Raffles

	31-May-17	31-May-16
Income		
Sales	126,754	105,782
Total Income	126,754	105,782
Expenses		
Purchases	75,340	55,852
Sections - Commissions	35,407	28,854
Total Expenses	110,747	84,706
Total	16,008	21,076

Coach

	31-May-17	31-May-16
Income		
Coach Income	32,022	30,665
Total Income	32,022	30,665
Expenses		
Loan Interest	1,041	-
Motor Vehicle Expenses	14,591	15,054
Repairs & Maintenance	11,350	10,507
Wages	64,796	56,326
Total Expenses	91,779	81,887
Total	(59,757)	(51,222)

Sports Sections

31-May-17 31-May-16

This financial report has been subject to audit. Please refer to the auditors report.



Trading Accounts

Income

Fundraising income	928	2,428
Grants Received	15,000	6,000
Raffle Commissions	35,407	28,854
Sections Income	76,572	83,646
Total Income	127,906	120,928

Expenses

Sections Expenses	118,172	111,552
Total Expenses	118,172	111,552
Total	9,734	9,376

This financial report has been subject to audit. Please refer to the auditors report.



Profit and Loss

The Kamo Club Inc For the 12 months ended 31 May 2017

	May-17	May-16
Gross Surplus / (Deficit) from Trading	283,203	323,693
Gross Profit	283,203	323,693
Other Income		
Cover Charge Income	9,652	15,091
Interest Received	1,139	1,519
Room Hireage	1,620	2,760
Subscriptions Received	63,905	94,058
Sundry Income	5,751	5,714
Tournament Income	808	4,974
Vouchers Sold	961	-
Total Other Income	83,836	124,116
less Expenses		
Accident Compensation Levy	5,470	5,022
Accountancy Fees	6,148	7,172
Advertising	30,600	28,275
AGM Expenses	4,028	5,264
Audit Fee	6,175	6,175
Bank Charges	3,890	3,060
Capitation Fees	8,001	7,252
Cleaning & Laundry	7,952	6,749
Competition Prizes	1,680	2,853
Computer Expenses	641	4,359
Conference Expenses	5,981	18,752
Consultancy	259	893
Donations	4,722	1,458
Eftpos Rental - Paymark	887	852
Electricity & Gas	32,916	37,132
Entertainment	54,543	53,832
Fringe Benefits Tax	2,847	2,918
General	88	102
Grants Given to Sections	15,000	10,000
Honorarium	12,301	11,788
Hospitality Expenses	24,184	25,918
Insurance - Club	17,605	18,881
Legal Expenses	8,448	-
Licences & Registrations	1,059	4,401
Loan Fees	500	-
Managers Expenses	1,423	1,326
Plant & Equipment Hire	4,789	3,958
Postage	170	2,466
Printing, Postage, Stationery	28,074	23,498
Protective Uniform and Clothing	4,255	3,818

This financial report has been subject to audit. Please refer to the auditors report.



Profit and Loss

	May-17	May-16
Quiz Night Expenses	6,402	8,671
Rates - Club	11,085	10,815
Repairs & Maintenance	34,672	36,708
Security	10,887	7,479
Snow Ball Draw & Promotions	18,772	19,350
Sponsorship	1,038	1,899
Staff Expenses	7,464	9,580
Subscriptions	17,358	13,113
Telephone, Tolls & Internet	3,981	3,663
Tournament Expenses	1,739	5,061
Unders & Overs	-	-
Valuation Fees	-	3,040
Wages - Administration	127,543	127,797
Wages - Cleaning	36,074	32,668
Wages - Doorman & Tables	18,633	13,857
Website Expenses	673	284
Welfare Expenses	240	3,188
Total Expenses	591,196	595,347
Profit / (Loss) before Depreciation and Non-cash Adjustments	(224,157)	(147,538)
Depreciation and Non-cash Adjustments for the Year		
Depreciation		
Depreciation	47,527	39,131
Depreciation Recovered	(884)	-
Total Depreciation	46,643	39,131
Taxation		
Provision for Taxation	402	-
Total Taxation	402	-
Adjustments		
Net Proceeds Applied from Gaming Account	(294,822)	(240,498)
Total Adjustments	(294,822)	(240,498)
Total Depreciation and Non-cash Adjustments for the Year	(247,777)	(201,367)
Net Profit / (Loss) for the Year	23,620	53,829

This financial report has been subject to audit. Please refer to the auditors report.



