

The National Male Choir of New Zealand Inc

Financial Report
For the Year Ended
30 June 2016

The National Male Choir of New Zealand Inc
Financial Report
for the Year Ended 30 June 2016

MOORE STEPHENS
MARKHAMS
ACCOUNTANTS AND ADVISORS

<u>Contents</u>	<i>Page</i>
Entity Information	1
Statement of Service Performance	3
Statement of Financial Performance	4
Statement of Movements in Equity	5
Statement of Financial Position	6
Statement of Cash Flows	7
Accounting Policies and Notes to the Financial Statements	8
Auditors Report	14



The National Male Choir of New Zealand Inc **MOORE STEPHENS
MARKHAMS**
Entity Information
For the Year Ended 30 June 2016

ACCOUNTANTS AND ADVISORS

Legal Name

The National Male Choir of New Zealand Incorporated

Entity Type & Legal Basis

The National Male Choir of New Zealand is an Incorporated Society and is a registered charity under the Charitable Trust Act 1957.

Registration Number

Charities Commission Registration number is CC39247

Mission Statement

The National Male Choir of New Zealand has an interest in fostering and maintaining an enthusiasm for male singing and aims to show how this can be a rewarding, enjoyable and creative activity. It aims to celebrate the beauty of singing and of our unique New Zealand choral music with communities through several regional concerts a year. It also tours internationally with every 5 years a tour of the northern hemisphere and every 2-3 years throughout Asia/Australasia. These tours aim to promote the Choir, lift it's standards of performance, improve its profile, attract new members, and provide members and their partners with a fun and memorable experience.

Entity Structure

The National Male Choir of New Zealand is a Not-for-Profit organisation governed by an elected Committee. Their constitution specifies the Committee be comprised of the following executive officer positions: President, Secretary and Treasurer. The current Committee is as follows:

President:

Anthony Joines

Vice Presidents:

Maurie Smith

Secretary:

Lesley Willemsen

Treasurer:

Warwyck Dewe

North Island Representative

Dick Mitchell

South Island Representative

Taffy Davies

Committee:

Ian Gabites
John Botting

The National Male Choir of New Zealand Inc MOORE STEPHENS
Entity Information MARKHAMS
For the Year Ended 30 June 2016 ACCOUNTANTS AND ADVISORS

Main Source of Cash & Resources

The Male Choir of New Zealand relies on Subscriptions as well as Donations to fund its day to day activities. When required they apply for grants & donations from other charitable organisations.

Main method used to raise funds

The Male Choir of New Zealand raises funds from Subscriptions, Donations and Concerts each year. It also applies for grants and donations from other charitable organisations within New Zealand when required for specific items.

Contact Details:

Postal Address:

2 Webster Place
Otamatea
Wanganui

Phone:

(06) 345 5035

Email:

info@nationalmalechoir.co.nz

Website:

www.nationalmalechoir.co.nz

Accountants

Markhams Wanganui Limited
249 Wicksteed Street
Wanganui

Bankers

Westpac New Zealand Limited
116 Victoria Avenue
Wanganui

Auditors

Silks Audit Chartered Accountants
156 Guyton Street
Wanganui

The National Male Choir of New Zealand Inc
Statement of Service Performance
For the Year Ended 30 June 2016

MOORE STEPHENS
MARKHAMS
ACCOUNTANTS AND ADVISORS

Outcomes:

- * Develop an auditioned male choir that aspires to the highest standards of excellence in practice and performance.
- * Promote male choral singing and engage New Zealand communities in the choral experience.
- * Support worthwhile civic or charitable causes frequently in cooperation with local choirs.
- * Support New Zealand emerging youth vocal artists and male choral singing.
- * Represent New Zealand in an exemplary manner both nationally and internationally.
- * Attain and maintain an outstanding standard and reputation that will continue to attract suitable new members.

Outputs:

- * Undertook 8 regional rehearsals throughout the North Island and South Island where guests were invited that had interest in joining the choir.
- * One concert in the North Island (New Plymouth) that was partnered with a local female choir and featured a young up and coming tenor.
- * One church service and concert in the South Island (Gore) that featured a kapa haka group and three other youth instrumentalists and singers.
- * Joined with the Gore RSA on their ANZAC parade, singing for the ANZAC dawn service and joining in other celebrations.
- * Employed a new Music Director and three new piano accompanists.
- * Toured to Canada (Alberta/British Columbia) and performed 8 concerts many with regional and national Canadian choirs.
- * Obtained 4 new members.

