

The National Male Choir of New Zealand Inc

Financial Report
For the Year Ended
30 June 2019

The National Male Choir of New Zealand Inc

MOORE STEPHENS
MARKHAMS

ACCOUNTANTS AND ADVISORS

Financial Report for the Year Ended 30 June 2019

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**Accountant's Compilation Report
For the Year Ended 30 June 2019**

Compilation Report to The National Male Choir of New Zealand Inc

Scope:

On the basis of information you provided we have compiled, in accordance with "Service Engagement Standard No.2: Compilation of Financial Information", the financial statements of The National Male Choir of New Zealand Inc for the period ended 30 June 2019 as set out in the following pages. These have been prepared in accordance with the basis of accounting described in Note 1 to the financial statements.

Responsibilities:

You are solely responsible for the information contained in the financial statements and have determined that the basis of accounting used is appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. Neither we nor any of our employees accept any responsibility for the information from which the financial statements have been prepared. Further, the financial statements have been prepared at the request of and for your purposes only, and neither we nor any of our employees accept any responsibility on any grounds whatsoever, including liability of negligence, to any other person.

No audit or review engagement undertaken:

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you have provided. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

Markhams Wanganui Limited
Chartered Accountants
Wanganui

12 September 2019

The National Male Choir of New Zealand Inc

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Entity Information For the Year Ended 30 June 2019

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:

Patron:

Rt Hon Bill English

President:

John Botting

Vice President:

Tony Ross

Secretary:

Royce Dewe

Treasurer:

Warwyck Dewe

The National Male Choir of New Zealand Inc

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Entity Information For the Year Ended 30 June 2019

North Island Representative

Rob Crabtree

South Island Representative

Taffy Davies

Committee:

Andrew Baber

Brian Patchett

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:

193 Great North Road
Otamatea
Whanganui 4501

Phone:

027-241-2848

Email:

info@nationalmalechoir.co.nz

Website:

www.nationalmalechoir.co.nz

The National Male Choir of New Zealand Inc

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**Entity Information
For the Year Ended 30 June 2019**

Accountants

Markhams Wanganui Limited
249 Wicksteed Street
Wanganui

Bankers

Westpac New Zealand Limited
116 Victoria Avenue
Wanganui

**Statement of Service Performance
For the Year Ended 30 June 2019**

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.

2019 Outputs:

- * Undertook 19 regional rehearsals throughout the North Island and South Island where guests were invited that had expressed an interest in joining the choir.
- * Welcomed 1 new member:

The following concerts were performed this year:

- * Gisborne - partnering with the Gisborne Choral
- * Auckland - Armistice Concert with NZ Navy Band at Holy Trinity Cathedral, Parnell.
- * Napier - Art Deco, partnered with local Choir Cantare
- * Napier - Sang in the Mass at Saint Patricks Catholic Church
- * Taupo - Concert partnering with Taupo Choral

2018 Outputs:

- * Undertook 17 regional rehearsals throughout the North Island and South Island where guests were invited that had expressed an interest in joining the choir.
- * One concert and church service in the North Island (Napier - Art Deco) that was partnered with a local chamber choir.
- * Held practices at two Retirement Villages in Tauranga with audiences invited from each village.
- * Three Labour Weekend concerts in the North Island (Palmerston North, Levin & Feilding) that featured a female vocalists and a Women's choir.
- * Participated in two charity concerts at Katikati and Taupo.
- * The Choir undertook a short tour of Australia in June giving five concerts including with the Sydney Male Choir in Sydney, the Metropolitan Male Choir of South Australia in Adelaide, and the Wagga City Rugby Male Choir in Wagga Wagga.
- * Welcomed 4 new members:

The National Male Choir of New Zealand Inc

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Statement of Financial Performance For the Year Ended 30 June 2019

	<u>Jun 2019</u>	<u>Jun 2018</u>
	\$	\$
<u>Operating Revenue (Note 11)</u>		
Donations, Fundraising & Other Similar Revenue	4,535	14,880
Fees, Subscriptions & Other Revenue from Members	26,042	22,538
Revenue from Providing Goods & Services	11,840	21,831
Interest, Dividends & Other Investment Revenue	<u>26</u>	<u>20</u>
	42,443	59,269
<u>Less Operating Expenses (Note 12)</u>		
Costs related to providing Goods & Services	51,216	43,793
Other Expenses	1,529	1,131
Depreciation for Period	<u>637</u>	<u>372</u>
	<u>53,382</u>	<u>45,296</u>
<u>Net Operating Surplus/(Deficit) for Period</u>	<u>(10,939)</u>	<u>13,973</u>

Note: This Statement must be read in conjunction with the accompanying Notes and the Accountant's Compilation Report. No Audit or Review has been performed.

