



**MG CAR CLUB (AUCKLAND CENTRE)
INCORPORATED**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MAY 2024**



MG CAR CLUB (AUCKLAND CENTRE) INCORPORATED
FINANCIAL STATEMENTS
For the year ended 31 May 2024

Contents

Page

1	Treasurer's Report
2	Auditor's Report
4	Trading Statement - Regalia
5	Revenue Statement
6	Statement of Members Funds
7	Statement of Financial Position
8	Statement of Accounting Policies
9	Notes to the Financial Statements

TREASURER'S REPORT

This report and accompanying accounts are for the MG Car Club Auckland Centre Inc. (the Club) for the year to 31st May 2024

The Club has had a busy year celebrating the centenary of the MG marque. We did again suffer some event cancellations with consequent refund of entry fees. MG Motorsport Register Auckland Inc (MGMRA) continues to act as our affiliated body to MotorSport New Zealand and is accounted for and reported on separately and does not form part of this report.

Financial result this year is a surplus of \$5,184 (2023 \$2,295). Subscriptions and new member joining fees remained healthy at \$32,988 (2023 \$31,511) reflecting good total membership numbers of 579 (2023: 588). This year Events overall (Social and Competitive) recorded a deficit of \$4,508 (2023 deficit \$1,838). This result includes a deliberate decision to incur some one-off expenditure on MG's centenary year, including subsidising our Christmas dinner function \$720 (2023 \$nil) and sponsoring the costs of the MG-100 national rally in January for \$955 (2023 \$nil). Also of note is that this year the Easter event in New Plymouth was run by the Wellington Centre.

Rising bank deposit rates during the year helped the Club earn \$4,407 (2023 \$2,410) in interest.

It is worth noting that the competitive events expenditure in these accounts does not include the direct costs and membership levies charged by MotorSport NZ as these are borne by MGMRA. As per our normal practice, the Club also provided an annual allocation of Competition Revenue to MGMRA of \$4,000 (2023 \$3,500) to meet the needs of the Register as it has little direct revenue of its own.

I acknowledge, on your behalf, all those members who pour their energy and expertise into organising the large range of events on offer each year and this year, particularly, the MG-100 subcommittee. Well done team! Ka nui te mihi.

The year ahead looks promising and your committee will continue careful stewardship of your Club's resources.

Haere haumarū me te tere !
(Safety Fast!)

Colin Upchurch CA

Treasurer



O'Meara & Co
Chartered Accountant
PO Box 56565, Auckland 1446
Ph 021 314 989
michelle@omeara.co.nz

INDEPENDENT AUDITOR'S REPORT

To the Committee Members of
MG CAR CLUB (AUCKLAND CENTRAL) INCORPORATED

Report on the Special Purpose Financial Statements

I have audited the special purpose financial statements of MG Car Club (Auckland Central) Inc. on pages 4 to 10, which comprise the statement of financial position as at 31 May 2024, revenue statement and statement of members funds for the year then ended, and a summary of significant accounting policies and notes to the financial statements.

Qualified Opinion

In my opinion:

Except for the possible effects on the corresponding figures of the matters described in the Basis for Qualified Opinion paragraph, the special purpose financial statements, comprising the statement of financial position as at 31 May 2024, revenue statement and statement of members funds for the year then ended, and a summary of significant accounting policies and notes to the financial statements, on pages 4 to 10, are prepared, in all material respects in accordance with the basis for preparation and accounting policies on page 8 of the financial statements and the minimum requirements set out in section 23 of the Incorporated Societies Act 1908.

Basis for Qualified Opinion

As with other organisations of a similar nature, control over cash income prior to its being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control. I also did not attend the stocktake and therefore have been unable to verify the existence and valuation of the stock on hand recorded as \$1,673.

Emphasis of Matter – Basis of Accounting

I draw your attention to the fact that these financial statements are special purpose financial statements and have been prepared solely for the members of MG Car Club (Auckland Centre) Inc. As a result the financial statements may not be suitable for any other purpose. My report is intended solely for the members of the MG Car Club (Auckland Centre) Inc. and should not be distributed to or used by any other parties. My opinion is not modified in respect of this matter.

I conducted my audit of the revenue statement, the statement of members funds, the statement of financial position, statement of accounting policies and notes to the special purpose financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements* section of my report. I am independent of MG Car Club (Auckland Centre) Inc. In accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Board, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other than in my capacity as auditor, I have no relationship with, or interests in, MG Car Club (Auckland Centre) Inc.