The National Male Choir of New Zealand Inc **MOORE STEPHENS
MARKHAMS**
Statement of Financial Performance
For the Year Ended 30 June 2016 **ACCOUNTANTS AND ADVISORS**

	<u>Jun 2016</u>	<u>Jun 2015</u>
	\$	\$
<u>Operating Revenue (Note 11)</u>		
Donations, Fundraising & Other Similar Revenue	18,181	10,459
Fees, Subscriptions & Other Revenue from Members	25,947	27,725
Revenue from Providing Goods & Services	8,428	5,580
Interest, Dividends & Other Investment Revenue	136	99
	52,692	43,863
<u>Less Operating Expenses (Note 12)</u>		
Costs related to providing Goods & Services	32,651	43,513
Other Expenses	2,102	1,995
	34,753	45,508
<u>Net Operating Surplus for Period</u>	17,939	(1,645)

Note: This Statement must be read in conjunction with the accompanying Notes and the Accountant's Compilation Report.

The National Male Choir of New Zealand Inc MOORE STEPHENS
Statement of Movements in Equity MARKHAMS
For the Year Ended 30 June 2016 ACCOUNTANTS AND ADVISORS

	<u>Jun 2016</u>	<u>Jun 2015</u>
	\$	\$
<u>Members Equity</u>		
Balance at 1 July 2015	(8,315)	(6,670)
Net Surplus for Period	<u>17,939</u>	<u>(1,645)</u>
Balance at 30 June 2016	<u><u>\$9,624</u></u>	<u><u>(\$8,315)</u></u>

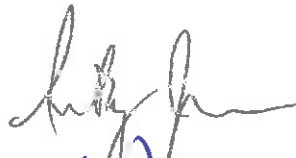
Note: This Statement must be read in conjunction with the accompanying Notes and the Accountant's Compilation Report.

The National Male Choir of New Zealand Inc
Statement of Financial Position
 As at 30 June 2016

MOORE STEPHENS
 MARKHAMS
 ACCOUNTANTS AND ADVISORS

	<u>Jun 2016</u>	<u>Jun 2015</u>
	\$	\$
<u>Current Assets</u>		
Debtors & Prepayments (Note 13)	1,206	991
Bank Accounts & Cash (Note 14)	10,585	128,313
Stock on Hand (Note 15)	<u>1,878</u>	<u>1,978</u>
	<u>13,669</u>	<u>131,282</u>
<u>Total Assets</u>	13,669	131,282
<u>Less Liabilities</u>		
<u>Current Liabilities</u>		
Creditors & Accrued Expenses (Note 16)	2,995	4,790
Unused Donations & Grants (Note 17)	-	5,772
Term Deposits - Canada 2015 (Note 18)	<u>-</u>	<u>117,535</u>
	<u>2,995</u>	<u>128,097</u>
<u>Non Current Liabilities - Unsecured</u>		
Loans - Members (Note 19)	1,050	2,100
Debentures - Members (Note 20)	<u>-</u>	<u>9,403</u>
	<u>1,050</u>	<u>11,500</u>
Less Current Portion	<u>-</u>	<u>-</u>
	<u>1,050</u>	<u>11,500</u>
<u>Total Net Assets</u>	<u>12,624</u>	<u>(8,315)</u>
Represented by:		
<u>Equity</u>		
Members Equity	<u>12,624</u>	<u>(8,315)</u>
	<u>12,624</u>	<u>(8,315)</u>

Signed:



Date: 29th August 2016

Signed:



Date: 29th August 2016

Note: This Statement must be read in conjunction with the accompanying Notes and the Accountant's Compilation Report.



The National Male Choir of New Zealand Inc **MOORE STEPHENS
MARKHAMS**
Cashflow Statement
For the Year Ended 30 June 2016 **ACCOUNTANTS AND ADVISORS**

	<u>Jun-16</u>	<u>Jun-15</u>
	\$	\$
<u>Cash Flows from Operating Activities</u>		
Cash was provided from:		
Donations, Fundraising & Other Similar Receipts	12,409	16,231
Fees, Subscriptions & Other Receipts from Members	25,934	27,712
Receipts from Providing Goods & Services	8,235	7,911
Interest, Dividends & Other Investment Receipts	136	99
Goods & Services Tax	93	-
	46,808	51,953
Cash was applied to:		
Payments to Suppliers & Employees	36,551	45,046
Goods & Services Tax	-	385
	36,551	45,431
Net Cash inflow (outflow) from operating activities	10,256	6,522
<u>Cash Flows from Investing Activities</u>		
Cash was provided from:		
Receipts from Sale of Property, Plant & Equipment	-	-
Receipts from Sale of Investments	-	11,333
	-	11,333
Cash was applied to:		
Purchase of Property, Plant and Equipment	-	-
Repayment of Loans	127,985	-
	127,985	-
Net cash inflow (outflow) from investing activities	(127,985)	11,333
<u>Cash Flows from Financing Activities</u>		
Cash was provided from:		
Net increase (decrease) in cash held	(117,729)	17,854
Cash at Start of Year	128,314	110,459
Cash at End of Year	10,585	128,313