The National Male Choir of New Zealand Inc

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Statement of Movements in Equity For the Year Ended 30 June 2019

	<u>Jun 2019</u>	<u>Jun 2018</u>
	\$	\$
<u>Members Equity</u>		
Balance at 1 July 2018	22,285	8,312
Net Surplus for Period	<u>(10,939)</u>	<u>13,973</u>
Balance at 30 June 2019	<u>\$11,346</u>	<u>\$22,285</u>

Note: This Statement must be read in conjunction with the accompanying Notes and the Accountant's Compilation Report. No Audit or Review has been performed.

The National Male Choir of New Zealand Inc

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Statement of Financial Position

As at 30 June 2019

	<u>Jun 2019</u>	<u>Jun 2018</u>
	\$	\$
<u>Current Assets</u>		
Debtors & Prepayments (Note 13)	5,198	4,502
Bank Accounts & Cash (Note 14)	34,824	26,910
Stock on Hand (Note 15)	2,955	2,175
	42,977	33,587
<u>Non Current Assets</u>		
<u>Fixed Assets</u>		
Plant & Equipment	1,702	2,339
<u>Total Assets</u>	44,679	35,926
<u>Less Liabilities</u>		
<u>Current Liabilities</u>		
Creditors & Accrued Expenses (Note 16)	20,104	5,623
Unused Community Grants (Note 18)	8,000	2,750
Tour Deposits (Note 20)	4,154	4,193
	32,258	12,566
<u>Non Current Liabilities - Unsecured</u>		
Loans - Members (Note 19)	1,075	1,075
Less Current Portion	-	-
	1,075	1,075
<u>Total Net Assets</u>	\$11,346	\$22,285
Represented by:		
<u>Equity</u>		
Members Equity	11,346	22,285
	\$11,346	\$22,285

Signed:



Date:

27.09.19

Signed:

Date:

27.09.19.

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The National Male Choir of New Zealand Inc
Schedule of Fixed Assets and Depreciation
For the Year Ended 30 June 2019

Asset	Cost Price	Book Value 01/07/2018	Additions Disposals	Gain/Loss on Disposal	Capital Profit	--- Depreciation --- Mth Rate	\$	Accum Deprec 30/06/2019	Book Value 30/06/2019
<u>Plant & Equipment</u>									
HP Notebook Computer	388	210				12 50.0% DV	105	283	105
Yamaha Keyboard, Amplifier, Stands, Carrybags etc	2323	2129				12 25.0% DV	532	726	1597
	2711	2339					637	1009	1702
Total	2711	2339					637	1009	1702

Note: This Statement must be read in conjunction with the accompanying Notes and the Accountant's Compilation Report. No Audit or Review has been performed.

**Cashflow Statement
For the Year Ended 30 June 2019**

	<u>Jun-19</u>	<u>Jun-18</u>
	\$	\$
<u>Cash Flows from Operating Activities</u>		
Cash was provided from:		
Donations, Fundraising & Other Similar Receipts	9,785	17,630
Fees, Subscriptions & Other Receipts from Members	26,029	22,528
Receipts from Providing Goods & Services	11,840	21,831
Interest, Dividends & Other Investment Receipts	26	20
Goods & Services Tax	-	623
	47,680	62,632
Cash was applied to:		
Payments to Suppliers & Employees	38,036	48,650
Goods & Services Tax	1,729	-
	39,765	48,650
Net Cash inflow (outflow) from operating activities	7,915	13,982
<u>Cash Flows from Investing Activities</u>		
Cash was provided from:		
Receipts from Sale of Property, Plant & Equipment	-	-
Receipts from Tour Deposits	-	-
	-	-
Cash was applied to:		
Purchase of Property, Plant and Equipment	-	2,711
Payment of Tour Costs	-	23,213
	-	25,924
Net cash inflow (outflow) from investing activities	-	(25,924)
<u>Cash Flows from Financing Activities</u>		
Cash was provided from:		
Net increase (decrease) in cash held	7,915	(11,942)
Cash at Start of Year	26,910	38,853
Cash at End of Year	34,825	26,910

Note: This Statement must be read in conjunction with the accompanying Notes and the Accountants Compilation Report. No Audit or Review has been performed.

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The National Male Choir of New Zealand Inc
Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2019

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.

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The National Male Choir of New Zealand Inc
Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2019

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.

Bank Accounts and Cash

Bank Accounts and Cash are short term, highly liquid investments that are readily convertible to known amounts of cash, and which 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.

