

**Paekakariki Community Trust**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2022**

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# Income & Expenditure Report for year ended 31 March 2022

Paekakariki Community Trust  
For the year ended 31 March 2022

2022

## Ongoing Income & Expenditure

### Ongoing Operating Income

Hall Hire	16,746
Bike Library	449
Markets	1,370
Grants	5,000
Donations	2,571
Other Income	246
<b>Total Ongoing Operating Income</b>	<b>26,382</b>

### Ongoing Operating Expenses

Cleaning	(4,062)
Depreciation	(8,965)
Rates & Insurance	(6,795)
Other Operating Expenses	(6,279)
Repairs & Maintenance	(14,606)
Light, Power, Heating	(2,096)
Rent	(7,049)
<b>Total Ongoing Operating Expenses</b>	<b>(49,851)</b>

**Total Ongoing Income & Expenditure** (23,470)

## Annual Fundraising Events

Annual Art Show	18,001
Annual Film Festival	5,385
Annual Book Fair	7,756
<b>Total Annual Fundraising Events</b>	<b>31,142</b>

**Trust Operating Surplus** 7,673

# Paekakariki Community Trust Balance Sheet

Paekakariki Community Trust  
As at 31 March 2022

	31 MAR 2022	31 MAR 2021
<b>Assets</b>		
<b>Liquid Assets</b>		
Bank Accounts	61,902	44,559
Provision for Contingencies	(30,000)	(30,000)
<b>Total Liquid Assets</b>	<b>31,902</b>	<b>14,559</b>
<b>Current Assets</b>		
Accounts Receivable	155	3,160
Bike Library	6,500	6,500
<b>Total Current Assets</b>	<b>6,655</b>	<b>9,660</b>
<b>Fixed Assets</b>		
Buildings	1,270,500	1,270,500
Other Assets	22,341	27,727
<b>Total Fixed Assets</b>	<b>1,292,841</b>	<b>1,298,227</b>
<b>Total Assets</b>	<b>1,331,398</b>	<b>1,322,446</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Amounts received in Advance	1,280	-
<b>Total Current Liabilities</b>	<b>1,280</b>	<b>-</b>
<b>Total Liabilities</b>	<b>1,280</b>	<b>-</b>
<b>Net Assets</b>	<b>1,330,118</b>	<b>1,322,446</b>
<b>Accumulated Funds</b>		
Current Year Earnings	7,673	-
Opening Balance Operating Surplus	249,834	249,834
Contingency Reserve	(30,000)	(30,000)
Capital Reserve - Building Revaluation	1,102,612	1,102,612
<b>Total Accumulated Funds</b>	<b>1,330,118</b>	<b>1,322,446</b>

## Notes to the Accounts

**Liquid Assets** are Bank Account balances and trem deposits less annual budgeted capital expenditure, budgeted maintenance and possible loss of income due to events such as Covid 19. It is intended to give a more realistic cash position for the Trust than the bank balances do.

**Paekakariki Community Trust**  
**For the year ended 31 March 2022**

**Notes to the Financial Statements**

**Note 1. Operating income & expenditure 3-year comparative**

<b>Net income (expenditure)</b>	<b>2022 \$</b>	<b>Increase (decrease)</b>	<b>2021 \$</b>	<b>Increase (decrease)</b>	<b>2020 \$</b>
Hall hire receipts	16,746	(1,754)	18,500	(8,473)	26,973
Bike library	449	(5,206)	5,655	4,944	711
Markets	1,370	(1,640)	3,010	(687)	3,697
Grant from KCDC	5,000	(296)	5,296	0	5,296
Donations	2,571	(327)	2,898	2,598	300
Other income	246	224	22	(277)	299
<b>Total income</b>	<b>26,382</b>	<b>(8,999)</b>	<b>35,381</b>	<b>(1,895)</b>	<b>37,276</b>
General expenditure	(6,278)	1,097	(5,182)	(1,122)	(4,060)
Cleaning *	(4,062)	(2,062)	(2,000)	0	(2,000)
Electricity	(2,096)	990	(3,086)	809	(3,895)
Rates & insurance	(6,795)	(963)	(5,832)	890	(6,722)
Rent	(7,049)	(1,260)	(5,789)	260	(6,049)
Depreciation #	(8,965)	(2,117)	(6,848)	(1,465)	(5,383)
Repairs & maintenance +	(14,606)	(7,098)	(7,508)	614	(8,122)
<b>Total expenditure</b>	<b>(49,851)</b>	<b>(13,606)</b>	<b>(36,245)</b>	<b>(14)</b>	<b>(36,231)</b>
<b>Total operating income and expenses</b>	<b>(23,470)</b>	<b>(22,606)</b>	<b>(864)</b>	<b>(1,909)</b>	<b>1,045</b>

