

RAINBOW SPORTS CLUB INC
Special Purpose Financial Report
For the Year ended 30th November 2022

Rainbow Sports Club Incorporated
Special Purpose Financial Report Contents
For the Year Ended 30 November 2022

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Rainbow Sports Club Incorporated
Incorporated Society Directory
As at 30 November 2022

Nature of Business	Ski Field
Business Location	Rainbow Valley Ski Area 1680 Rainbow Road Marlborough
Bankers	ANZ PO Box 141 Blenheim
IRD Number	87-009-696
Solicitor	Richmond Law 2 McGlashen Ave Richmond 7020
Committee Members	Rachel Robinson (Chair appointed September 2022) Mark Unwin (Chair resigned September 2022) Paula Olliver (Treasurer) Ian Goldschmidt Robert Whittle Maree Shelling Rhys Palmer (Appointed April 2022) Brent Goddard (Appointed October 2022)

Rainbow Sports Club Incorporated
Statement of Financial Performance
For the Year ended 30 November 2022

	Notes	2022	2021
Income			
Sales	1	1,051,055	747,113
Shop Sales		20,476	11,963
Commissions Cafe		0	11,976
		<u>1,071,531</u>	<u>771,052</u>
Cost of Goods Sold			
COGS - Shop		<u>15,387</u>	<u>8,720</u>
Total Cost of Goods Sold		<u>15,387</u>	<u>8,720</u>
Gross Surplus		1,056,143	762,332
Expenses			
ACC Levies		7,355	67
Audit Fees		4,100	3,650
Field Expenses	2	92,304	27,747
General & Utilities	3	97,484	73,225
Insurance		1,389	34,550
Interest		176	960
Management & Administration	4	146,369	91,285
Vehicle Expenses	5	35,574	12,375
Rates		495	1,528
Ticketing Expenses		11,825	9,327
Wages & Salaries		<u>388,825</u>	<u>398,956</u>
Total Expenses		<u>785,896</u>	<u>653,670</u>
Net Operating Surplus/(Deficit)		270,248	108,662
Depreciation Adjustments			
Deprecation as per Schedule		79,833	85,600
Loss on Disposal		0	1,524
		<u>79,833</u>	<u>87,124</u>
Total Expenses After Depreciation Adjustment		<u>865,729</u>	<u>740,794</u>

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

Rainbow Sports Club Incorporated
Statement of Financial Performance
For the Year ended 30 November 2022

	Notes	2022	2021
Other Income			
Interest Received		5,516	1,502
Grants & Donations Received	6	47,428	9,003
Net Snow Gear Sales		16,412	9,734
Contributor Advance		0	1,350
Wage Subsidy		3,000	96,000
Total Other Income		<u>72,356</u>	<u>117,589</u>
Net Surplus/(Deficit)		<u><u>262,771</u></u>	<u><u>139,127</u></u>

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

Rainbow Sports Club Incorporated
Statement of Movements in Equity
For the Year Ended 30 November 2022

	2022	2021
Opening Equity	835,154	696,027
Net Surplus	262,771	139,127
Total Recognised revenues & expenses	<u>262,771</u>	<u>139,127</u>
Closing Equity	<u><u>1,097,925</u></u>	<u><u>835,154</u></u>

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

Rainbow Sports Club Incorporated
Statement of Financial Position
As at 30th November 2022

	Notes	2022	2021
Current Assets			
ANZ - Cheque Account		294,338	257,239
ANZ online Call Account		179,482	53,752
Accounts Receivable		-	-
GST Receivable		9,740	-
Stock On Hand		49,132	20,889
ANZ Term Deposit		167,433	164,789
Total Current Assets		<u>700,125</u>	<u>496,669</u>
Non Current Assets			
Property, Plant and Equipment		499,623	454,348
Total Non Current Assets		<u>499,623</u>	<u>454,348</u>
Total Assets		<u>1,199,749</u>	<u>951,017</u>
Current Liabilities			
Accounts Payable		43,826	46,362
Accrued Expenses	7	57,023	35,544
GST Payable		-	484
Income in Advance		-	9,528
Grants Received in Advance		-	1,867
Contributor Advances	8	975	975
ANZ Loan - Current Portion	9	0	7,503
IRD Small Business Loan		0	13,600
Total Current Liabilities		<u>101,824</u>	<u>115,863</u>
Non Current Liabilities			
ANZ Loan	9	-	-
Total Non Current Liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u>101,824</u>	<u>115,863</u>
Net Assets		<u>\$ 1,097,925</u>	<u>835,154</u>

