

# OMAHA BEACH RESIDENTS SOCIETY INCORPORATED.

## FINANCIAL STATEMENTS

For the Year Ended 30<sup>th</sup> June 2011

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# Omaha Beach Residents Society Incorporated

## Notes to the Financial Statements For the Year Ended 30th June 2011

### 1. STATEMENT OF ACCOUNTING POLICIES

The financial statements presented here are for the entity Omaha Beach Residents Society Inc., an incorporated society registered under the provisions of the Incorporated Societies Act 1908. 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.

a) **Goods & Services Tax**

The Statement of Financial Performance has been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of account receivables and payables.

b) **Income Tax**

For income tax purposes the Society has been treated as a non profit making entity as it deals only with its own members. Provision for Income Tax has been made on interest income received.

c) **Receivables**

Receivables are stated at their estimated realisable value. Unrecoverable levies are written off in the year in which they are identified.

### 2. CONTINGENT LIABILITIES

At balance date there are no known contingent liabilities. The Society has not granted any securities in respect of liabilities payable by any other party whatsoever.

### 3. NOTES

#### Interest Accrued

Being interest on deposits held with the ANZ National Bank which had been earned by the Society at 30.6.2011 but were credited to the relevant deposit accounts after that date.

#### National Bank Investments

Money Market Call Account	1.75%	2,884.56
Term Deposit 1001 – expires July 2011	3.65%	270,138.18
Term Deposit 1005 – expires Nov. 2011	4.60%	1,390,091.88

#### Minter Ellison Rudd Watts Trust Account

Two (2) members requested that each of their performance bond contributions be retained in the Minter Ellison Rudd Watts trust account. The amount of each bond required to be paid to the Society and to be held in Trust on behalf of Design Control Committee is \$5,000. Refer to Note 3.4 for an explanation regarding Members bond contributions.

#### Members Bond Contributions Received

The sale and purchase agreement that each member entered into required a bond to be paid to the Society. The Bond is held within the Society on behalf of the Design Control Committee. The amount of that bond is in most instances is \$5,000. The bond is released to each member upon completion of the design compliance process. The cost of compliance as described in Note 3.5 is deducted from the bond and the residual amount is repaid to the member.

Total Members Bonds Received	2,419,301
Less Repaid	<u>992,285</u>
Outstanding	1,427,016

Members Bonds outstanding last year were \$1,518,318

### Deductions from Bonds Held

External consultants are engaged by the Design Control Committee to ensure each application for building consent complies with the guidelines stipulated by the developers. These costs are able to be deducted from members bonds prior to those bonds being repaid to members. The unrecovered accumulated total of all costs relating to DCC compliance evaluation up to 30/6/11 was \$199,870 (Last Year \$180,047).  
DCC compliance costs made up of:

Balance of recoverable costs at 1/7/2010	180,047
Hulena Architects	8,957
Positive Planning Ltd / Peter Neeve	25,509
Jasmax	6,958
Inspection and Administration Fees	10,500
Other	11,768
	<hr/>
	243,739
Less Recovered from Bonds released	43,869
Costs to be Recovered	<hr/> <hr/>
	199,870

### Provision For Tennis Court Replacement

Inflation Rate 2.5%

#### Asset Replacements

	Astrograss	Exterior Fencing	Structures	Net	Net Stands	Signage	Total
Expected Life - years	10	15	20	3	10	5	
Replacement Cost (Today \$)	\$70,000	\$10,000	\$5,000	\$500	\$2,000	\$2,000	<b>\$89,500</b>
Replacement Cost (Future Value)	\$89,858	\$14,544	\$8,239	\$539	\$2,567	\$2,266	<b>\$118,014</b>
<b>Per annum provision for replacement</b>	<b>\$8,985.80</b>	<b>\$969.60</b>	<b>\$412.00</b>	<b>\$179.60</b>	<b>\$256.70</b>	<b>\$453.20</b>	<b>\$11,257</b>

# Omaha Beach Residents Society Incorporated

## Statement of Financial Performance For the Year Ended 30th June 2011

<b>Income</b>	<b><u>Year 2011</u></b>	<b><u>Year 2010</u></b>
Members Levies Received	123,643	121,708
Finance Charges (member late paid levies)	1,301	1,340
Interest Received	<u>78,308</u>	<u>83,242</u>
	203,251	206,291
<b>Less Operating Expenses</b>		
Audit Fees	4,300	4,105
Bank Charges	266	564
Consultancy Fees	130	2,836
Donation - Omaha Beach Golf Club	11,424	2,349
Donation - Omaha Shorebird Protection Trust	5,000	
Debt Collection - Levies	340	
Electricity	849	873
Improvements - Landscaping	25,398	
Insurance - Public Liability	275	
I.T. & Website	1,658	1,941
Legal and Consultants - District Plan		1,633
Legal Fees	38,551	44,122
Maintenance - Facilities	1,708	6,945
Managers Expenses - Administration	59,528	69,375
Meeting Expenses		162
Miscellaneous	792	765
OBC Litigation Fund (Omaha Park)	25,000	100,000
OBC Membership & Levies	12,256	10,726
Rates	942	905
Security	<u>10,690</u>	<u>10,440</u>
Total	<u>199,108</u>	<u>257,741</u>
<b>NET SURPLUS FROM ACTIVITIES</b>	4,143	-51,450
<b>LESS</b>		
Plus 2010 Income Tax Over Provided	-2,797	
Provision for Tennis Court Replacement	Note (3.6)	11,257
Provision for Taxation on Interest Received	<u>25,512</u>	<u>27,363</u>
	<u>33,971</u>	<u>38,620</u>
<b>SURPLUS INCOME OVER EXPENDITURE AFTER TAXATION</b>	<u>-29,828</u>	<u>-90,070</u>

**Statement of Financial Position**  
**As At 30th June 2011**

<b>ASSETS</b>		<u>Year 2011</u>	<u>Year 2010</u>
National Bank - Working Account		11,483	73,239
National Bank - Term Investments	Note (3.2)	1,663,115	1,754,934
Minter Ellison Rudd Watts Trust Account	Note (3.3)	10,000	10,000
Interest Accrued	Note (3.1)	5,011	13,147
Members Levies Outstanding		2,023	2,531
Taxation Refund Due		<u>2,752</u>	<u>4,239</u>
	TOTAL ASSETS	<u>1,694,384</u>	<u>1,858,090</u>
<b>LIABILITIES</b>			
Accounts Payable		11,046	3,190
Goods and Services Tax		-3,561	280
Member Levies Paid in Advance			32,245
Provision for Tennis Court Replacement	Note (3.6)	<u>112,570</u>	<u>101,313</u>
	Subtotal	120,056	137,027
Members Bond contributions held	Note (3.4)	1,427,016	1,518,318
Less Unrecovered DCC Costs re design approvals	Note (3.5)	<u>199,870</u>	<u>180,047</u>
		<u>1,227,146</u>	<u>1,338,272</u>
	TOTAL LIABILITIES	<u>1,347,202</u>	<u>1,475,299</u>
	<b>NET ASSETS</b>	<u><b>347,182</b></u>	<u><b>382,791</b></u>
<b>Represented by</b>			
Opening Balance 1/7/10		382,791	472,861
Surplus of Expenditure over Income		<u>-29,828</u>	<u>-90,070</u>
Closing Balance 30/06/2011		<u><b>347,182</b></u>	<u><b>382,791</b></u>