

**Dunedin RSA Welfare Trust  
Financial Statements  
For year ended 31 December 2012**

**TRUSTEES**

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**Dunedin RSA Welfare Trust  
Statement of Accounting Policies  
Year Ended 31 December 2012**

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***Reporting Entity***

The financial statements presented here are for the reporting entity, Dunedin RSA Welfare Trust. The Trust Fund and income on capital are to be applied for the welfare of Returned Servicemen and ex Servicemen.

***Differential Reporting***

The Association qualifies for differential reporting as it is not publicly accountable, and the entity is not large as defined by paragraph 4.20 of the framework for differential reporting.

The Association has taken advantage of all differential reporting exemptions.

***Measurement Base***

The financial statements have been prepared on the basis of the historic cost modified for revaluation of certain assets.

***Particular Accounting Policies***

***Bequests & Grants*** are brought in at the time of receipt.

***Interest*** is accounted for on an accrual basis.

***General Welfare Payments*** are accounted for at the time of payment.

***Fixed Assets and Depreciation***

Fixed Assets have been included at cost or valuation less accumulated depreciation. Depreciation has been provided for on the following basis:

Furniture & Equipment	Computer & other	20% diminishing value
Motorised Wheelchair/Motor scooters		20% diminishing value
Breathing Machine		20% diminishing value
Compressor System		20% diminishing value
Motor vehicles		20% diminishing value

***Investments*** have been recorded at cost.

***Goods and Services Tax***

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

***Changes in Accounting Policies***

There have been no changes in accounting policies made during the financial year.

**Dunedin RSA Welfare Trust**  
**Statement of Financial Performance**  
**For The Year Ended 31 December 2012**



	Note	2012 \$	Dec 2011 \$
<b>Income</b>			
Poppy Day Receipts		86,913	91,329
Poppy Day Expenses		<u>(9,274)</u>	<u>(9,304)</u>
		77,638	82,025
<b>Grants &amp; Bequests</b>			
Bequests & Grants	(1)	58,684	75,988
Dividends Received		508	-
PIE Income		256	-
Interest Received		24,084	13,353
Brokerage		-	484
Donations		1,500	36
Otago Regional Council - Taxis		46,981	38,870
Equipment Rental		52	48
Hearing Aid Batteries - Net		24	221
		<u>209,729</u>	<u>211,023</u>
<b>Total Income</b>			
<b>Expenses:</b>			
COGS - Grant Spent		774	-
Audit & Accountancy Fees		7,800	4,200
Advertising		2,895	1,867
Bank Charges		151	224
Computer /Copy Lease		5,904	7,501
Conference Expenses		1,413	448
General Expenses		316	627
Insurance		1,919	2,854
Interest		-	1
Legal Expenses		3,342	4,864
Motor Vehicle Expenses		1,569	-
Printing, Postage, Stationery, Document Destruction		3,596	1,700
Staff Training		78	-
Telephone		2,133	1,537
Wages & Kiwisaver		55,254	69,957
Website/IT Expenses		<u>401</u>	<u>142</u>
		87,548	95,922
<b>Welfare</b>			
Welfare Payments		<u>99,092</u>	<u>105,814</u>
		99,092	105,814
<b>Total Expenses before Depreciation</b>			
		186,640	201,736
Depreciation/ Loss on disposal	(2)	<u>3,120</u>	<u>5,536</u>
		3,120	5,536
<b>Total Expenses Including Depreciation</b>			
		<u>189,760</u>	<u>207,272</u>
<b>Net Surplus/(Deficit) From Ordinary Activities</b>	(4)	<u><u>19,970</u></u>	<u><u>3,751</u></u>

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements

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**Dunedin RSA Welfare Trust**  
**Statement of Financial Performance**  
**For The Year Ended 31 December 2012**

