

Annual Financial Report

Rotary International District 9940 Inc.
For the year ended 30 June 2022

Prepared by graham evans

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Entity Information

Rotary International District 9940 Inc. For the year ended 30 June 2022

Legal Name

Rotary International District 9940 Inc.

Registration Number

55-520-917

Entity's Objects

The object of the Society is to:

- (a) provide support for the efficient administration of the Clubs within the District by RI, the Governor and the District Board.
- (b) help the Members advance the Object of Rotary as defined in the Constitutional Documents

Entity Structure

Rotary International District 9940 Inc is a registered Incorporated Society,

Additional Information

These Financial Statements have been reviewed by D J Turner & Associates of Wellington and their report is attached

Postal Address

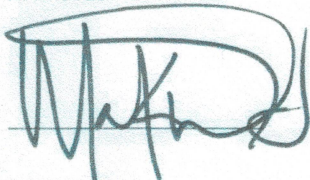
P O Box 26, Otaki, New Zealand, 5512

Approval of Financial Report

Rotary International District 9940 Inc.
For the year ended 30 June 2022

The Board are pleased to present the approved financial report including the historical financial statements of Rotary International District 9940 Inc. for year ended 30 June 2022.

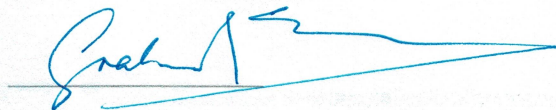
APPROVED



Mark Wheeler

RI 9940 District Governor 2021-22

Date 15 October 2022



Graham Evans

RI 9940 Treasurer 2021-22

Date 15 October 2022

Statement of Financial Performance

Rotary International District 9940 Inc. For the year ended 30 June 2022

	2022	2021
District Activities		
Receipts, Income and Funding		
District Levies	81,711	86,242
Rotary International Funding	14,062	20,029
Miscellaneous Income	960	-
Interest Income	2,087	2,984
Donations Received	1,000	-
Total Receipts, Income and Funding	99,820	109,255
District Expenses and Payments		
Accounting	2,558	2,584
Archiving District records	1,083	-
Club Visits	8,837	15,561
DG Expenses not reimbursed by RI	-	4,253
Directories and Banners	-	1,705
Expense Grant - AG	6,000	3,354
Expense Grant - DG	5,000	8,855
Expense Grant - DGE	3,500	3,500
Expense Grant - DGN	750	750
Equipment Maintenance	960	122
Insurance	6,143	2,184
PR & Promotions (ROZOPS/ROZCOMS)	12,524	-
Presentations and Regalia	515	1,753
Public Image and Rotary Awareness Expenses	731	9,374
Reviewer Fee	1,500	1,500
RNZWCS Expenses	1,316	1,424
ROZOPS - Rotary Foundation (ex Guardian Trust) Admin Fee	3,846	2,924
Telephone and Internet	4,583	2,533
Training Activities	4,497	6,998
Website Expenses incl Clubrunner	2,446	2,776
Youth Protection	697	1,921
All Other Expenses	2,408	3,032
Total District Expenses and Payments	69,893	77,105
Total District Activities	29,927	32,150

This statement should be read in conjunction with the attached Review Report and Notes to the Accounts.

	2022	2021
District Events		
RI Director Special Event	1,589	-
RI Director Event Expenses	(2,609)	-
District Conference		
Conference Income	6,861	29,294
Conference Income - Sponsorship	-	4,348
Raffle Income	-	620
District Conference Expenses	(3,258)	(30,236)
District Changeover		
District Changeover Income	4,848	-
District Changeover Expenses	(5,455)	-
Total District Events	1,976	4,026
District Committee Activities		
Foundation		
Foundation - Grant money received	31,765	38,109
District Grant Payment	(31,765)	(37,904)
Total Foundation	-	204
Total District Committee Activities	-	204
Non Operating Expenses and Payments		
Advance for R100 cocktail party Auckland	-	5,000
Advance 9980 ROZops levy - 9940 share	1,883	-
Payments from Reserve Accounts		
20/21 Centennial Projects	-	16,159
District Insurance Rebate to Clubs	-	12,360
Refund - Events not held 20 21 Covid-19	(224)	10,600
less Provision for Refund of Levies - Events not held	10,935	-
Reserves Refund to Clubs	8,591	-
Legal expenses	2,522	2,000
Other Revenue - Events not held 2020 - refunded to Clubs	-	(260)
ROZops Capital Injection	-	4,000
Total Payments from Reserve Accounts	21,824	44,860
Total Non Operating Expenses and Payments	23,707	49,860
Grants and donations made		
Donations Made	-	620
Donations made ex conference	3,603	2,440
Total Grants and donations made	3,603	3,060
Overall Surplus/(Deficit) for the Year	4,592	(16,540)

This statement should be read in conjunction with the attached Review Report and Notes to the Accounts.