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

In accordance with clause 17 of the Choir's constitution, these financial statements have not been audited.

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. (2018: Same)

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The National Male Choir of New Zealand Inc
Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2019

6. EVENTS AFTER BALANCE DATE

There have been no material events subsequent to balance date. (2018:NIL)

7. CAPITAL EXPENDITURE COMMITMENTS

There are no known Capital Commitments this financial year and there were none last financial year. (2018:NIL)

8. ASSETS USED AS SECURITY FOR LIABILITIES

No assets have been used as security for liabilities as at the reporting date. (2018: NIL)

9. ASSETS HELD ON BEHALF OF OTHERS

Funds totalling \$4,154 from previous Tours were held at the report date in a seperate bank account to be used for future Tours. (2018: \$4,193)

10. GOING CONCERN

The Financial Accounts have been prepared on a going concern basis.

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The National Male Choir of New Zealand Inc
Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2019

	<u>Jun 2019</u>	<u>Jun 2018</u>
	\$	\$
11. ANALYSIS OF REVENUE		
The Choir's Operating Revenue is analysed as follows:		
<u>Donations, Fundraising & Other Similar Receipts</u>		
Public Donations	1,785	2,997
Community Grants	2,750	11,883
	4,535	14,880
<u>Fees, Subscriptions & Other Revenue from Members</u>		
Members Donations	20,815	17,446
Members Subscriptions	5,227	5,092
	26,042	22,538
<u>Revenue from Providing Goods & Services</u>		
Concert Proceeds	11,840	21,831
	11,840	21,831
<u>Interest, Dividends & Other Investment Income</u>		
Interest	26	20
	26	20
Total Operating Revenue	42,443	59,269
12. ANALYSIS OF EXPENSES		
The Choir's Operating Expenses are analysed as follows:		
<u>Costs related to Providing Goods & Services</u>		
Contract Payments	22,170	19,080
Committee Expenses	2,304	2,453
Marketing	-	898
Rehearsals/Concerts	12,222	9,358
Music Team Costs	13,910	11,496
Uniforms	(9)	(82)
Website Expenses	619	590
	51,216	43,793
<u>Other Expenses</u>		
Accountancy Fees	1,529	1,131
	1,529	1,131
Depreciation for Period	637	372
Total Operating Expenses	53,382	45,296

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The National Male Choir of New Zealand Inc
Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2019

	<u>Jun 2019</u>	<u>Jun 2018</u>
	\$	\$
13. DEBTORS & PREPAYMENTS		
Debtors & Prepayments is made up of the following:		
Accounts Receivable	4,219	4,434
Goods & Services Tax	<u>979</u>	<u>68</u>
	<u>5,198</u>	<u>4,502</u>
14. BANK ACCOUNTS AND CASH		
The Choir currently operates the following bank accounts:		
Westpac New Zealand Limited - Everyday Account	30,590	19,057
Westpac New Zealand Limited - Tour Account	3,556	7,175
Kiwibank Limited - Tour Account	<u>678</u>	<u>678</u>
	<u>34,824</u>	<u>26,910</u>
15. STOCK ON HAND		
The Choir has a stock of Uniform Items which are sold or loaned to members.		
Stock on Hand	<u>2,955</u>	<u>2,175</u>
	<u>2,955</u>	<u>2,175</u>
16. CREDITORS & ACCRUED EXPENSES		
Creditors & Accrued Expenses is made up of the following:		
Accounts Payable	<u>20,104</u>	<u>5,623</u>
	<u>20,104</u>	<u>5,623</u>
17. COMMUNITY GRANTS RECEIVED		
The following Community Grants were gratefully received during the year:		
Pub Charities	-	1,633
Lion Foundation	2,750	5,250
Southern Trust	-	5,000
	<u>2,750</u>	<u>11,883</u>

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Accounting Policies and Notes to the Financial Statements
For the Year Ended 30 June 2019

	<u>Jun 2019</u>	<u>Jun 2018</u>
	\$	\$

18. **UNUSED COMMUNITY GRANTS**

The following Community Grants were received in advance:

Lion Foundation	8,000	2,750
	8,000	2,750

19. **LOANS - MEMBERS (UNSECURED)**

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

Total Members Loans	1,075	1,075
	1,075	1,075

20. **TOUR DEPOSITS AND EXPENSES**

These funds were held in Trust, in separate bank accounts. The amount represents unspent monies from previous Tours and is being held for future tours.

Tour Funds

Balance carried forward	4,193	-
Receipts	-	165,510
Expenses	(39)	(161,317)
Total Deposits Held	4,154	4,193