

MANUREWA COSMOPOLITAN CLUB INC.



PERFORMANCE REPORT

2025/2026

To the Members of the Manurewa Cosmopolitan Club Incorporated

I would summarise the year 2025-26 of the Manurewa Cosmopolitan Club Inc. as a year of change. With the Club Restaurant now being leased instead of being under the Club's umbrella and the introduction of a new Club Manager, I feel the current Board has done a great job putting the Club in a financially stable position.

The Hospitality Sector is still in a world of hurt with the ongoing cost-of-living crises and now the crazy increases in fuel prices, but our doors remain open and we are still seen as one of the best Clubs in New Zealand. I can only thank our wonderful membership base and Staff for this.

Now is a good time for me to stand down as Club President. After 12 years on the Board, I feel it's time for a new President and Board to carry on with the good work that has been done and add new ideas going forward. There will be new challenges and new opportunities to seize and I'm sure they will do their best for the members and Staff of the Manurewa Cosmopolitan Club Inc.

I would like to thank the Vice President Darryl Rodgers, the Executives Peter Berry, Nadine Bryson and Allan Swale, and the Board Members Carla Cook, Bas Kroon, Korie Meadows, Rachel Phillips and Alan Vesty, for their input and Boardroom banter over the last 12 months. It is sad to see Carla, Korie and Rachael stand down this year, and I thank them all for their service to the Club.

Thank you to Kevin Ralph and John Oliver for standing in as temporary Managers in a time when the Club was going through change.

Thank you to Tony Leathers, Adriana Monga and Capri Atutolu for doing a great job at the forefront of the Club. It is sad to see Capri leaving us. She has been wonderful in the office, and I wish her all the best for the future.

Thank you to Margaret Wright for keeping our financial statements in line from afar. Unfortunately, Margaret will be ending her long association with the Club this year. I thank her for the years of service and wish her nothing but the best.

Thank you to Lime Leaf Catering, AKA Dave & Annie for providing a great service and starting a new chapter of the Restaurant/Café novel.

Thank you to our Bar Manager Rosie McCaughan, all the Bar Staff, and the Door and Security Staff for their ongoing service to Members and Visitors and for the job they all do.

Thank you to the Section Conveners and Section Members. A special thank you goes out to Sections that bring events to the Club. These events cannot be successful without great sponsors, great bar staff, great food, a great environment, and numerous volunteers working in behind the scenes. My express gratitude goes out to you all.

Thank you to our Welfare Officer Yvonne Kessels for doing a great job looking after Members in times of need.

Thank you to our loyal Members for supporting the Club through your patronage.

Finally, my thoughts go out to the Members that we have lost in the last 12 months. On behalf of all Members, I offer their family and friends our utmost sincere condolences.

Rod Buck

President

FINANCE REPORT 2025/2026

It has been another tough year for the Manurewa Cosmopolitan Club Inc, (the Club) and in these difficult conditions, the Club is recording a loss after depreciation of (\$240,871). Although the loss is significant, it is lower than that of last year (\$251,941) and continues to be of concern to the Board and Management.

Income from Bar trading decreased from last year however, to offset this, income from Gaming increased.

Performance of the Restaurant and Café continues to be a challenge for the Club. The Club has trialed new initiatives with varied results and continue to monitor the situation.

Subscription income has decreased for the year reflecting decreasing membership numbers. There are unders and overs in “Other Income,” Commissions and Hire income have increased this year and will continue to contribute strongly.

The Club continues to support members with spending on Entertainment, Section activities, Club promotions, and Taxi travel and has maintained Funeral Grants and Community Grants. Use of the Uber service continues to reduce the cost of Taxi travel for members.

Throughout the year the Club met essential Repairs and Maintenance commitments. The Board restricted Capital Expenditure to \$27,425 for Plant and Equipment purchases and has maintained tight control on Overhead spending managing to keep this \$57,065 lower than last year.

The Bank Loan has decreased by \$7,590 during the year. Scheduled repayments (\$57,590) were made servicing the bank loan however additional funds were required for core business.

Although the Club continues to incur annual losses, it remains in a strong financial position with Equity of close to \$6 million. In the latter part of the year, several new initiatives have been implemented, the Board and Management remain positive and are taking active steps to guide the Club rebuild over the next few years.

Thanks to Tony Leathers, Adriana Monga and Capri Atutolu in the office, Doug Montgomery, Rod Buck, the Board and all Staff. Thanks for your hard work and support throughout the year.

Margaret Wright

**MINUTES OF THE ANNUAL GENERAL MEETING
MANUREWA COSMOPOLITAN CLUB
SUNDAY JUNE 15th, 2025, at 10am**

President, Rodney Buck, called the meeting to order.