Statement of Financial Position

Rotary International District 9940 Inc. As at 30 June 2022

	30 JUN 2022	30 JUN 2021
Assets		
Current Assets		
Bank accounts and cash		
Operational Accounts	63,841	97,250
District Committee Accounts	8,079	8,072
Term Deposits	197,764	146,472
Total Bank accounts and cash	269,684	251,794
Sundry Receivables	818	175
Prepayments	1,459	-
GST	2,522	5,586
Total Current Assets	274,483	257,555
Total Assets	274,483	257,555
Liabilities		
Current Liabilities		
Accounts Payable	20,613	6,680
Sundry Creditors	1,500	1,600
Provision for reimbursing Clubs for Events not held	10,935	10,600
Income in Advance (RTT)	4,800	1,156
Unused donations and grants with conditions	-	2,482
Total Current Liabilities	37,848	22,518
Non-Current Liabilities		
RIYE	8,079	8,072
Total Non-Current Liabilities	8,079	8,072
Total Liabilities	45,926	30,590
Total Assets less Total Liabilities (Net Assets)	228,557	226,965
Accumulated Funds		
Current Year Earnings	4,592	(16,540)
General Funds	165,897	182,437
Reserves		
China Exchange Fund	18,631	18,631
Conference Reserve Account	20,000	20,000
Disaster Reserve Fund	5,000	5,000
New Club Insurance Reserve Fund	-	3,000
Peer Support Fund	4,437	4,437
Youth Exchange Reserve Fund	10,000	10,000
Total Reserves	58,068	61,068
Total Accumulated Funds	228,557	226,965

This statement should be read in conjunction with the attached Review Report and Notes to the Accounts.

Statement of Accounting Policies

Rotary International District 9940 Inc. For the year ended 30 June 2022

Basis of Preparation

The financial statements presented here are for the entity Rotary International District 9940, an Incorporated Society operating under the Incorporated Societies Act 1908.

The special purpose report is for the benefit of the members of the Society and should not be used for any other purpose.

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Income Tax Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

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.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the District 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.

Donations, fundraising and 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 compiled 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.

Revenue from legacies and estates that satisfies the definition of an asset is recognised as revenue when it is probable that future economic benefits or service potential will flow to the entity, and the fair value can be measured reliably.

Revenue from providing goods and services

The District receives revenue from club membership levies within the Wellington region. Revenue is recognised in the period the goods and services are provided.

Interest revenue

Interest revenue is recognised as it accrues, using the effective interest method.

Property, Plant & Equipment

The District has no property, plant or equipment recorded in these financial statements.

The DG chain of office is owned by the Society. Its original value is not recorded and additional costs are expensed in the year they are incurred. It is however insured for its replacement value.

Accounts Receivable

Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

Notes to the Performance Report

Rotary International District 9940 Inc. For the year ended 30 June 2022

	2022	2021
1. Analysis of Revenue		
Revenue from providing goods or services		
Conference Income	6,861	29,294
Conference Income - Sponsorship	-	4,348
District Changeover Income	4,848	-
District Levies	81,711	86,242
Donations Received	1,000	-
less Provision for Refund of Levies - Events not held	(10,935)	-
Miscellaneous Income	960	-
Raffle Income	-	620
Refund - Events not held 20 21 Covid-19	224	(10,600)
Reserves Refund to Clubs	(8,591)	-
RI Director Special Event	1,589	-
RI Reimbursement	18,928	20,029
Total Revenue from providing goods or services	96,595	129,933
Interest, dividends and other investment revenue		
Interest Income	2,087	2,984
Total Interest, dividends and other investment revenue	2,087	2,984
Other revenue		
Foundation - Grant money received	31,765	38,109
Other Revenue - Events not held 2020 - refunded to Clubs	-	260
Total Other revenue	31,765	38,369
	2022	2021

2. Analysis of Expenses

Volunteer and employee related costs		
Assistant Governor Training	117	-
Travel Costs - club visits	8,067	8,051
Total Volunteer and employee related costs	8,184	8,051
Costs related to providing goods or services		
20/21 Centennial Projects	-	16,159
Accounting	2,558	2,584
Advance 9980 ROZops levy - 9940 share	1,883	-
Advance for R100 cocktail party Auckland	-	5,000
Archiving District records	1,083	-
Bank Fees	167	99
Directories and Banners	-	1,705
District Advisory Committee	-	87
District Changeover Expenses	5,455	-
District Grant Payment	31,765	37,904