Movements in Equity

The Kamo Club Inc As at 31 May 2017

	31 May 2017	31 May 2016
Equity		
Opening Balance	5,186,971	5,133,143
Surplus / (Deficit) and Revaluations		
Current Year Earnings	23,620	53,829
Total Surplus / (Deficit) and Revaluations	23,620	53,829
Total Equity	5,210,591	5,186,971

This financial report has been subject to audit. Please refer to the auditors report.



Balance Sheet

The Kamo Club Inc As at 31 May 2017

31 May 2017 31 May 2016

Assets

	31 May 2017	31 May 2016
Current Assets		
Accounts Receivable	7,828	20,360
Accrued Interest Receivable	86	61
Bank and Cash Balances	125,443	124,763
Stock on Hand	35,865	34,953
Total Current Assets	169,222	180,137
Non Current Assets		
Fixed Assets as per Schedule	5,735,734	5,696,477
Total Non Current Assets	5,735,734	5,696,477
Investments		
Term Deposit 1022	32,279	31,599
Total Investments	32,279	31,599
Total Assets	5,937,235	5,908,213

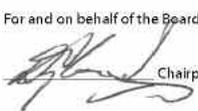
Liabilities

Current Liabilities		
Accounts Payable	105,688	97,154
ATM Contra Account	(1,320)	120
GST	(569)	11,446
PAYE Payable	13,763	13,472
Provision for Holiday Pay	47,824	44,012
Taxation	38	(718)
Total Current Liabilities	165,424	165,487
Non Current Liabilities		
ANZ Bank Term Loans	561,220	555,755
Total Non Current Liabilities	561,220	555,755
Total Liabilities	726,644	721,242
Net Assets	5,210,591	5,186,971

Equity

Retained Earnings	5,077,427	5,062,791
Sections Reserves	133,165	124,181
Total Equity	5,210,591	5,186,971

For and on behalf of the Board:



Chairperson



Treasurer

Dated this: 1st day of August 2017

This financial report has been subject to audit. Please refer to the auditors report.



Notes to the Financial Statements

The Kamo Club Inc For the year ended 31 May 2017

1. Statement of Accounting Policies

The Financial statements presented here are Kamo Club Inc. which is incorporated under the Incorporated Societies Act 1908.

The reporting entity is that entity, known as the Kamo Club Inc. which is governed by the Executive Board and includes all activities carried out under the control of that board.

The financial statements of Kamo Club Inc have been prepared in accordance with Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants of Australia and New Zealand.

These have been prepared for the entities members, Inland Revenue and the Department of Internal Affairs
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.

2. Changes in Accounting Policies

All policies have been applied on bases consistent with those used in previous years.

3. Fixed Assets and Depreciation

All fixed assets are recorded at cost less accumulated depreciation.
Depreciation of the assets has been calculated at the maximum rates permitted by the Income Tax Act 2007. The Land and Buildings are recorded at their last revaluation figures as at September 2005.

Depreciation has historically been charged on a straight line basis so as to write off the cost of the fixed assets over their expected economic lives. the estimated economic lives are as follows;

Buildings: 33 Years

Plant & Equipment: 2-10 Years

Since 01 June 2005 new assets have depreciation charged on the Diminishing Value basis.

Asset Type	Opening Book Value	Additions & Disposals	Less Depreciation	Closing Book Value
Land	610,000			610,000
Buildings	2,044,077	19,336	12,939	2,050,474
Rental Properties	2,841,904		187	2,841,717
Motor Vehicles	31,774	50,151	16,309	65,616
Gaming Machines	104,482	27,379	43,728	88,583
Plant & Equipment	64,232	32,543	24,913	100,806
Total	5,696,469	131,475	91,094	5,735,734

4. Income Tax

Kamo Club Incorporated is liable for income tax on income derived from activities with non-members, with the exemption of \$1,000 under section CB4 (i) (k) of the Income Tax Act 2007. Where necessary a provision has been made for any tax liability due.

This financial report has been subject to audit. Please refer to the auditors report.



Notes to the Financial Statements

5. Goods and Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable and transactions relating to residential rental properties.

6. Inventories

Inventories are recorded at the lower of cost and net realisable value.

7. Investments

	31-May-17	31-May-16
Non Current		
Term Deposit 1022	32,279	31,599
Total Non Current	32,279	31,599
Total Investments	32,279	31,599

Investments are carried at the lower of cost and net realisable value. Where in the Boards' opinion there has been a permanent reduction in the value of the investments this has been brought to account in the current period.

8. Related Parties

The Club rent a number of their rental properties to their members. There are no other significant related party transactions.

9. Audit

These financial statements have been subject to audit, please refer to Auditor's Report.

10. Sports Adjuncts Funds

The Club held in their bank account \$133,165 at year end specifically for the use of their sports sections committees.