APOLOGIES R Candy, K. Wright, V. Wright, S. Whitcombe, M. Carlton, M. Glendinning, D. Glendinning, M. Brown, W. Lucas, B. Koopu. W. Koopu, J. Turner
MOTION R. Leijh/F. Baker – “that the apologies be accepted.” – Carried.

Members observed a minute’s silence in memory of the Members and friends who had passed away during the previous 12 months.

MINUTES OF THE ANNUAL GENERAL MEETING OF MANUREWA COSMOPOLITAN CLUB INC. 16th JUNE 2024
It was moved and seconded – “that the Minutes of that Meeting as circulated are true and correct.” – Carried

MATTERS ARISING: Nil

PRESIDENT’S REPORT:

It was moved and seconded – “that the Presidents and Finance Reports as circulated be accepted.” – Carried

FINANCE REPORT:

The Finance Report as circulated was presented.

- Discussion occurred regarding Club borrowings and the increase in the bank loan balance. The President advised the increase primarily related to recovery work associated with the new Outdoor Bowling greens.

It was moved and seconded – “that the Finance Report be accepted.” - Carried

It was moved and seconded – “that Audit Integrity be appointed as Auditors for 2025/2026.” – Carried.

SUBSCRIPTIONS:

The Board recommends that the subscriptions and nomination fees be retained for the 2025/26 year.

\$40 nomination fee (one- off joining fee)

\$95.40 plus Clubs NZ affiliation fee of \$4.60 - \$100.00 – Ordinary Member

\$50.40 plus Clubs NZ affiliation fee of \$4.60 - \$55.00 – Senior Member (Over 65)

\$50.40 plus Clubs NZ affiliation fee of \$4.60 - \$55.00 – Junior Member

It was moved and seconded – “that the Board’s recommendation that the subscriptions and nomination fees be retained for the 2025/26 year be accepted.” – Carried.

REMITTS:

Remit 1 – Amendment to Rule 13 – Special General Meetings

Rationale for Remit “The attached remit proposes the addition of a sub-clause to correct an omission in the current Constitution where a quorum for a Special General meeting is not specified. It is proposed that a quorum for such meetings be formed by seventy-five (75) financial members of the Club. This number is considered practical.”

It was moved and seconded – “that Club Rule 13 be amended that at such meeting a quorum shall be formed by seventy-five (75) of the financial membership of the Club.” Carried.

Remit 2 – Deletion of Rule 33 – Club Hours

Rationale for Remit “The attached remit proposes the deletion of Rule 33 as Club hours are considered to be an operational matter.”

It was moved and seconded – “that the Club delete Rule 33.” Carried.

CLUB ELECTIONS:

It was moved and seconded – “that K. Ralph be appointed as Returning Officer.” – Carried

Elections required for Board of Management

Board of Management K. Meadows, W. Kroon, R. Phillips, C. Cook, M. Seth, A. Vesty, J. Hall

Vice President D. Rodgers, J. Hall

Introduction of this year’s Candidates for the Board of Management

R. Buck thanked Y. Sheed and O. Newson for their service to the Club as Board Members.

Both below were elected unopposed as President and Appeal Committee.

President

R. Buck

Appeal Committee

S. Steptoe, D. Montgomery, G. Glass, B. McCormack, P. Kelly

CLUB EXECUTIVES:

The current Board of Management have recommended that A. Swale, P. Berry and N. Bryson be appointed as Club Executives.

It was moved and seconded – “that A. Swale, P. Berry and N. Bryson be accepted as Club Executives for the 2025/2026 period.” Carried.

R. Buck thanked K. Ralph for his service to the Club as an Executive.

GENERAL BUSINESS:

Membership Survey Results

- Query raised whether the results of the recent membership survey would be made available to members.
- Importance of members feedback was acknowledged and confirmation was given that the survey results had been reviewed and would be made available to members via the Club website and email communications.

Community Organisations and Club Facilities

- Query raised whether the Club was actively encouraging community groups and organisations to utilise Club facilities.
- Confirmation was given that the Club welcomed enquiries from community groups and continued to promote its facilities through social media, open days and community engagement initiatives.

Club Management Structure

- Concerns raised regarding the resignation of the Club Manager and the absence of a replacement.
- Discussion focused on governance responsibilities, operational management, staff reporting lines and the importance of maintaining clear leadership within the Club.
- The President advised that the interim reporting arrangements had been established and that the recruitment options would be considered by the incoming Board.

Staff Communication

- Concerns were raised regarding communication with staff following recent management changes.
- Members discussed the importance of ensuring staff receive timely information regarding operational changes and organisational restructuring.
- The Board acknowledged the feedback and recognised the need for clear communication processes moving forward.

Membership Growth and Youth Engagement

- Members discussed the ongoing challenge of membership growth and retaining long-term sustainability.
- Suggestions included strengthening relationships with schools, youth organisations and community groups to encourage young members to engage with the Club.
- The President acknowledged the importance of attracting younger demographics and advised that membership development would remain a priority for the incoming Board.