	2022	2021
District Insurance Rebate to Clubs	-	12,360
District Training	505	3,775
Donations Made	-	620
Donations made ex conference	3,603	2,440
Entertainment	-	70
Expense Grant - AG	6,000	3,354
Expense Grant - DG	5,000	8,855
Expense Grant - DGE	3,500	3,500
Expense Grant - DGN	750	750
Freight & Courier	-	21
General Expenses	850	48
Insurance	6,143	2,184
International Assembly (non RI reimbursed)	-	161
Membership Development	480	600
Other Training Costs	-	1,634
PR & Promotions (ROZOPS/ROZCOMS)	12,524	-
Presentations/Regalia	-	845
Printing & Stationery	381	96
Public Image and Rotary Awareness Expenses	731	9,374
Reviewer Fee	1,500	1,500
District Club Visits	74	151
Rotary International Conference	-	440
Equipment Maintenance	960	122
GETS costs	57	-
Meals/Accommodation - club visits	696	7,359
Postage	-	626
RI - Refund to RI	4,866	-
Regalia and sundry	515	907
Telephone/Fax/Internet	4,388	2,323
RI Director Event Expenses	2,609	-
RI Leadership Institute Levy	149	149
RIYE Expenses	-	383
RLI Program	2	(26)
RNZWCS Expenses	1,316	1,424
ROZOPS - Rotary Foundation (ex Guardian Trust) Admin Fee	3,846	2,924
Secretarial and Admin	500	500
South Pacific PEDS	2,792	784
Telephone & Internet	195	209
The Rotary Foundation Projects & Admin Expenses	180	406
Training GETS	545	45
Website Expenses incl Clubrunner	2,446	2,776
Youth Protection	697	1,921
Total Costs related to providing goods or services	111,711	139,149
Other expenses		
DG Expenses not reimbursed by RI	-	4,253

District Conference Expenses	3,258	29,796
Legal expenses	2,522	2,000
Printing and Stationery	179	574
ROZops Capital Injection	-	4,000
Total Other expenses	5,960	40,624
	2022	2021

3. Analysis of Assets

Debtors and prepayments

Prepayments	1,459	-
Sundry Receivables	818	175
Total Debtors and prepayments	2,277	175

Other non-current assets

District Conference/Changeover Account	3,336	1,120
Grants account	-	2,482
Online savings	28,023	77,932
RI Dues	-	100
RI9940 Working Account	32,482	15,616
RIYE account (04)	8,079	8,072
Term Deposit 1047	-	113,274
Term Deposit 1048	33,554	33,198
Term Deposit 1049	164,210	-
Total Other non-current assets	269,684	251,794
	2022	2021

4. Analysis of Liabilities

Creditors and accrued expenses

Accounts Payable	20,613	6,680
GST	(2,522)	(5,586)
Income in Advance (RTT)	4,800	1,156
Provision for reimbursing Clubs for Events not held	10,935	10,600
Total Creditors and accrued expenses	33,826	12,850

Other non-current liabilities

RIYE	8,079	8,072
Rotary Foundation Unused Grant Funds	-	2,482
Sundry Creditors	1,500	1,600
Total Other non-current liabilities	9,579	12,154
	2022	2021

5. Rotary International Transactions

Net Rotary International Funds Received

RI Reimbursement	(18,928)	(20,029)
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	2022	2021
RI - Refund to RI	4,866	-
Total Net Rotary International Funds Received	(14,062)	(20,029)
District Governor Expenses Reimbursed		
Assistant Governor Training	117	-
GETS costs	57	-
Rotary International Conference	-	440
Equipment Maintenance	960	122
Club Visits		
Travel Costs - club visits	8,067	8,051
District Club Visits	74	151
Meals/Accommodation - club visits	696	7,359
Total Club Visits	8,837	15,561
Postage	-	626
Printing and Stationery	179	574
Regalia and sundry	515	907
Telephone/Fax/Internet	4,388	2,323
Total District Governor Expenses Reimbursed	15,053	20,555
Total Rotary International Transactions	992	526

Rotary International Funding

Rotary International (RI) provides the District with funds to allow the DG to carry on her/his activities as a representative of the RI Board.

In the current year, the District received funds of \$18,928. The DG spent \$14,062 of this amount and the balance of \$4,866 will be refunded to RI.

6. Commitments

There are no commitments as at 30 June 2022 (Last year - nil).

7. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2022 Last year - nil).

8. Events After the Balance Date

The financial statements have been prepared based upon conditions that existed on 30 June 2022 and considering those events occurring subsequent to that date. The District Board has considered the impact of the Covid-19 pandemic and has determined that no adjustments be made to the financial statements. The District Board does not foresee any issues affecting the going concern assumption.

The District Board will continue to monitor the impact of Covid-19 on the District but at the date of signing this report, the District Board does not believe the District has been or will be adversely financially affected by the pandemic. (2021 - \$nil).

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

9. Ability to Continue Operating

The District will continue to operate for the foreseeable future.