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

Rainbow Sports Club Incorporated
Statement of Financial Position
As at 30th November 2022

	2022	2021
Equity		
Donated Equity	201,353	201,353
Retained Surplus	896,572	633,801
Total Equity	<u>1,097,925</u>	<u>835,154</u>

The accompanying notes form part of these Financial Statements and should be read in conjunction with the reports contained herein.

Committee  Committee 

Date 12-4-23.

RAINBOW SPORTS CLUB INC
Statement of Fixed Assets and Depreciation
For the Year Ended 30 November 2022

Asset	Cost Price	Book		Loss on Disposal	Depreciation Rate	Accum Depreciation	Book	
		Vale 1/12/2021	Additions Disposals				Depreciation 30/11/2022	Value 30/11/2022
LAND AND BUILDINGS								
Rainbow Ski field Licensed								
Area - buildings	133,682	66,786			4% DV	2,671	69,567	64,115
Transmitter	2,000	999			4% DV	40	1,041	959
Snow Fences	2,400	323			11.4% DV	37	2,114	286
Snowgun Shed	2,494	1,272			4% DV	51	1,273	1,221
T-Bar Shed Enclosure & #2 Groomer Shed	9,050	4,976			4% DV	199	4,273	4,777
Portable Snow Fences/Gates 22	2,055	308			11.4% DV	35	1,782	273
Permanent Snow Fences 07	4,355	669			12% DV	80	3,766	589
Mt Robert Members Lodge	60,000	21,000			20YR SL	3,000	42,000	18,000
Steel Container - Storage	2,575	1,603			4% DV	64	1,036	1,539
Customer Services Building - piles	4,437	3,618			4% DV	145	964	3,473
Water Main	18,283	6,327			9% DV	569	12,525	5,758
Accommodation Block	133,456	83,474			4% DV	3,339	53,321	80,135
Steel Container - Generator	9,305	6,422			4% DV	257	3,140	6,165
Snowmaking pipe extension	9,702	4,562			9% DV	411	5,551	4,151
Groomer Shed	52,980	40,663			4% DV	1,627	13,944	39,036
New Generator Shed	9,549	8,448			4% DV	338	1,439	8,110
Dux Hot Water Cylinder	2,590	0				0	2,590	0
Solar System			3,012		16% DV	482	482	2,530
TOTAL LAND AND BUILDINGS	458,913	251,450	3,012	0		13,345	220,808	241,117
PLANT AND EQUIPMENT - RENTAL								
Rental Skis - 294								
Rental Skis - 14	21,673	1,568			67% DV	1,051	21,156	517
Rental Skis and Poles	8,784	1,928			67% DV	1,292	8,148	636
Rental Skis - 16	7,049	424			67% DV	284	6,909	140
Rental Boots - 318								
Rental Boots - 18	4,140	249			67% DV	167	4,058	82
Rental Boots - 6	1,101	73			67% DV	49	1,077	24
Rental Poles	1,599	116			67% DV	78	1,561	38
Helmets - 107								
Rental Clothing - 34 pants and 36 jackets								
Rental Clothing - 20 pants	1,072	45			67% DV	30	1,057	15
Rental Skis - 23			5,536		67% DV	1,545	1,545	3,991
Total Rental Equipment	45,418	4,403	5,536	0		4,495	45,510	5,444

RAINBOW SPORTS CLUB INC
Statement of Fixed Assets and Depreciation
For the Year Ended 30 November 2022