Treasurer Position

- A suggestion was raised to reintroduce the Treasurer role within the Club’s governance structure to provide additional oversight of the Club’s financial performance and reporting.
- The matter to be considered as part of the constitutional review process.

Club Direction

- A member raised concerns regarding a perceived shift in focus from the Club’s traditional role as a Cosmopolitan Club towards becoming more sports focused.
- The President advised that the Club remains a not-for-profit organisation. It was noted that income generated through events such as sporting activities is used to support the ongoing maintenance of Club facilities and operational costs.
- Concerns were raised that while sporting tournaments provide short-term increase in revenue, they may also discourage regular patrons from returning to the Club, potentially resulting in a loss of ongoing turnover.
- The President acknowledged the concern and advised he would review the points raised.

Dive Section

- A query was raised regarding the removal of the Dive Section and whether adequate consultation had taken place.
- The President advised that the section was consulted through their Board Liaison and that any further discussion should be directed through the appropriate channels.

R. Buck thanked the members for attending.

Meeting Closed.

Confirmed

Date

**MINUTES OF SPECIAL GENERAL MEETING
MANUREWA COSMOPOLITAN CLUB
SUNDAY 1ST MARCH, 2026, at 11am**

President, Rodney Buck, called the meeting to order.

PRESIDENT'S WELCOME:

R. Buck welcomed members to the Special General Meeting and explained the purpose of the meeting being the re-registration of the Manurewa Cosmopolitan Club Incorporated under the Incorporated Societies Act 2022.

REMITTS:

Remit 1 – Re-registration Under the Incorporated Societies Act 2022

Rationale for Remit “The Manurewa Cosmopolitan Club Incorporated (“the Club”) is currently registered under the Incorporated Societies Act 1908. The Club needs to apply for re-registration under the Incorporated Societies Act 2022, with the Incorporated Societies, 6th April 2026.”

Motion – “that the Manurewa Cosmopolitan Incorporated proceeds with re-registration under the Incorporated Societies Act 2022.”

Proposer A. Swale #1980

Seconder J. Oliver #1179

Nil discussion.

Carried.

Remit 2 – Adoption of updated Club Constitution to comply with requirements of the Incorporated Societies Act 2022

Rationale for Remit “The current Club Constitution which meets the requirements of the Incorporated Societies Act 1908 does not meet the requirements of the Incorporated Societies Act 2022. The Club must apply for re-registration under the Incorporated Societies Act 2022 by April 6th 2026 and in doing so must submit a Club Constitution that complies with the Incorporated Societies Act 2022.”

Motion – “that the tabled updated Club Constitution, incorporating new; renumbered; reworded and reformatted rules therein, be adopted as the new constitution of the Manurewa Cosmopolitan Club Incorporated and be submitted to the Incorporated Societies Registrar as part of the application for re-registration under the Incorporated Societies Act 2022.”

Proposer A. Swale #1980

Seconder L. Gray #3002

A. Swale spoke briefly to the changes that have been made to the updated Club Constitution.

R. Buck added that the new Club Constitution has been adapted to align with the Incorporated Societies Act and that remits can be submitted at the next Annual General Meeting to make amendments to the proposed Constitution.

T. Horan expressed concerns on the updated rule 32.1 – Removal from Office.

T. Horan moved that the rule be reworded in line with the Club Hastings rule of the same ilk. Motion was defeated.

R. Buck reminded members that rules can be amended and voted on at the next Annual General Meeting by submitting a remit.

No further discussion.

Carried.

R. Buck thanked the members for attending.

Meeting Closed.

Confirmed

Date

**MANUREWA COSMOPOLITAN CLUB INC.
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**MANUREWA COSMOPOLITAN CLUB INC.
ENTITY INFORMATION**

Entity Type and Legal Basis

Incorporated Society

Incorporated Societies Number

2692851

New Zealand Business Number

9429046553478

Entity's Purpose or Mission

The Manurewa Cosmopolitan Club's objective is to conduct, administer and maintain a chartered club for its members by providing amenities and facilities where members may meet and enjoy companionship with one another.

Entity Structure

Executive Committee

President – Rodney Buck

Vice President – Darryl Rodgers

Executives – Allan Swale, Peter Berry, Nadine Bryson

Board Members – Korie Meadows, Carla Cook, Alan Vesty, Bas Kroon

Club Manager – Tony Leathers

Accountant – Margaret Wright

Main Sources of Entity's Cash and Resources

Gaming Income

Bar Sales

Membership Fees

Main Methods Used by Entity to Raise Funds

Gaming Machines, Bar Sales

Physical Address

6-10 Alfriston Road

Manurewa

Auckland 2102

Postal Address

PO Box 75 – 130

Manurewa



MANUREWA COSMOPOLITAN CLUB INC.

