

SQUASH WELLINGTON DISTRICTS INC.

ANNUAL REPORT

FOR THE YEAR TO 31 DECEMBER 2016

**SQUASH WELLINGTON DISTRICT INC.
FINANCE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016**

The reports are showing a net loss for the year of \$1,438, close to coming in line with the forecast/budgeted small surplus so it was business as usual for the year. Net Assets totaled \$84,376 as at 31 December 2016 with bank balances making up \$81,761 of that figure.

Expenditure has been kept in check to match the income levels. Grant income has been obtained where available and user charges also apply to high performance /representative teams, super champ individuals and teams as well as Wellington Open events to largely fully fund those activities. The figures below are consolidated into groups with the detailed Profit and Loss account attached as a note providing a detailed breakdown of the sources of income and expenditure.

I note that the change made to the balance date for the prior year helped to streamline the end of year process with 31 December being a quiet time of year for the District. In previous years we have had the situation where the timing of national events has changed, making it was difficult to compare year to year expenditures. To provide comparable figures I have altered the detailed transactions summary to show the equivalent prior year figures for a 12-month period (1/01/2015 to 31/12/2015) as well as the actual reported 15-month period (1/10/2014 to 31/12/2015).

The ongoing challenge for the Board and Willie (District Manager) for the future is to grow squash numbers, or at least the benefits supplied to existing players, with equivalent club SEM's numbers again decreasing from a base of 1,280 to 1,182. The district has reasonable cash reserves as mentioned above to invest in growth, but any significant change to Grant funding can alter the financial position very quickly, so this always needs to be factored into any planned increase in spending. The current budget is forecasting a breakeven position for the year to 31 December 2017. The Board may need to consider targeted spending even if this results in a deficit to help to grow the sport, but of course the support of the clubs will be needed with any changes. The Board constantly battles with the view that the district does not have the ability financially or people resources to make any dramatic changes given the ongoing threat with changes to funding. The alternative of choosing to make significant changes will bring associated risks. It may now be the right time to take on that risk to hopefully provide benefits to the sport in the region, a question we need to put to the clubs. If the Board can look to streamline the budgets and resources to come into line with Squash New Zealand this will help and I know that they and Willie are progressing these ideas with a remit presented at the Squash NZ AGM late 2016.

Squash Wellington District Inc.
Statement of Financial Performance
For the Year Ended 31 December 2016

		(15 Months)		
	Dec-16	Dec-15	Sep-14	Sep-13
INCOME				
Grants	34,700	40,640	44,137	59,055
Levies (refer note 2)	49,561	54,786	40,641	54,184
Sponsorship	5,940	2,500	-	2,500
User Fees & Charges	12,188	11,723	24,870	29,098
Interest Income	2,141	4,257	2,561	2,393
Other Income	3,500	5,566	9,500	8,000
Total Income	108,030	119,472	121,708	155,230
Less Operating Expenses				
Representative Teams	21,816	27,293	27,557	24,309
Events & Competitions	29,218	37,634	31,746	33,848
Coaching	12,859	16,163	11,224	27,047
Growth	18,722	16,497	19,713	36,630
Admin & Management	26,360	35,166	25,561	30,643
Total Operating Expenses <i>(SEE DETAIL ATTACHED)</i>	108,975	132,753	115,801	152,477
Profit (Loss) Before Depreciation	(945)	(13,281)	5,907	2,753
Less Depreciation on Assets	493	665	910	1,263
NET PROFIT (LOSS)	(1,438)	(13,946)	4,997	1,490

Read in conjunction with the notes and the detailed Profit & Loss report.

Squash Wellington District Inc.
Movements in Equity
For the Year Ended 31 December 2016

	Dec-16	Dec-15	Sep-14	Sep-13
Equity at Start of Period	85,814	99,760	94,763	93,273
Net Profit (Loss)	(1,438)	(13,946)	4,997	1,490
Equity at End of Period	84,376	85,814	99,760	94,763

Read in conjunction with the notes and the detailed Profit & Loss report.