10. RI Youth Exchange

	2022	2021
Opening Balance	-\$8,072	-\$10,649
Plus Payments	\$0	\$3,345
Less Receipts	-\$7	-\$858
Closing Balance	-\$8,079	-\$8,072

The Rotary International Exchange Account is run by a Committee.

The District holds the funds on behalf of the Committee which calls on those funds to further their activities.

11. RNZASE

In June 2020, the RNZASE Committee determined to wind up and residual funds transferred to the ROMAC charitable trust and the funds were transferred to ROMAC in the 2020/21 financial year.

12. Term Deposits

ANZ Term Deposits

1048 \$33,553.82 Maturity Date 27 May 2023 Interest Rate pa 2.4% payable quarterly

1049 \$164,210.33 Maturity Date 2 May 2023 Interest Rate pa 2.8% payable quarterly

13. Rotary Foundation Grants

		2022		2021	
		DR	CR	DR	CR
Opening Balance			2,482		2,203
Interest Received/Debited		2			3
RC - Kapiti	Community - water tanks Fiji school	3,500		Education	7,530
RC - Wellington South	Education - for those with English as 2nd language	5,000		Community	13,552
RC - New Plymouth North	Education - Lexia reading system	2,750		Youth	5,000
RC - Awapuni	Education - new Kiwi Club - refugees	500		Health	11,750
RC - Hutt City	Education - RYLA	4,300		Environment	-

RC - Levin	Health - Skills4Living	1,000				
RC - Plimmerton	Health - Early Childhood Clothing	2,000				
RC - Awapuni	Health - Gift bags for children in hospital	3,132				
RC - Mana Tangata	Health - Lifting the Lid program	3,132				
RC - Porirua	Health - N95 masks to schools	2,450				
RC - Porirua	Health - Te Whare Ranui Tranquility Garden	4,000				
Repaid to RI						
Received from RI Foundation			29,285			38,108
Grant from District			-			-
		31,767	31,767		37,832	40,314
		-				
Closing Balance			-			2,482
In addition, during the year, The District committed Rotary Foundation funds that are designated to it						
on the basis of previous contributions, to the following club and District projects.						
The funds, that do not go through the District accounts, were as below						
District 9940 Designated Funds committed in 2021-22 to global grant projects supported by District 9940						
RC – Wanganui North	Improving orthopaedic surgery in Tonga	US\$7,000				
District 9910	Improving the mental wellbeing of young people in Northland	US\$5,000				
District 9920	Rotary Give Every Child a Future immunisations in Niue, Tokelau and Kiribati	US\$15,000				
The Foundation Grants are managed by a Committee on behalf of the District.						

14. Review

These financial statements have not been audited and should be read in conjunction with the review report attached.

15. Income Tax

Rotary International District 9940 Inc. is liable to pay New Zealand income tax on its non-exempt income, less offsets for donations made to Donee organisations, and the 'standard' \$1000 allowance.

In the current year, the tax payable is calculated as follows:

	2022	2021
Interest Earned	\$2,086.72	\$2,960.60
Donations to Registered Charities	-\$3,602.93	-\$5,907.00
Deductible Allowance -	\$1,000.00	-\$1,000.00
Assessable Income	\$0.00	\$0.00
Tax at 28c/\$	Nil	Nil

Independent Assurance Practitioner's Review Report

Rotary International District 9940 Inc. For the year ended 30 June 2022

To the Members of the Rotary International District 9940 Incorporated.

Report on the Financial Statements

We have reviewed the accompanying financial statements of the Rotary International District 9940 Incorporated ("the District"), which comprise the statement of financial position as at 30 June 2022, and the statement of financial performance for the year then ended, and a summary of significant accounting policies and other explanatory information.

District Board's Responsibility for the Financial Statements

The District Board is responsible for the preparation and fair presentation of these financial statements in accordance with the special purpose framework chosen to explain the District's financial performance and financial position to the members of the District based on accounting principles commonly used in New Zealand. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400, *Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity*. ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE (NZ) 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these financial statements.

We assisted with editing the notes to the accounts, aligning them with the applicable financial reporting framework. Other than in our capacity as assurance practitioner we have no relationship with, or interests in, the District.

Emphasis of Matter

The financial statements are prepared in accordance with a special purpose framework for the purpose of reporting to members and, as a result, the financial statements may not be suitable for another purpose.

Restriction on use of our report

This report on the financial statements is made solely to the District Board. Our limited assurance work has been undertaken so that we might state to the District Board those matters which we are required to state to them in an independent assurance practitioner's review 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 District Board, for our limited assurance work, for this report or for the conclusion we have formed.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of the District as at 30 June 2022, and its financial performance for the year then ended, in accordance with the special purpose framework chosen to explain the District's financial performance and financial position to the members of the District based on accounting principles commonly used in New Zealand.



DJ Turner & Associates

Chartered Accountants

Wairarapa, NZ

15th October 2022