STATEMENT OF SERVICE PERFORMANCE

For the year ended 31 March 2026

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

The Manurewa Cosmopolitan Club Incorporated is a community orientated organisation that aims to provide its members with a variety of social opportunities in an environment that is safe and enjoyable, where members can bring their families, interact with their peers, participate in a variety of interest groups and sport sections

The Board and Management have worked to establish the Manurewa Cosmopolitan Club as a social and an event driven centre for the local community.

There is also a long-term focus on asset improvement and ensuring the Clubs continued strength and viability into the future.

Description and Quantification of the Entity's Outputs.

	2026	2025
Membership	2778	2917
Shows/Bands	50	39
Sporting Tournaments	6	5

In line with previous years, the Club also continued to support Members welfare, Sporting groups and various Community groups.

Medium to Long Term Goals for Club

The long-term goals of the club is to create a sustainable, inclusive, and engaging environment that supports strong community connections and ongoing member participation. Over the coming years, the club aims to increase membership, strengthen financial stability, improve facilities and resources, and expand the range of social, recreational, and community-focused activities offered to members.

The club is also committed to developing an effective governance, while maintaining a welcoming culture that reflects the values and interests of its members. By building strong partnerships within the community and continuously adapting to member needs, the club seeks to ensure long-term growth, relevance, and positive social impact.



MANUREWA COSMOPOLITAN CLUB INC.
STATEMENT OF COMPREHENSIVE INCOME AND EXPENSES
FOR THE YEAR ENDED 31st MARCH 2026

	THIS YEAR	LAST YEAR
INCOME		
Bar Trading	341,965	422,685
Restaurant Café	(45,064)	(13,604)
Gaming Income	569,830	539,188
Membership-Revenue from exchange transactions		
Subscriptions	157,216	172,269
Association Affiliation Fee	11,367	11,962
Nominations	10,752	10,435
	179,335	194,666
Other Income-Revenue from exchange transactions		
Nuts, Chips & Miscellaneous	13,288	5,180
Interest, Dividends & Donations Received	1,043	11,297
T.A.B.	35,369	28,472
Club Housie, Lotto, Go for Cash	8,114	-
Door Sales	17,191	23,639
Commissions & Hireage	39,299	11,768
	114,305	80,356
	1,160,371	1,223,291
TOTAL INCOME:		
 Less CLUB ACTIVITY COSTS:		
Bands & Entertainers	78,921	81,878
Sports & Sponsorship	21,165	32,902
Club Clothing	1,406	1,252
Membership Draw	24,117	27,886
Club Promotions	14,122	12,794
Nuts, Chips & Miscellaneous	9,240	-
Hospitality - Club & Staff	5,651	9,792
Subsidised Taxi Travel	10,014	13,725
T.A.B. Expenses	15,135	
Members Welfare	804	1,051
Funeral Grants	2,000	9,500
Community Grants & Donations	1,000	1,320
TOTAL COSTS	183,574	192,100
 SURPLUS FROM CLUB ACTIVITIES	976,797	1,031,191

NOTE: This Statement should be read in conjunction with the Notes to the Financial Statements & the Auditor's Report.



MANUREWA COSMOPOLITAN CLUB INC.
STATEMENT OF COMPREHENSIVE INCOME AND EXPENSES
FOR THE YEAR ENDED 31st MARCH 2026

	THIS YEAR	LAST YEAR
SURPLUS FROM CLUB ACTIVITIES	976,797	1,031,191
Less CLUB OVERHEADS:		
ACC Levies	7,238	5,979
Accountancy	7,474	9,468
Advertising	1,689	947
Audit Fee	7,400	7,552
Affiliation Fee - Clubs NZ	12,020	12,776
Bank & Credit Card Charges	281	141
Club Tea & Coffee	2,114	7,236
Cleaning & Laundry	93,398	103,422
Computer Software & Expenses	20,430	19,649
Executive Expenses	30,627	29,774
Conference Expenses	2,543	4,550
Insurance	71,202	67,885
Interest & Loan Fees	30,520	37,362
Legal Expenses	22,847	2,195
Loss (gain) on Sale	3,115	988
Permits & Licences	3,831	8,700
Plant & Sky Television Hire	41,138	55,173
Power, Lighting & Heating	117,352	100,447
Postages & Stationery	19,683	24,270
Rates	68,630	63,714
Repairs & Maintenance	80,760	84,061
Replacements - Bar & Restaurant	4,871	6,273
Rubbish Removal	10,768	10,329
Salaries & Wages	286,448	332,111
Security	6,267	16,218
Staff Uniforms & Expenses	3,270	5,029
Stock Control Services	1,950	-
Subscriptions to Associations	-	109
Telephones & Internet	7,132	5,705
TOTAL EXPENSES	964,998	1,022,063
OPERATING SURPLUS BEFORE DEPRECIATION	11,799	9,128
Less Depreciation	281,846	301,155
Note 2.		
Add back Depreciation charged to Gaming	(29,176)	(40,086)
OPERATING SURPLUS (LOSS) AFTER DEPRECIATION	(240,871)	(251,941)

NOTE: This Statement should be read in conjunction with the Notes to the Financial Statements & the Auditor's Report.