\*Paid contract cleaner employed\2020 & 2021 years estimated

#New depreciation rates at diminishing value

+Fit out of the green room & south side retaining wall with veranda, steps & garden boxes

**Note 2. Fund raising activities & Trust operating surplus/(loss) 3-year comparative**

<b>Net income (expenditure)</b>	<b>2022 \$</b>	<b>Increase (decrease)</b>	<b>2021 \$</b>	<b>Increase (decrease)</b>	<b>2020 \$</b>
Annual Art Show	18,001	18,001	0	(12,814)	12,814
Annual Film Festival	5,385	693	4,692	2,824	1,868
Annual Book Fair	7,756	(784)	8,540	921	7619
<b>Total income fund raising</b>	<b>31,142</b>	<b>17,910</b>	<b>13,232</b>	<b>(9,069)</b>	<b>22,301</b>
<b>Total operating income &amp; expenses</b>	<b>(23,469)</b>	<b>(22,605)</b>	<b>(864)</b>	<b>(1,909)</b>	<b>1,045</b>
Total income fund raising	31,142	17,910	13,232	(9,069)	22,301
<b>Trust operating surplus/(loss)</b>	<b>7,673</b>	<b>(4,695)</b>	<b>12,368</b>	<b>(10,978)</b>	<b>23,346</b>

**Paekakariki Community Trust  
For the year ended 31 March 2022**

**Notes to the Financial Statements**

**Note 3. Fixed assets comparative**

	<b>Building*</b>	<b>Fixture &amp; fittings</b>	<b>Other assets</b>	<b>Audio visual equipment</b>	<b>Total</b>
Cost	167,888	15,622	31,820	33,029	248,359
Revaluation#	1,102,612				1,102,612
Current value	1,270,500	15,622	31,820	33,029	1,350,971
Opening value		9,105	8,954	9,668	1,298,227
Purchases		0	575	3,004	3,579
Disposals		0	0	0	0
Depreciation		(1,857)	(2,340)	(4,767)	(8,965)
Closing value	1,270,500	7,248	7,189	7,905	1,292,841

\*Valuation as at 1 April 2021

#No depreciation on building

**Note 4. Provision for contingencies and planned expenditure**

	<b>2022</b>	<b>2021</b>
Provision for planned repairs & maintenance	(10,000)	(10,000)
Provision for loss of income (pandemic)	(10,000)	(10,000)
Contingency for capital expenditure	(10,000)	(10,000)
<b>Total provisions &amp; contingencies</b>	<b>(30,000)</b>	<b>(30,000)</b>

**Paekakariki Community Trust  
For the year ended 31 March 2022**

**Note 5. Report from the Treasurer**

This has been a difficult year for the Paekakariki Community Trust (the Trust) due to the impact of covid 19 pandemic, the vaccine mandates and the Government's Traffic Light System limiting the numbers attending private group gatherings, making it extremely difficult for hirers of St Peter's Village Hall to continue to offer activities open to the public.