	Note	2012 \$	Dec 2011 \$
<b>Endowment Fund</b>			
<b>Income</b>			
Interest Endowment Fund		6,000	8,000
<b>Expenditure</b>			
Payments to Association	(6)	<u>6,000</u>	<u>8,000</u>
<b>Total Expenses</b>		<u>6,000</u>	<u>8,000</u>
<b>Net Surplus/(Deficit) for Year</b>		<u><u>-</u></u>	<u><u>-</u></u>
<b>Service Member Welfare</b>			
Interest		174	136
<b>Expenditure</b>			
<b>Net Surplus/(Deficit) for Year</b>	(4)	<u><u>174</u></u>	<u><u>136</u></u>
<b>Estate George Calder</b>			
<b>Income</b>			
Interest - Estate G Calder		1,807	1,409
<b>Expenditure</b>			
<b>Net Surplus/(Deficit) for Year</b>	(4)	<u><u>1,807</u></u>	<u><u>1,409</u></u>
<b>Heritage</b>			
<b>Income</b>			
Interest Received - Heritage		3,405	2,662
<b>Expenditure</b>			
Grants - Heritage		<u>-</u>	<u>424</u>
<b>Net Surplus/(Deficit) for Year</b>	(4)	<u><u>3,405</u></u>	<u><u>2,238</u></u>

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements

## Dunedin RSA Welfare Trust

### Statement of Movements in Equity

For the Year Ended 31 December 2012

	Note	2012 \$	2011 \$
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<b>Equity at Start of Year</b>	(4)	707,327	699,793
Surplus / (Deficit) General Purpose Fund	(4)	19,970	3,751
Surplus / (Deficit) Service Members	(4)	174	136
Surplus / (Deficit) Estate George Calder	(4)	1,807	1,409
Surplus/(Deficit) Heritage	(4)	<u>3,405</u>	<u>2,238</u>
<b>Equity at End of Year</b>	(4)	<u><u>732,683</u></u>	<u><u>707,327</u></u>

**Equity consists of:**

General Purpose Relief	(4)	390,027	370,057
Service Members Welfare	(4)	4,601	4,427
Estate George Calder	(4)	47,854	46,047
Endowment Fund	(4)	200,000	200,000
Heritage	(4)	<u>90,201</u>	<u>86,796</u>
	(4)	<u><u>732,683</u></u>	<u><u>707,327</u></u>

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

**Dunedin RSA Welfare Trust  
Statement of Financial Position  
as at 31st December 2012**

	Note	2012 \$	2011 \$
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<b>Equity</b>	(4)	<u>732,683</u>	<u>707,327</u>
Represented by:			
<b>Current Assets</b>			
ANZ - Cheque Account		7,620	11,243
ANZ - Call account		68,373	252,221
Debtors - Dunedin RSA Association		826	1,162
Accrued Interest	(7)	31,454	10,476
GST Refund Due		4,440	5,704
Poppy Day Stock		5,131	10,800
		<hr/>	<hr/>
<b>Total Current Assets</b>		117,844	291,607
<b>Fixed Assets as per Schedule</b>	(2)	8,828	11,946
<b>Investments</b>	(5)	628,330	425,807
		<hr/>	<hr/>
<b>Total Assets</b>		755,001	729,360
<b>Current Liabilities</b>			
Accounts Payable		21,926	21,073
ANZ Businesscard		393	85
Endowment Monies	(6)	-	875
		<hr/>	<hr/>
<b>Total Current Liabilities</b>		22,319	22,033
<b>Net Assets</b>		<u>732,683</u>	<u>707,327</u>

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On Behalf of the Trustees

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

**Dunedin RSA Welfare Trust**  
**Notes to the Financial Statements**  
**For The Year Ended 31 December 2012**

**1 Bequests & Grants**

	2012 \$	2011 \$
New Zealand Lottery Grants Board	25,000	30,000
Estate C F Mitchell	2,500	4,500
Estate A Jack	800	1,600
Estate JDS Roberts	3,000	6,150
Elgar Trust	5,450	9,150
RNZRSA	20,584	18,212
RAFBF Grant	-	2,587
Others	352	2,289
COGS	998	1,500
	58,684	75,988

Note: Not all of the above grants were spent as at 31 December 2011. If the grants are not spent on the authorised purpose then they may have to be returned to the provider. The unspent portion is not accounted for in these financial statements.