MANUREWA COSMOPOLITAN CLUB INC.
TRADING ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2026

	THIS YEAR	LAST YEAR
<u>BAR TRADING</u>		
Liquor Sales-Revenue from exchange transactions	921,561	1,096,128
Less Cost of Goods Sold	371,931	422,159
Direct Wages	207,664	251,284
	579,595	673,443
	341,965	422,685
<u>GAMING</u>		
<u>Gaming Income- Revenue from exchange transactions</u>	1,068,488	1,138,699
<u>Less Direct Expenses</u>		
Gaming Duty	245,735	237,128
Problem Gambling Levy	14,778	12,805
Gaming Licences	16,550	14,676
Electronic Monitoring Expenses	13,046	13,063
Machine Service & Repair	21,955	16,447
Other expenses	1,948	-
	314,012	294,119
<u>Operating Expenses</u>		
Accounting Fees	1,200	2,400
Audit Fee	1,153	1,100
Depreciation	29,176	40,086
Insurance	6,212	6,000
Power & Lighting	8,357	7,896
Wages - Gaming Room	138,548	138,548
	184,646	196,030
Surplus Before Distributions	569,830	539,188
<u>DISTRIBUTIONS</u>		
	Note 7.	
Members Welfare	10,982	15,992
Funeral Grants	2,000	9,500
Community Grants	1,000	1,320
Sporting Activities	20,529	19,580
Maintenance of Club Facilities	486,520	480,312
Additions to Assets	19,826	11,562
Interest on Loan	28,346	-
	569,204	538,266
Balance to Gaming Funds	626	922
<u>RESTAURANT AND CAFÉ</u>		
Sales	283,438	751,395
Less Cost of Goods Sold	143,472	372,154
Direct Wages	185,030	392,845
	328,502	764,999
	(45,064)	(13,604)

NOTE: This Statement should be read in conjunction with the Notes to the Financial Statements & the Auditor's Report.



MANUREWA COSMOPOLITAN CLUB INC.
STATEMENT OF FINANCIAL POSITION
AS AT 31st MARCH 2026

	THIS YEAR	LAST YEAR
CURRENT ASSETS		
Cash on Hand & Floats	23,350	36,200
BNZ Trading Account	14,123	69,742
BNZ Trading Saving Accounts	44,116	-
BNZ Gaming Account	56,380	61,732
BNZ Trustees Account	29,416	18,516
Total Bank and Cash	167,386	186,189
Accounts Receivable	12,654	1,456
Stock on Hand	30,930	43,777
TOTAL CURRENT ASSETS	210,970	231,422
FIXED ASSETS		
As per schedule	Note 2.	
	6,693,167	6,951,354
TOTAL ASSETS	6,904,136	7,182,776


NOTE: This Statement should be read in conjunction with the Notes to the Financial Statements & the Auditor's Report.



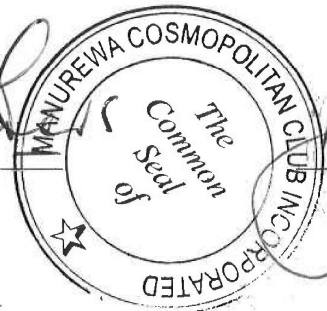
MANUREWA COSMOPOLITAN CLUB INC.
STATEMENT OF FINANCIAL POSITION
AS AT 31st MARCH 2026


	THIS YEAR	LAST YEAR
CURRENT LIABILITIES		
Interest Bearing loans & Borrowings	59,640	54,720
Funds Held for Sections & Members Note 5.	123,829	113,846
Accounts Payable	150,838	149,564
Provisions & Accruals	102,724	147,140
G.S.T. Payable	4,719	1,739
	441,750	467,009
NON CURRENT LIABILITIES		
Bank Term Loan	406,970	419,480
MEMBERS' EQUITY		
Accumulated Funds B/Fwd	6,295,192	6,548,055
Profit (Loss) from year to date	(241,497)	(252,863)
TOTAL MEMBERS EQUITY	6,053,695	6,295,192
GAMING EQUITY		
Accumulated Funds B/Fwd	1,095	173
Profit from year to date	626	922
TOTAL GAMING EQUITY	1,721	1,095
TOTAL LIABILITIES AND EQUITY	6,904,136	7,182,776

Approved:



A. Leathers
(Manager)





R. Buck
(President)

Dated: 4/6/26

NOTE: This Statement should be read in conjunction with the Notes to the Financial Statements & the Auditor's Report.