Responsibility of the Management Committee for the Special Purpose Financial Statements

The Management Committee are responsible on behalf of the entity for:

- a) The preparation and fair presentation of the special purpose financial statements which comprises the revenue statement and statement of members funds for the year then ended, and a summary of significant accounting policies and notes to



the financial statements, in accordance with the basis for preparation and accounting policies on page 8 of the financial statements and the minimum requirements set out in section 23 of the Incorporated Societies Act 1908, and

- b) For such internal control as the Management Committee determine is necessary, to enable the preparation of the special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, the Management Committee are responsible on behalf of MG Car Club (Auckland Centre) Inc. for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Committee either intend to liquidate MG Car Club (Auckland Centre) Inc. or cease operations, or have no alternative but to do so.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

My objectives are to obtain reasonable assurance about whether the special purpose financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the special purpose financial statements.

As part of an audit in accordance with ISAs (NZ), the auditor exercises professional judgement and maintains professional scepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit 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.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concludes on the appropriateness of the use of the going concern basis of accounting by those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

A handwritten signature in blue ink, appearing to read 'M A O'meara'.

M A O'Meara
Chartered Accountant
O'Meara & Co
19 August 2024

MG CAR CLUB (AUCKLAND CENTRE) INCORPORATED
TRADING STATEMENT – REGALIA
For The Year Ended 31 May 2024

	Note	2024 \$	2023 \$
Total Regalia Sales		166	1,358
Less Cost of Sales			
Opening Stock		1,969	1,117
Plus Purchases & Freight		-	2,748
		1,969	3,865
Less Closing Stock	5	1,673	1,969
Total Cost of Sales		296	1,896
Surplus/(Deficit) on Regalia		(130)	(538)

The Statement of Accounting Policies and the Notes to the Financial Statements form an integral part of these Financial Statements.

MG CAR CLUB (AUCKLAND CENTRE) INCORPORATED
REVENUE STATEMENT
For The Year Ended 31 May 2024

	Note	2024 \$	2023 \$
Surplus/(Deficit) on Regalia		(130)	(538)
INCOME			
Subscriptions		32,628	31,031
New Member Fees		360	480
Social & Competitive Events Revenue	10	9,644	33,967
Social & Competitive Events Refunds		(2,250)	(7,105)
Inter-marque Concours Income		2,326	-
Interest Income		4,407	2,410
Magazine Advertising Income		860	880
Other		700	764
Total Income		48,545	61,889
LESS EXPENSES			
Social & Competitive Events Expenses	10	11,902	28,699
Magazine		15,915	14,385
Storage Unit		5,098	4,774
Audit Fees		1,840	1,840
Executive Honoraria	12	1,800	1,800
Magazine Editor Honorarium	12	300	300
Webmaster Honorarium	12	300	300
Insurance	14	2,050	1,916
Website and Internet costs		552	1,028
Membership Cards		326	1,397
Depreciation		1,142	1,072
Bank Fees		185	175
Other Expenses	11	1,951	1,908
Total Expenses		43,361	59,594
Excess/(Deficit) of Income over Expenditure		\$5,184	\$2,295

The Statement of Accounting Policies and the Notes to the Financial Statements form an integral part of these Financial Statements


MG CAR CLUB (AUCKLAND CENTRE) INCORPORATED
STATEMENT OF MEMBERS FUNDS
For The Year Ended 31 May 2024

	2024	2023
	\$	\$
Balance Bought Forward	80,748	78,453
PLUS Excess/(Deficit) of Income over Expenditure	5,184	2,295
Closing Members Funds	<u>\$85,932</u>	<u>\$80,748</u>


The Statement of Accounting Policies and the Notes to the Financial Statements form an integral part of these Financial Statements.

MG CAR CLUB (AUCKLAND CENTRE) INCORPORATED
STATEMENT OF FINANCIAL POSITION
As At 31 May 2024

	Note	2024 \$	2023 \$
MEMBERS FUNDS		83,426	78,242
SPRINT FUND		2,506	2,506
		<u>\$85,932</u>	<u>\$80,748</u>
Represented by:			
CURRENT ASSETS			
Cash at Bank	1	20,925	9,199
Short Term Deposits	3	68,000	68,000
Accounts Receivable	6	-	580
Interest Accrued		2,059	1,462
Prepayments	7	1,301	2,935
Stock on hand	5	1,673	1,969
		<u>93,958</u>	<u>84,145</u>
LESS CURRENT LIABILITIES			
Accounts Payable	9	8,441	6,077
Income in Advance		2,417	3,294
		<u>10,858</u>	<u>9,371</u>
WORKING CAPITAL		83,100	74,774
NON CURRENT ASSETS			
Related Party Loan	8	-	2,000
Property, Plant & Equipment	4	2,832	3,974
		<u>2,832</u>	<u>5,974</u>
NET ASSETS		<u>\$85,932</u>	<u>\$80,748</u>


 Andrew Walbran
 President

19 Aug 2024
 Date


 Colin Upchurch
 Treasurer

19/08/24
 Date

The Statement of Accounting Policies and the Notes to the Financial Statements form an integral part of these Financial Statements.