**Squash Wellington District Inc.
Statement of Financial Position
As at 31 December 2016**

	Dec-16	Dec-15	Sep-14	Sep-13
Equity				
Members Equity	85,814	99,760	94,763	93,273
Retained Earnings	(1,438)	(13,946)	4,997	1,490
TOTAL EQUITY	84,376	85,814	99,760	94,763
<i>Represented By</i>				
Current Assets				
Westpac Current	7,597	313	1,518	162
Westpac Savings & Term Deposit	74,164	83,053	108,876	103,873
Accounts Receivable	340	-	8,262	13,729
Accruals / Payments in Advance	-	-	1,810	2,733
Inventory / Equipment on Hand	1,760	-	1,024	1,024
GST Balance	1,537	3,173	-	-
Total Current Assets	85,398	86,540	121,491	121,521
Fixed Assets as per Schedule	943	1,104	1,646	2,557
Total Assets	86,341	87,644	123,137	124,078
Current Liabilities				
Accounts Payable	1,965	1,830	8,029	16,339
Other Payables & Accruals	-	-	15,348	12,976
Total Current Liabilities	1,965	1,830	23,377	29,315
NET ASSETS	84,376	85,814	99,760	94,763

Read in conjunction with the notes and the detailed Profit & Loss report.

**Squash Wellington Districts Inc.
Statement of Accounting Policies and Notes to the Accounts
For the Year Ended 31st December 2016**

Squash Wellington Districts (Inc) ("The Association") is incorporated under the Incorporated Societies Act 1908. The Association runs squash in the Wellington district, and reports to the members of the Association.

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice applying the framework of Differential Reporting. The Association is a not for profit entity. The financial statements are prepared in New Zealand dollars.

Change of Balance Date

A balance date change from 30 September to 31 December was approved in 2015. The financial statements to 31 December 2015 are for a period of 15 months with all other periods covering a year.

General Accounting Policies

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

Accounting Policies

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

- Accounts receivable are shown at their net realisable value.
- The entity is registered for GST. The financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are shown inclusive of GST.

Revenue

Revenue is recognised on an accrual basis, with revenue recognised in the period to which it is earned.

Tax

The Association is exempt from income tax as a result of its incorporated society status

Fixed Assets and Depreciation

Fixed assets are initially carried at cost and depreciated as per the attached schedule. Depreciation is calculated on a diminishing value basis to allocate the cost of an asset over its useful life. The estimated useful lives are as follows:

- Vehicle 3 – 4 years
- Computer & Video Equipment 2 – 3 years
- Squash Coaching Equipment 1 – 2 years

Changes in Accounting Policies

Depreciation rates have been reduced from the prior year to fairly reflect allocating the cost of asset over its useful life. Some expenses have been reclassified for consistency and to make figures comparable between years, but the net result has not altered. All other accounting policies have been applied consistently with those in the previous financial year.

Differential Reporting

The Association qualifies for differential reporting as it is not publically accountable and is not considered large. All applicable differential report exemptions have been applied.

Contingent Liabilities

At balance date there are no known contingent liabilities (2015 \$0). The Association has not granted any securities in respect of liabilities payable by any other party whatsoever.

Squash Wellington Districts Inc.
Statement of Accounting Policies and Notes to the Accounts
For the Year Ended 31st December 2016

NOTE 2 - Affiliation Fees & Statistics for the 2016 Season

Club	Courts	2016 SWD LEVY \$ (exc gst)	2016 *SEM Number	2015 SWD LEVY \$ (exc gst)	2015 *SEM Number
Club Kelburn**	8	3,837	N/A	4,565	N/A
Fraser Park	3	1,995	46	2,000	50
Island Bay	3	3,325	80	3,915	92
Kapiti	3	3,785	98	3,450	90
Khandallah	4	4,435	113	4,820	121
Mana	3	2,990	77	2,835	73
Martinborough	2	2,675	75	2,935	83
Masterton	4	3,810	108	4,340	122
Mitchell Park	5	3,540	92	4,690	117
Otaki	3	660	18	550	15
Red Star	3	4,300	115	4,530	124
Tawa	3	5,455	139	5,590	142
Thorndon	4	3,579	81	4,296	80
Upper Hutt	3	2,585	78	2,905	89
Waikanae	2	585	13	985	23
Wainuiomata	3	2,005	49	2,380	59
Totals: 16 Clubs	56	\$49,561	1,182	\$54,786	1,280

* **SEM** = Senior Equivalent Member.

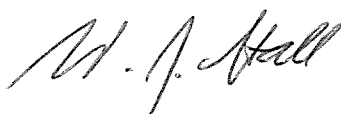
From the commencement of the 2005/2006 affiliation year, Squash Wellington adopted the method of calculation of affiliation fees used by Squash New Zealand.

** Club Kelburn is an Associate Club with the SEM's charge a new negotiated amount with Squash New Zealand.

2016 Levy was based on 2015 SEM Numbers - Senior rate of \$45 and Junior rate of \$20 (includes interclub fees)

2015 Levy was based on 2014 SEM Numbers - Senior rate of \$45 and Junior rate of \$20 (includes interclub fees)

Signed on behalf of Squash Wellington Districts Inc. by:



Warren Hall
Chairperson



Shane Johnston
Chartered Accountant

SQUASH WELLINGTON DISTRICTS INC.