MANUREWA COSMOPOLITAN CLUB INC
Statement of Cash Flows
For the Year Ended 31st March 2026

	2026	2025
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Receipts from exchange transactions	2,962,694	3,673,857
Interest Income	1,117	1,129
Payments		
Payment to Suppliers and Employees	(2,930,833)	(3,584,660)
Interest Paid	(29,252)	(37,362)
Net Cash Flows from Operating Activities	3,726	52,964
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments		
Purchase of property, plant and equipment	(25,034)	(86,037)
Net Cash Flows from Investing Activities	(25,034)	(86,037)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Borrowing	50,000	100,000
Repayment of Loans	(57,590)	(52,820)
Net cash flows from financing activities	(7,590)	47,180
CASH AND CASH EQUIVALENTS		
Net increase/(decrease) in cash and cash equivalents	(28,898)	14,107
Cash and cash equivalents at 1 April	165,968	151,861
Cash and Cash Equivalents at 31 March	137,070	165,968
Ending Cash Comprises		
Cash on Hand & Floats	23,350	36,200
BNZ Cash Transfer Account	1,420	996
BNZ Trading and Saving Accounts	58,240	69,741
BNZ Gaming Account	56,380	61,732
Credit Card Balance	(2,320)	(2,700)
Total	137,070	165,968

NOTE: This Statement should be read in conjunction with the Notes to the Financial Statements & the Auditor's Report.



**MANUREWA COSMOPOLITAN CLUB INC.
ACCOUNTING POLICIES AND NOTES
FOR THE YEAR ENDED 31st MARCH 2026**

A. STATEMENT OF ACCOUNTING POLICIES

The Manurewa Cosmopolitan Club Incorporated is a public benefit entity for the purposes of financial reporting. The Club was incorporated on the 17th of January 2018.

The financial statements and the accompanying notes summarise the financial results of activities carried out by the Club. The objective of the Club is to conduct, administer and maintain a Chartered Club for its members by providing amenities and facilities where members may meet and enjoy companionship with one another.

The Accounting Policies which the Board consider appropriate for the measurement and reporting of the Club's results and financial position are:

A. i. Basis of Reporting

(a) Statement of Compliance

The financial statements have been prepared in accordance with Tier 2 Public Benefit (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards Reduced Disclosure Regime (NZIPSAS with RDR) and other applicable Financial Reporting Standards as appropriate to Public Benefit Entities.

The entity is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability, and the annual expenditure does not exceed \$30 million.

All transactions in the Statement of Comprehensive Revenue and Expenses are reported using the accrual basis of accounting and is prepared under the assumption that the entity will continue to operate in the foreseeable future.

(b) Measurement Basis

The financial statements have been prepared on the basis of Historical cost.

(c) Functional and presentation currency

The financial statements are presented in New Zealand Dollars (\$), which is the functional and presentation currency, rounded to the nearest dollar.

(d) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in previous years.

A. ii. Particular Accounting Policies

(a) Revenue

Revenue received by the Club from exchange transactions from Bar and Gaming activities is recognised on a daily basis. Revenue from rentals received and receivable is recognised on a monthly basis.

The Club did not receive any non-exchange revenue during the current financial period.

(b) Classification of Non-Financial Assets

The majority of property, plant and equipment held by the Club is classified as noncash generating assets.

(c) Fixed Assets and Depreciation

Fixed Assets are recorded at cost and (other than freehold land) are depreciated on a straight-line basis at rates which are expected to write off the cost of those assets over the term of their useful lives. Depreciation is calculated on specific assets as follows:

Buildings	2%
Plant	10% - 20%
Furniture & Fixtures	20%
Office Equipment	10% - 20%
Gaming Machines	20%

Depreciation recovered on the disposal of items or losses on sale of operating plant in the normal course of business is taken into account in arriving at the operating profit.

(d) Stock on Hand

Stock on hand has been valued at the lower of cost or realisable value.

(e) Investments

Investments are recorded at cost. Any interest derived is credited to the revenue statement on an accrual basis.

(f) Goods & Services Tax

The statement of Financial Performance has been prepared exclusive of Goods and Services Tax. All items in the Statement of Financial Position are stated net of GST with the exception of accounts receivable and trade creditors.

(g) Subscription Income

Subscription income is recognised in the statement of Financial Performance when the Club receives the money from members. The Club does not invoice members for annual subscriptions and therefore it is not practical to account for this income on an accrual basis.

(i) Employee Benefits (Holiday Pay)

Holiday Pay and other outstanding wages are provided for in the accounts on an accrual basis and are expensed in the period in which employment services are provided.

(j) Income Tax

Income Tax expense charged to the Statement of Financial Performance recognises the current obligations and all amounts arising from the differences between the accounting results and assessable income for the period, calculated using the liability method.