PLANT AND EQUIPMENT

Snowmaking ex RVSA	50,131	800	21.6% DV	173	49,504	627
Fixed Plant ex RVSA	33,420	1,145	18% DV	206	32,481	939
Tools & Plant ex RVSA	3,340	1	39.6% DV	0	3,339	1
Cafeteria Plant & Fittings						
Ex RVSA	4,178	144	18% DV	26	4,060	118
T-Bar	135,000	7,775	15% DV	1,166	128,391	6,609
T-Bar Tower	2,000	117	15% DV	18	1,901	99
Ladder	310	9	18% DV	2	303	7
Communication Cable	1,967	129	14.4% DV	19	1,857	110
Intermediate Platter Lift, Structure	46,961	3,846	15% DV	577	43,692	3,269
Intermediate Platter Lift, Site Works	21,683	1,776	15% DV	266	20,173	1,510
Intermediate Platter Design Verification	32,224	11,949	15% DV	1,792	22,067	10,157
Wire Rope & Cable	795	40	18% DV	6	761	34
2 x Heat Pumps Fitted	751	19	21.6% DV	4	736	15
Scoop Stretcher	1,388	13	26.4% DV	3	1,378	10
West Bowl Tow	13,028	606	19.2% DV	116	12,538	490
Office, Hub	2,002	3	60% DV	2	2,001	1
Telular CDMA Kit & Parts	3,386	29	36% DV	10	3,367	19
Beginners Tow Rebuild, structure	7,120	2,452	19.2% DV	471	5,139	1,981
Beginners Tow Rebuild, site works	9,833	556	19.2% DV	107	9,384	449
Inverter Welder	888	57	18% DV	10	841	47
Snowboard Grinder	3,000	1,287	15.5% DV	199	1,912	1,088
Ski/Board Edger	500	51	15.6% DV	8	457	43
Second Hand Tait Radio T2020	800	1	40% DV	0	799	1
Alarm System	4,598	43	30% DV	13	4,568	30
Battery & Solar Feeder for Alarms	6,368	60	30% DV	18	6,326	42
Trail & Security Camera	437	12	24% DV	3	428	9
Generator (6500) Watts	1,500	52	24% DV	12	1,460	40
Hydraulic Hoist Rams	1,150	86	19.2% DV	17	1,081	69
Luge Tow	3,102	379	15.6% DV	59	2,782	320
T-Bar Electrification	17,478	2,632	15% DV	395	15,241	2,237
Wireless Vantage Pro2	1,748	1	48% DV	0	1,747	1
Point of Sale System	19,158	12	48% DV	6	19,152	6
Dell D620 Laptop	840	1	48% DV	0	839	1
Security System & Camera	2,578	162	21.6% DV	35	2,451	127
330KVA Generator	21,000	1,161	24% DV	279	20,118	882
Tait Radio	899	5	39.6% DV	2	896	3
Snow Guns	24,000	2,071	21.6% DV	447	22,376	1,624
Chairs for Café - 56	3,855	494	19.2% DV	95	3,456	399
Hand held radio	950	8	40% DV	3	945	5
SCC Grader Chains	1,950	17	39.6% DV	7	1,940	10
Defibrillator	3,250	95	31.2% DV	30	3,185	65
Generator	32,410	2,303	24% DV	553	30,660	1,750
Notebook for Field Manager	1,120	5	48% DV	2	1,117	3
Homerun	5,818	221	48% DV	106	5,703	115
Footworx Machine	2,253	310	21.6% DV	67	2,010	243
Radio - T Bar	2,920	43	39.6% DV	17	2,894	26
2nd Hand Radio	595	8	39.6% DV	3	590	5
Snowmaker ex Technoalpin	44,737	3,702	21.6% DV	1,777	42,812	1,925
VSD for Rope Tow	5,830	334	48% DV	72	5,568	262
Radio's x 2	1,430	36	39.6% DV	14	1,408	22
17kw diesel heater for workshop	925	24	39.6% DV	10	911	14
Radio for Hi Ace Van	568	13	39.6% DV	5	560	8
Wastewater System	14,565	5,099	9.6% DV	2,019	11,485	3,080
Patrol Vest	791	2	60% DV	1	790	1
Road Signage	1,251	76	36% DV	27	1,202	49
Storage Bins	574	9	48% DV	4	569	5
Battery Charger	656	11	48% DV	5	650	6
Oil Change Pump	903	15	48% DV	7	895	8
Tower Rescue Kit	1,163	20	48% DV	10	1,153	10
Ladder	702	76	30% DV	23	649	53
Workshop tools	1,547	63	39.6% DV	25	1,509	38
Snowmaking pump	19,364	4,011	21.6% DV	866	16,219	3,145
Snowmaker ex Technoalpin	70,896	11,765	21.6% DV	2,541	61,672	9,224
7 Second Hand Radios	3,609	234	39.5% DV	92	3,467	142
Signs	3,404	471	30% DV	141	3,074	330
ATV Helmets x 3	666	260	16% DV	42	448	218