**2 Fixed Assets and Depreciation**

	Cost \$	BV 31.12.11	Depn	Accum Depn	BV 31.12.12
Administration	20,057	8,529	1,705	13,233	6,824
Scooters/wheelchairs	19,710	2,857	1,044	17,896	1,814
Breathing equipment	3,830	561	371	3,640	190
	43,597	11,946	3,120	34,769	8,828

**3 Endowment Fund**

In 1997 an endowment fund of \$500,000 was set up, \$300,000 has since been used by the Association. The net income earned on this investment is paid to the Association. (Refer Note 6). From Dec 2011 onwards, 50% of the endowment income normally paid to the association is to be retained by the trust to reduce the loan to the Association.

**4 Reserves**

	General Fund	Service Members	G Calder	Endowment Fund	Heritage	Total
Balance 31.12.11	370,057	4,427	46,047	200,000	86,796	707,327
Surplus/(deficit)	19,970	174	1,807	0	3,405	25,356
Balance 31.12.12	390,027	4,601	47,854	200,000	90,201	732,683

**Dunedin RSA Welfare Trust**  
**Notes to the Financial Statements**  
**For The Year Ended 31 December 2012**

**5 Investments**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
United Services & Community Club Mortgage 5%	150,000	150,000
United Services & Community Club 5%	32,058	32,058
United Services & Community Club 7.25%	34,661	34,000
Loan to Dunedin RSA Association (Note 6)	89,724	92,724
Welfare Loans (Guaranteed by Mortgage)	19,875	22,024
Investments via Craigs Investment Partners	302,012	95,000
	628,330	425,806

**6 Related Party Transactions**

The Trust paid \$7,750 to the Association from the "Endowment Fund" (refer Note 3, of which \$3,000 was used to reduce the loan (as shown in note 5 above).

As at 31 December no monies are owed from the endowment trust to the association.

	<b>2012</b>	<b>2011</b>
		<b>\$</b>
Paid during year	6,875	9,750
Less owing 1 January	(875)	(2,625)
Plus owing 31 December	0	875
	6,000	8,000

The Trust has made an interest free advance to the Association. As at 31 December 2012 the Trust is owed \$89,724 by the Association. (See Note 5). \$3,000 was repaid during the year by a 50% retention of the endowment income paid to the association.

**7 The United Services & Community Club**

The United Services & Community Club went into liquidation. As at 31 December 2012 \$216,058 was owed for mortgages (May 2011 Balance) plus accrued interest of \$31,454. These amounts were repaid in full on 15 February 2013. In addition to these amount the Trust is seeking \$9,138 of costs from the liquidators. This amount has not been included in the financial statements as there is no certainty that this money will be paid, either in part or in full.



**AUDIT REPORT TO MEMBERS OF  
DUNEDIN RSA WELFARE TRUST  
FOR THE YEAR ENDED 31 DECEMBER 2012**

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We have audited the financial report for the Dunedin RSA Welfare Trust on pages 1 to 7. The financial report provides information about the past financial performance of the Trust and its financial position as at 31 December 2012. This information is stated in accordance with the accounting policies set out on page 1.

**TRUSTEE'S RESPONSIBILITIES**

The Trustees are responsible for the preparation of a financial report, which fairly reflects the financial position of the Trust as at 31 December 2012 and of the results of operations for the year ended on that date.

**AUDITOR'S RESPONSIBILITIES**

It is our responsibility to express an independent opinion on the financial report presented by the Trustees and report our opinion to you.

**BASIS OF OPINION**

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

the significant estimates and judgements made by the Trustees in the preparation of the financial report, and

whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards except that our work was limited as explained below. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

In addition to our capacity as auditors we compiled the financial statements. Other than that we have no relationship or interest in the Trust.

**QUALIFIED OPINION**

Control over poppy day receipts, donations, and bequests prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control.

In this respect alone we have not obtained all the information and explanations we have required. In our opinion, except for adjustments that might have found to be necessary had we been able to obtain sufficient evidence concerning poppy day receipts, donations, and bequests, the financial report on pages 1 to 7 fairly reflects the results of operations for the year ended 31 December 2011.

In our opinion the financial report on pages 1 to 7 fairly reflects the financial position of the Trust as at 31 December 2012.

Our audit was completed on 18 March 2013 and our qualified opinion is expressed as at that date.



**J W Smeaton & Co.  
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