B. NOTES TO THE FINANCIAL STATEMENTS

1. Financial Instruments

The financial instruments shown in the statement of Financial Position relate to the following categories of assets and liabilities.

The Club has a Customised Average Rate Loan facility with a limit of \$617,360 ,(2025: \$675,360) with the Bank of New Zealand fully secured over Land and buildings. The current interest rate as at 31 March 2026 was 6.16% (2025: 7.43%). The balance at 31st March 2026 was \$466,610 (2025: \$474,200).

2. Property, Plant and Equipment

As at 31st March 2026 the Club held Fixed Assets with a Net Book Value of \$6,680,920 made up as follows:

	<u>Cost</u>	<u>Depreciation This Year</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	1,397,933	-	-	1,397,933
Buildings	8,451,576	168,525	3,600,056	4,833,274
Outdoor Bowling Complex	423,580	28,476	222,982	200,597
Plant and Equipment	1,089,443	68,432	885,762	203,681
Furniture and Fittings	556,550	14,407	504,422	52,128
Office Equipment	<u>33,236</u>	<u>2,006</u>	<u>29,931</u>	<u>3,305</u>
	11,942,318	281,846	5,249,153	6,680,920

As at 31st March 2025	<u>Cost</u>	<u>Depreciation This Year</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	1,400,179	-	-	1,400,179
Buildings	8,439,330	167,147	3,437,531	5,001,800
Outdoor Bowling Complex	423,580	29,865	194,506	229,073
Plant and Equipment	1,127,373	83,296	876,054	251,319
Furniture and Fittings	556,550	18,280	490,015	66,535
Office Equipment	<u>30,371</u>	<u>2,567</u>	<u>27,925</u>	<u>2,448</u>
	11,977,383	301,155	5,026,030	6,951,354

The reconciliation of Net Book Value from 2025 to 2026 is as follows:

	<u>Opening NBV</u>	<u>Additions</u>	<u>Disposals</u>	<u>Depreciation</u>	<u>Closing NBV</u>
Land	1,400,179	-	12,246	-	1,387,933
Buildings	5,001,800	-	-	168,525	4,833,274
Outdoor Bowling	229,073	-	-	28,476	200,597
Plant and Equipment	251,319	24,560	3,767	68,432	203,681
Furniture and Fittings	66,535	-	-	14,407	52,128
Office Equipment	<u>2,448</u>	<u>2,865</u>	<u>-</u>	<u>2,006</u>	<u>3,306</u>
	6,951,354	27,425	16,013	281,846	6,680,920

3. Insurance
 The current valuation of Club property for insurance purposes was provided by CBRE as at 22nd May 2024. Their valuation to provide reinstatement insurance cover for buildings, plant and stock including the bowling complex was \$ 22,145,000.

4. Capital Commitments.
 The Club has no Capital Commitments as at 31st March 2026 (2025: \$Nil)

5. Funds Held on Behalf of Members
 Funds held for Club sub-sections in the Trustees bank accounts are made up as follows:

	<u>This Year</u>	<u>Last Year</u>
BNZ Trustees Account	29,416	18,516
BNZ Term Loan offset	<u>90,000</u>	<u>90,000</u>
	119,416	108,516
Held for GST on Trust Funds	<u>(381)</u>	<u>327</u>
	119,035	108,843
In addition, the Club is holding funds for various sports and recreation functions:	<u>4,794</u>	<u>5,003</u>
Balance shown in accounts	<u>\$123,829</u>	<u>\$113,846</u>

6. Gaming Machine Income
 The Gaming and Lotteries Act 1977 restricts the use of surplus funds from gaming activities as held in the Machine Bank accounts to Authorised Purposes. The authorised purposes in the licence held by the Manurewa Cosmopolitan Club Inc. include: charitable donations, sporting activities, maintenance and development of Club facilities and grounds including Club equipment and furniture and fittings. Accounting Treatment - Where funds from this source have been used for Club operations they are included in the Statement of Financial Performance.



7. Details of Authorised Expenditure:

	This Year	Last Year
Income Before Distribution	569,830	539,188
Distributions:		
Members Welfare	10,982	15,992
Funeral Grants	2,000	9,500
Community and Youth Grants	1,000	1,320
Sports and Sponsorship	20,529	19,580
Maintenance and Development Club Facilities		
Accounting Fees	7,514	11,664
Advertising	1,364	778
Audit Fees	7,400	208
Affiliation Fee	12,776	13,370
Bank Fees	250	16
Cash Machine Lease	7,740	13,200
Cleaning	76,482	84,079
Club Tea & Coffee	866	6,756
Computer Maintenance	11,123	11,945
Conference Expenses	300	3,493
Consultants - Management	1,221	-
Executive Expenses	8,944	1,130
Insurance (Non-Gaming)	64,096	61,304
Legal fees	6,203	-
Licences & Registration	640	454
Multiscreen Maintenance	-	213
Photocopier and printing	10,158	10,615
Printing, Postage & Stationery	4,363	8,117
Power & Gas (Non-Gaming)	105,948	89,280
Rates	46,645	50,032
Repairs & Maintenance	73,067	76,465
Rubbish Collection	10,708	10,347
Security	3,526	4,492
Staff Expenses	1,098	2,093
Subscriptions	-	109
Telephones	6,458	5,704
Water	17,630	12,478
Valuations	-	1,970
	486,520	480,312
Capital Expenditure		
Additions to Assets	19,826	11,562
Interest on Loan	28,346	-
	569,204	538,266
Balance to Gaming Equity	\$626	\$922