**The impact of the pandemic on activities and the Financial Position**

Using the year ended 31 March 2020 as a pre-pandemic base line the following impacts on income and expenditure can be observed in the note to the Financial Accounts on page 4:

- a. The loss of operating income during this 2-year period ending 31 March 2022, mostly due to the pandemic, is \$10,894.
- b. During the 2-years of the pandemic the Trust adapted the activities of the hall and took the opportunity to undertake improvement projects. Expenses increased by \$13,606 during the year ended 31 March 2022 for the following reasons:
  - i. The trust engaged a Paekakariki based contract cleaner to deal with the extra deep cleaning pandemic requirements. The cleaner works flexible hours according to the times available between bookings. The cleaning cost in 2022 were \$4,062, expected to be greater than the prior 2-year estimates.
  - ii. Depreciation rates have been increased to match the diminishing value rates used for those assets by the IRD.
  - iii. Repairs and maintenance increased in 2022 by \$7,098. During the pandemic down time Trustees and volunteers made repairs and upgraded the south end of the hall. A new wooden structure was installed to support the retaining wall, install steps and safe walkways and to refurbish the green room.
- c. Thus, in the year ended 31 March 2022, the Trust made an operating loss of \$23,469 from its normal operating activities. However, the 2022-year fund-raising activities of the Trustees and its volunteers netted income of \$31,142 putting the Trust into a net profit for the current year of \$7,673.

Although the Art Show had to be cancelled in 2021, it achieved a record profit of \$18,001 in 2022, perhaps due to locals spending on home grown activities during a time it was difficult to travel. The annual film festival and book fair added growing and steady profits in the 2022 year of \$5,385 and 7,756 respectively.

The Trust has still managed to make a profit in each year while continuing to make improvements to the hall facilities.

**New Xero accounting system and accounting adjustments**

We have a new volunteer Eric Rodler, retired accountant, to complete the day-to-day accounting activities of the Trust. The Trust uses the Xero for bookings and accounts payable package and Eric has installed the Xero accounting package for management

accounts and the Financial Statements. He merged the previously separate Film Festival and Bike Library into the Trust Financial Statements.

Trustees now have greater granularity of the profitability of each activity and have up-to-date information about the financial strength of the Trust when they make financial decisions. Trustees can track the surplus funds, maintaining provisions for planned and unexpected repairs and maintenance, earmarking profit to ensure the Trust remains solvent.

Local valuers, Truebridge Partners provided a formal valuation for the property on 28 May 2021 at \$1,270,500 and the revaluation of \$1,102,612 has been included in these Financial Accounts. Because the building is continually increasing in value, we have ceased depreciating the property and written back the prior years' depreciation claims to surplus funds.

No cash flow statement is provided with these Financial Statements as the Trust has few accruals at balance date.

#### **Post balance date change to the Trust's insurance cover**

- a. Rothbury Insurance Brokers arranged a new general insurance policy to cover the Hall with Delta Insurance (Delta) commencing 1 April 2022. The cost of the Delta cover was significantly less than other quotes received for the same cover.

The Trust is now paying an annual premium of \$5,076 including GST at the beginning of each financial year for total cover of \$1,379,250 for building replacement, site improvements and contents, and Public and Statutory Liability cover of \$1 million and \$0.54 million per event. The policy covers "perils" such as storm damage, fires, burglary, malicious damage, theft, subsidence, and landslip. The trust has no natural disaster insurance.

The global insurer Lloyds of London Ltd (Lloyds) underwrites the insurance risk. Lloyds have a Standard & Poor's Insurer Financial Strength Rating of A+.

- b. Delta and Lloyds also quoted for natural disaster insurance on the property for an addition annual premium of \$12,496 including GST. No other insurer was willing to provide a quote on the basis that the hall is too vulnerable to these events, being a wooden 100-year-old building on sand by the sea.

Rothbury advised other such halls have no natural disaster cover for tsunamis, earthquakes, lava, and eruption hot water. The Trustees decided natural disaster cover was too expensive and not worth the significant annual cost for such a 1,000-year event occurring in Paekakariki.

**Dated: 9 September 2022**

**Robyn Mills, Treasurer**  
**3/27 Beach Road**  
**Paekakariki, 5034**  
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