11. Commitments

BePos Till System	\$485.79 per month	until 26/05/2020
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12. Contingent Liabilities

There are no contingent liabilities at balance date (Last Year: \$0).

13. Securities & Guarantees

A guarantee of \$10,000 has been given to the Totalisator Agency Board regarding the TAB agency operated by the Club (2012: \$10,000)

The Club has a \$45,000 overdraft facility on the Flexi Account.

14. Donations

Donations made for the 2016/2017 year were as follows;

Special Olympics	\$838.60
NZ Breast Cancer	\$778

This financial report has been subject to audit. Please refer to the auditors report.



Notes to the Financial Statements

Northland Community Foundation	\$1,443
K Jelavich	\$100
Total Donations	\$3,159.60

15. Youth Trust

Balance as at 31 May 2016	\$43,398.22
Plus: Net Interest	\$835.28
Balance as at 31 May 2017	\$44,233.50

16. Board Meeting Attendances

Monthly meetings June 2016 through to May 2017

Number of Meetings: 12

Board Member	Meetings Attended	Apologies	Absent
D Conaghan	11	1	
D Steele	11	1	
J Nuttall	12		
G Gee	11	1	
A McFarlane	11	1	
K Steele	12		
G Birch	9	3	
C Bale	12		
P Morgans	11	1	

17. Special Board Meeting Attendances

Number of Meetings: 2

Board Member	Meetings Attended	Apologies	Absent
D Conaghan	2		
D Steele	2		
J Nuttall	2		
G Gee	2		
A McFarlane	2		
K Steele	2		
G Birch	1	1	

This financial report has been subject to audit. Please refer to the auditors report.



Notes to the Financial Statements

Board Member	Meetings Attended	Apologies	Absent
C Bale	2		
P Morgans	2		

18. Authorised Expenditure Applied to General Account

Fees & Licenses & Registrations for events	\$3,998
Mortgage Interest	\$28,781
Rates - Residential Rentals	\$25,177
Repairs & Maintenance - Rentals Residential	\$17,406
Accountancy Fees	\$8,021
Cleaning & Laundry	\$6,078
Computer Expenses	\$610
Conference Expenses	\$6,090
Donations	\$4,722
Licenses & Registrations	\$1,059
Plant & Equipment Hire	\$4,252
Printing, Stamps & Stationery	\$26,390
Protective Uniform & Clothing	\$5,070
Rates - Club	\$7,533
Repairs & Maintenance - Grounds	\$20,362
Security	\$8,857
Staff Expenses	\$3,964
Subscriptions	\$9,316
Telephone, Tolls & Internet	\$3,909
Wages - Administration	\$79,862
Wages - Cleaning	\$22,791
Website Expenses	\$337
Welfare Expenses	\$240
TOTAL EXPENSES	\$294,822

19. Net Proceeds Gaming Funds

	2017	2016
Undistributed Funds Brought Forward	66,845	27,947
Funds Available for Distribution	358,929	307,343
Authorised Expenditure Applied to General Account	(294,822)	(240,498)

This financial report has been subject to audit. Please refer to the auditors report.



Audit Report

INDEPENDENT AUDITORS REPORT To the Members of Kamo Club Inc



Qualified Opinion

We have audited the financial statements of Kamo Club Inc on pages 3 to 15, which comprise the balance sheet as at 31 May 2017, and the statements of profit or loss and changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Basis for Qualified Opinion

In common with organisations of a similar nature, control over the income for the year ended 31 May 2017 prior to its being recorded is limited and there are no practical audit procedures to determine the effect of this limited control.

In this respect alone we have not obtained all the information and explanations that we have required.

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 Auditors Responsibilities for the Audit of the Performance Report section of our report. We are independent of Kamo Club Inc 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, Kamo Club Inc.

Emphasis of Matter Basis of Accounting

We draw attention to 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared for the entity members, the Inland Revenue Department and the Department of Internal Affairs. As a result, the financial statements may not be suitable for another purpose.

Executive Committee Responsibility for the Financial Statements

The Executive Committee are responsible on behalf of the entity for determining that the Special Purpose reporting requirements framework adopted is acceptable in Kamo Club Inc's circumstances, the preparation of financial statements, and for such internal control as the Executive Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.



Audit Report

Auditors Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors 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 decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- 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 auditors report to the related disclosures in the financial statements 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 auditors report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. 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.

Orbit Audit.

Orbit Audit
Whangarei
1 August 2017



FINANCIAL
AUDITS



SYSTEM
REVIEWS



FRAUD
INVESTIGATION



GAMING
AUDITS