8. Contingent Liabilities.
 The Club has a contingent liability with regard to a Guarantee Bond in favour of the T.A.B. for \$10,000, (2025: \$10,000) and a letter of credit with the bank in respect of Armour guard Security for \$10,000, (2025: \$10,000). There are no other known contingent liabilities.

9. Related Parties
 Members of the Board of Management have provided goods and services to the Club during the year, all of which have been charged to the Club at normal commercial rates.

10. Post Balance Date Events
 There are no material post balance date events. (2025: \$Nil)

11. Taxation
 As an Incorporated Society the Club is liable for income tax on any income earned from outside the circle of its membership. This includes interest and rent received less the share of costs incurred in order to earn that income. The Club files an annual tax return. For the most recent tax return for 2022 there was no tax to pay.

12. Compensation of Key Management Personnel
 An honorarium was paid to Board of Management of \$27,881 (2025: \$28,644) for their duties as Board Members.

13. Operating Lease Commitments
 At balance date the Club had outstanding commitments under non-cancellable operating leases regarding equipment rental, which are due as follows:

	2026	2025
	\$	\$
Within one year	21,894	12,070
In the second, third and fourth years	<u>47,941</u>	<u>2,279</u>
	<u>69,835</u>	<u>14,349</u>

The photocopier lease was due on the 23rd of August 2026. It has been replaced by a Canon copier under a new lease agreement ending 5th February 2029 with monthly instalments of \$425.60.

A RICOH Lease for a LED Display TV commences May 2026 and ends in May 2029 with monthly instalments of \$1,526.09

The cash recycler / cash count machine was not replaced.

14. Going Concern
 The financial statements have been prepared on a going concern basis. Although the club has reported recent deficits, the Board and Management have endeavoured to cut costs and operate to at least a breakeven budget and are satisfied that the Club is able to meet its operational requirements through the normal course of business.



INDEPENDENT AUDITOR'S REPORT

To MEMBERS of the MANUREWA COSMOPOLITAN CLUB INC

Opinion

We have audited the performance report (hereinafter referred to as "financial report") of the MANUREWA COSMOPOLITAN CLUB INC ("the CLUB") which comprises the financial statements on pages 3 to 14, Entity information on page 1 and the statement of service performance information on page 2. The complete set of financial statements comprises:

- The Statement of Financial Position as at 31 March 2026;
- The Statement of Comprehensive Revenue and Expense for the year then ended;
- The Statement of Trading Accounts for the year then ended;
- The Statement of Cash Flows for the year ended; and
- The notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report presents fairly, in all material respects:

- The entity information as at 31 March 2026
- The financial position of the CLUB as at 31 March 2026 and its financial performance, and its cash flows for the year then ended; and
- The service performance for the year ended 31 March 2026, in that the service performance information and entity information is appropriate and meaningful and prepared in accordance with the CLUB's measurement bases of evaluation methods

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE SRDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the statement of financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs (NZ) and New Zealand Auditing Standard (NZ AS) 1 (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the audit of the Financial Report* section of our report.

We are independent of the CLUB 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 Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor, and assisting with the financial statements format, we have no other relationship with, or interests in, the CLUB.

Responsibilities of the Executive Committee for the Financial Report

The Executive Committee is responsible, on behalf of the CLUB, for:

- a) the preparation and fair presentation of the financial statements and service performance information in accordance with PBE SRDR;

- b) The selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with PBE SRDR;
- c) The preparation and fair presentation of service performance information in accordance with the CLUB's measurement bases or evaluation methods, in accordance with PBE SRDR;
- d) The overall presentation, structure, and content of the service performance information in accordance with PBE SRDR; and
- e) for such internal control as the Executive Committee determines is necessary to enable the preparation of financial statements and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Executive Committee is responsible for assessing the CLUB's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Executive Committee either intends to liquidate the CLUB or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report, and the service performance, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 (Revised) 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 this financial statements.

A further description of the auditor's responsibilities for the audit of the financial report is located at the XRB's website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-18-1/>

Restriction on Responsibility

This report is made solely to the members as a body. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

AUDIT INTEGRITY

Audit Integrity Ltd
Chartered Accountants
East Tamaki, Auckland
4 June 2026