Note: This Statement must be read in conjunction with the accompanying Notes and the Auditors Report

The National Male Choir of New Zealand Inc MOORE STEPHENS
MARKHAMS
ACCOUNTANTS AND ADVISORS
Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2016

1. **STATEMENT OF ACCOUNTING POLICIES**

Basis of Preparation

The National Male Choir of New Zealand Inc 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 of 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. The financial statements have been prepared in New Zealand Dollars (NZD) and all values have been rounded to the nearest NZD, except when otherwise indicated.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Choir and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

- i Donations, Fundraising & Other Similar Revenue
 - Donations are recognised as revenue upon receipt.
 - Grant Revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant Revenue is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled.
- ii Fees, Subscriptions & Other Revenue from Members.
 - The National Male Choir of New Zealand Inc receives revenue from its Members in the form of Subscriptions & Donations. Revenue is recognised in the period received.
- iii Revenue from Providing Goods & Services.
 - The National Male Choir of New Zealand Inc receives revenue from Concerts, CD Sales & the Community to provide enjoyment & entertainment. Revenue is recognised in the period the Goods & Services are provided.
- iv Interest, Dividends & Other Investment Income.
 - Interest Income is recognised as it accrues, using the effective interest method.

Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis.

Accounts Receivable

Accounts receivable are recorded at net realisable value.

Stock on Hand

Stock on hand is stated at lower of cost, determined on a first-in, first-out basis, and net realisable value.

The National Male Choir of New Zealand Inc
Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2016

MOORE STEPHENS
MARKHAMS
ACCOUNTANTS AND ADVISORS

Bank Accounts and Cash

Bank Accounts and Cash are short term, highly liquid investments that are readily convertible to known amounts of cash are subject to an insignificant risk of changes in value.

Income Tax

The National Male Choir of New Zealand is registered as a Charitable entity under the Charities Act 2005 and is exempt from income tax under the Income Tax Legislation.

Leases

Payments on Operating Lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the term of the lease.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year. However, it should be noted that the basis of presentation has changed from adopting Old GAAP (Diff Rep) for a not-for-profit Public Benefit Entity to Tier 3 Public Benefit Entity Simple Format Reporting - Accrual (Not-for-Profit) guidance issued by the External Reporting Board.

2. AUDIT

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

3. INVENTORY COMMITMENTS

No inventories are specifically and separately pledged as security for liabilities. Some inventories may be subject to retention of title clauses.

4. CONTINGENT LIABILITIES

There are no known contingent liabilities this financial year and there were no known contingent liabilities for last financial year.

5. RELATED PARTIES

There have been no related party transactions during this financial year, except the Members Loans & Debentures. (2015: Same)

The National Male Choir of New Zealand Inc
Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2016

MOORE STEPHENS
 MARKHAMS
 ACCOUNTANTS AND ADVISORS

6. EVENTS AFTER BALANCE DATE

There have been no material events subsequent to balance date.

7. CAPITAL EXPENDITURE COMMITMENTS

There are no known Capital Commitments this financial year and there were none last financial year.

	<u>Jun 2016</u>	<u>Jun 2015</u>
	\$	\$
COMMUNITY GRANTS RECEIVED		
The following Community Grants were gratefully received during the year:		
Pub Charities	3,339	3,760
Infinity Foundation	5,000	3,000
Lion Foundation	-	1,450
Southern Trust	2,792	1,458
Four Winds Foundation	2,500	-
	13,631	9,668

8. ASSETS USED AS SECURITY FOR LIABILITIES

No assets have been used as security for liabilities as at the reporting date. (2015: NIL)

9. ASSETS HELD ON BEHALF OF OTHERS

No assets have been held on behalf of others as at the reporting date. (2015: NIL)

10. GOING CONCERN

The Financial Accounts have been prepared on a going concern basis, the validity of which depends on ongoing financial support from members and the following actions taken by the Committee:

- * The emphasis in the Choir has been to improve income from concerts by increasing the number of concerts and encompassing them in rehearsal weekends.
- * Membership Drive
- * Reduction in operating expenditure

The National Male Choir of New Zealand Inc MOORE STEPHENS
MARKHAMS
ACCOUNTANTS AND ADVISORS
Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2016