Depreciation Schedule

For the Year Ended 31st December 2016

Asset	Private Use	Cost Price	Book Value 01/01/2016	Additions Disposals	Gain/Loss on Disposal	Capital Profit	Mths	----- Depreciation ----- Rate	Accum Deprec 31/12/2016	Book Value 31/12/2016	
MOTOR VEHICLES											
Toyota Promotional Vehicle		3,159	648				12	30.0% DV	194	2,705	454
Sub-Total		3,159	648				12	30.0% DV	194	2,705	454
COMPUTER EQUIPMENT											
Computer & Printer (Sep 00)		1,932					12	40.0% DV	0	1,932	0
Computer & Printer (Apr 04)		3,475					12	40.0% DV	0	3,475	0
Computer Upgrade		889					12	40.0% DV	0	889	0
Laptop Computers (3)		5,696	56				12	40.0% DV	22	5,662	34
Laptop Computer & Software Printer		898	224				12	40.0% DV	90	764	134
Printer		124	120				12	40.0% DV	48	52	72
Printer				113			11	40.0% DV	41	41	72
Computer Equipment				217			10	40.0% DV	72	72	145
Sub-Total		13,014	400	330			273		12,887	457	
OFFICE EQUIPMENT											
Fax Machine		355					12	24.0% DV	0	355	0
Sub-Total		355					12	24.0% DV	0	355	0
PLANT & EQUIPMENT											
Video Equipment (Coaching)		1,716	49				12	40.0% DV	20	1,687	29
Squash Coaching Equipment		2,416	1				12	67.0% DV	1	2,416	0
Squash Coaching Equipment		1,000	8				12	67.0% DV	5	997	3
Sub-Total		5,132	58				26		5,100	32	
TOTAL		21,660	1,106	330			493		21,047	943	

Profit & Loss
SQUASH WELLINGTON DISTRICTS INC.
Year 1 January 2016 to 31 December 2016

	12 Months to 31 Dec 16	Comparable 12 Months to 31 Dec 15	Prior Period 15 Months to 31 Dec 15
Income			
Club K Affiliation	3,837	4,565	4,565
Grant - Infinity Foundation (HP Funding)	3,000	3,000	3,000
Grant - Lion Foundation (Willie's Salary)	10,000	-	10,000
Grant - NZ Community Trust (Willie's Salary)	10,000	10,000	10,000
Grant - Pelorus Trust (Masters Nationals)	3,000	2,000	2,000
Grant - Pelorus Trust (Wgtn Senior and Junior Opens)	3,700	3,800	3,800
Grant - Pub Charity (Senior Nationals)	3,000	2,500	2,500
Grant - Infinity Foundation (Junior Nationals)	2,000	4,340	9,340
Interest Income	2,141	3,939	4,257
Levy - Affiliation fees	45,724	50,221	50,221
Player Contributions (Nationals and Squads)	6,329	3,976	6,592
Schools Contributions	433	122	122
Sponsorship	5,940	-	2,500
Squash NZ - Coachforce Funding	3,500	5,566	5,566
Super Champ Income	5,426	5,009	5,009
Total Other Income	\$ 108,030	\$ 99,038	\$ 119,472
Less Operating Expenses			
Accident Compensation Levy	606	974	974
Accommodation	10,736	5,217	8,870
Accounting Services	915	870	1,695
AGM, Annual Award & Board Expenses	4,021	3,806	6,194
Allowances	-	150	150
Apparel Expenses	2,656	3,834	8,406
Bank Fees and Charges	52	141	289
Coachforce Module Costs	-	330	330
Contract Services - Regional Coaches	8,407	9,833	10,833
Depreciation	493	569	665
Engraving & Trophies	-	118	118
Entry Fees (Wgtn District Teams)	2,574	2,791	3,570
Interclub Convenor Fees	1,400	1,400	1,400
Motor Vehicle Expenses	2,270	2,017	2,462
Printing, Postage and Stationery	195	231	327
Referee Fees	50	250	320
Salary- District Manager	54,529	57,615	69,210
Squash in Schools	4,462	1,177	1,177
Super Champs Contribution - Teams and Individuals	5,148	5,009	5,009
Telephone and Tolls	948	939	1,174
Travelling Expenses (National Events)	5,850	4,487	6,297
Venue Hire (Wgtn Open Events)	3,700	3,800	3,800
Website Expenses	457	150	150
Total Operating Expenses	\$ 109,468	\$ 105,708	\$ 133,418
NET PROFIT	-\$ 1,438	-\$ 6,670	-\$ 13,946