MG CAR CLUB (AUCKLAND CENTRE) INCORPORATED
STATEMENT OF ACCOUNTING POLICIES
For the Year Ended 31 May 2024

1. Basis for Preparation

The MG Car Club (Auckland Centre) is an incorporated society reporting under the Incorporated Societies Act 1908. The financial statements have been prepared on the historical cost basis. The reporting currency is New Zealand dollars.

These financial statements are special purpose financial statements prepared for the purpose of reporting to club members and should not be relied upon for other purposes. The financial statements have been prepared on the basis of the accounting policies specified below.

2. Specific Accounting Policies

The specific accounting policies used in the preparation of the financial statements are as follows:

2.1 Subscription Income

In general, subscription income is accounted for as it is received. The club does not account for unexpired subscriptions as the subscription year ends on 30 June each year within one month of the financial year and the unexpired portion is considered immaterial. Subscriptions are charged on a reducing basis throughout the financial year resulting in all subscriptions expiring on 30 June each year. Any full year subscription for the subsequent year received before the current financial year end are treated as a pre-payment and not taken up as revenue until the year to which they relate.

2.2. Investment Income

Investment income is accounted for on an accrual basis.

2.3. Property, Plant & Equipment

Property, Plant & Equipment is valued at cost less accumulated depreciation. Depreciation is calculated on the diminishing value basis. The rates used range from 18% to 60%. Assets with a cost of less than \$500 are written off at the time of purchase. All assets with a book value of less than \$500 are written off in the following year.

2.4. Stock on Hand

Stock on hand, comprising regalia is valued at the lower of cost and net realisable value.

2.5. Debtors

Debtors are stated at net realisable value. Bad debts are written off as incurred and no provision is made for doubtful debts.

2.6. GST

The Club is not registered for GST and the financial statements are therefore prepared on a GST inclusive basis.

2.7 Changes in Accounting Policy

There have been no changes in accounting policy during the period.

MG CAR CLUB (AUCKLAND CENTRE) INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 May 2024

	2024 \$	2023 \$
1. CASH AT BANK		
ANZ Bank Current Account	20,238	7,816
ASB Bank MG Pre '56 Register Account	<u>687</u>	<u>1,383</u>
	20,925	9,199
2. MG PRE '56 REGISTER FUND		
The MG Pre '56 Register Fund is administered and accounted for separately.		
3. TERM DEPOSITS		
ANZ Bank	68,000	68,000
4. PROPERTY, PLANT & EQUIPMENT		
Cost	38,342	38,342
Less Accumulated Depreciation	<u>(35,510)</u>	<u>(34,368)</u>
	2,832	3,974
5. STOCK ON HAND		
Regalia	<u>1,673</u>	<u>1,969</u>
	1,673	1,969
6. ACCOUNTS RECEIVABLE		
MaG Advertising Debtors MaG Advertising Debtors	-	580
	<u>-</u>	<u>580</u>
7. PREPAYMENTS		
Insurance premiums	1,055	973
MaG Printing June	-	808
Deposits Spring Classic room hire, Meremere track hire	-	950
PO Box rental	<u>246</u>	<u>204</u>
	1,301	2,935
8. RELATED PARTY LOAN RECEIVABLE		
MG Car Club Inc national club re MG100 national rally	-	2,000
	<u>-</u>	<u>2,000</u>

MG CAR CLUB (AUCKLAND CENTRE) INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 May 2024

	2024	2023
	\$	\$
9. ACCOUNTS PAYABLE		
Audit Fee Accrual	1,800	1,800
MaG Mail May	2,056	508
MG Motorsport Register	4,000	3,500
Event Costs	170	-
Other	415	269
	<hr/> 8,441	<hr/> 6,077

10. SOCIAL & COMPETITIVE EVENTS

The Club's events (net of entry fees refunded), for both social and competitive events combined, ran at a small deficit of \$2,182 for the year. (2023 deficit \$1,838). These results include Inter-marque Concours Income \$2,326 (2023 \$nil) and are net of both entry fees refunded \$2,250 (2023 \$7,105) and revenue that has been allocated to MG Motorsport Register Auckland Inc. of \$4,000 (2023 \$3,500)

11. OTHER EXPENSES

The "Other Expenses" category in the Revenue Statement is comprised of the following expenses:

Meeting Expenses	350	94
Equipment, Repairs & Maintenance	148	33
Trophy Engraving, Prizes & Awards	-	74
Stationery, Postage & General	928	840
Subs & Affiliations	525	867
	<hr/> 1,951	<hr/> 1,908

12. HONORARIA

The policy is to offer \$300 to each of the 8 positions: President, Vice President, Secretary, Membership Secretary, Treasurer, Club Captain, Editor and Webmaster. This year's expense was therefore \$2,400 for 8 positions. (2023, 8 positions, \$2,400)

13. COMMITMENTS & CONTINGENCIES

The Club has no commitments or contingencies at balance date. (2023 \$nil)

14. INSURANCE

The club has insurance policies covering general liability including health and safety cover for club events and legal defence cover.