	<u>Jun 2016</u>	<u>Jun 2015</u>
	\$	\$
11. ANALYSIS OF REVENUE		
The Choir's Operating Revenue is analysed as follows:		
<u>Donations, Fundraising & Other Similar Receipts</u>		
Public Donations	4,550	791
Community Grants	13,631	9,668
	18,181	10,459
<u>Fees, Subscriptions & Other Revenue from Members</u>		
Members Donations	21,122	22,450
Members Subscriptions	4,825	5,275
	25,947	27,725
<u>Revenue from Providing Goods & Services</u>		
Concert Proceeds - Tickets	8,441	6,786
CD Profits/(Write Offs)	(13)	(1,206)
	8,428	5,580
<u>Interest, Dividends & Other Investment Income</u>		
Interest	136	99
	136	99
Total Operating Revenue	52,692	43,863

12. ANALYSIS OF EXPENSES

The Choir's Operating Expenses are analysed as follows:

<u>Costs related to Providing Goods & Services</u>		
Contract Payments	17,068	17,501
Committee Expenses	2,423	2,133
Rehearsals/Concerts	2,899	9,371
Music Team Costs	9,425	13,651
Uniforms	272	370
Website Expenses	564	487
	32,651	43,513
<u>Other Expenses</u>		
Audit Fees	1,995	1,995
Loss on Tour	107	-
	2,102	1,995
Total Operating Expenses	34,753	45,508

The National Male Choir of New Zealand Inc MOORE STEPHENS
MARKHAMS
Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2016 ACCOUNTANTS AND ADVISORS

Jun 2016 Jun 2015
\$ \$

13. DEBTORS & PREPAYMENTS

Debtors & Prepayments is made up of the following:

Accounts Receivable	789	550
Goods & Services Tax	417	441
	<u>1,206</u>	<u>991</u>

14. BANK ACCOUNTS AND CASH

The Centre currently operates the following bank accounts with TSB Bank

Westpac New Zealand Limited - Everyday Account	9,568	9,105
Westpac New Zealand Limited - Tour Account	309	30,755
Kiwibank Limited - Tour Account	708	708
Moore Stephens Markhams - Trust Account	-	87,745
	<u>10,585</u>	<u>128,313</u>

15. STOCK ON HAND

The Choir has a stock of Dress Shirts which are loaned to members for use at concerts.

Stock on Hand	1,878	1,978
	<u>1,878</u>	<u>1,978</u>

16. CREDITORS & ACCRUED EXPENSES

Creditors & Accrued Expenses is made up of the following:

Accounts Payable	2,995	4,790
	<u>2,995</u>	<u>4,790</u>

17. UNUSED DONATIONS & GRANTS

The following Community Grants were received in advance:

Pub Charities	-	480
Southern Trust	-	2,792
Four Winds Foundation	-	2,500
	<u>-</u>	<u>5,772</u>

The National Male Choir of New Zealand Inc MOORE STEPHENS
MARKHAMS
ACCOUNTANTS AND ADVISORS
Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2016

Jun 2016 Jun 2015
\$ \$

18. TOUR DEPOSITS AND EXPENSES

These funds were held in Trust, in separate bank accounts, for those who were travelling to Canada in October 2015.

Canadian Tour

Receipts to date	492,676	344,252
Interest Received to date	5,390	4,993
Expenses to date	498,172	231,710
Loss	(107)	-
Total Deposits Held	-	117,535

19. LOANS - MEMBERS (UNSECURED)

Loans from members are unsecured with no fixed term for repayment and no interest payable.

Total Members Loans	1,050	2,100
---------------------	-------	-------

20. DEBENTURES - MEMBERS (UNSECURED)

The National Male Choir of New Zealand Inc had issued a number of debentures to members. These debentures were repaid in accordance with the organisations debenture policy.



INDEPENDENT AUDITORS REPORT

To the Trustees of The National Male Choir of New Zealand Incorporated.

Report on the Financial Statements

We have audited the financial statements of The National Male Choir of New Zealand Incorporated on pages 4 to 13 which comprise the statement of financial position as at 30 June 2016 and the statement of financial performance statement of cashflows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

The Trustee are responsible on behalf of the entity for the preparation and fair presentation of financial statements in accordance with the Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.

Basis for Qualified Opinion on Financial Performance

In common with similar organisations control over certain revenues (Donations, Grants, Subscriptions and Concert Proceeds) of the Trust prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control.

Qualified Opinion on Financial Performance

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give a true and fair view of the financial performance and cash flows of The National Male Choir of New Zealand for the year ended 30 June 2016, in accordance with the Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-For-Profit).

Opinion on Financial Position

In our opinion, the financial statements presents fairly, in all material respects the financial position of The National Male Choir of New Zealand as at 30 June 2016 in accordance with the Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-For-Profit).

Silks Audit

Silks Audit
Chartered Accountants
Whanganui, New Zealand

Date: 29 August 2016

Principals: Cameron Town, Talia Anderson-Town.