RAINBOW SPORTS CLUB INC
Statement of Fixed Assets and Depreciation
For the Year Ended 30 November 2022

Jumpstarted 2200amp	625	42		40%DV	17	600	25
Speakers for T Bar Drive	525	37		40%DV	15	503	22
Mig Welder	2,270	937		16%DV	150	1,483	787
Card Printer	1,798	94		48%DV	45	1,749	49
Laptop	597	33		50%DV	17	581	17
Tractor Chains	1,500	13		67%DV	9	1,496	4
HP Probook	1,972	144		50%DV	72	1,900	72
Zavio 2MP Outdoor Bullet IP Cameras	1,027	91		50%DV	46	982	46
BCZ Tracker 2	2,045	353		40%DV	141	1,833	212
Staff Fridge	865	320		25%DV	80	625	240
Go Pro and Drone	1,946	192		50%DV	96	1,850	96
Staff Uniforms	10,959	525		60%DV	315	10,749	210
Harness 663x4018	1,245	147		48%DV	71	1,169	76
Tracking Camera	609	73		50%DV	37	573	37
T40 Snow Guns x 2	90,842	45,746		20%DV	9,149	54,245	36,597
Fastners	840	423		20%DV	85	502	338
HP Notebook 450	1,181	123		50%DV	62	1,120	62
Mobile Workstation	3,090	1,503		20%DV	301	1,888	1,202
Satellite Phone	1,950	822		25%DV	206	1,334	617
Power Supply New Snowgun	3,498	1,829		20%DV	366	2,035	1,463
Container	5,700	4,631		7%DV	324	1,393	4,307
Patrol Sled	876	554		15%DV	83	405	471
New Snow Gun	15,398	7,873		21.6%DV	1,701	9,226	6,172
Ducting for Snowmaking	4,936	2,596		21.6%DV	561	2,901	2,035
Socket and Pin for Snowmaking	360	189		21.6%DV	41	212	148
Intouch Programme and Training	20,000	7,156		33.3%DV	2,383	15,227	4,773
Intouch App and Server	11,462	3,961		33.3%DV	1,319	8,820	2,642
BCA Rescue Package	626	111		50%DV	56	571	56
Staff Uniforms	8,410	608		67%DV	407	8,209	201
Patrol Sled	3,267	2,188		15%DV	328	1,407	1,860
B Nets	7,471	5,827		10.5%DV	612	2,256	5,215
Signs - slow and freestyle terrain	1,129	942		7%DV	66	253	876
Phone System Upgrade	1,819	1,091		20%SL	364	1,092	727
Signs - netting and load here	879	-		100%SL	-	879	-
Rope, fencing and signs	4,092	-		100%SL	-	4,092	-
Trail Signs	1,947	-		100%SL	-	1,947	-
Snow Gun	1,937	-		100%SL	-	1,937	-
Gyms Mats x 4	4,102	2,789		48%DV	1,339	2,652	1,450
Cafe Fryer, Extraction system & griddle	8,695	7,173		30%DV	2,152	3,674	5,021
Impact wrench, grinder, drill & driver kit	1,041	1,007		39.6%DV	399	433	608
Snow Guns - 2			2,609	21.6%DV	517	517	2,092
Café Equipment			2,000	16% DV	240	240	1,760
Café POS Terminal			2,627	33%DV	506	506	2,121
Snowmaking pump			92,289	21.6%DV	11,628	11,628	80,661
Signs			2,011	10%DV	117	117	1,894
Staff Uniforms			3,103	67%DV	1,040	1,040	2,063
Harness and Lyndard - 2			711	48%DV	142	142	569
POS Terminal and Printer			3,684	33%DV	507	507	3,177
Starlink			1,070	48%DV	43	43	1,027
Laptops - 2			2,544	48%DV	102	102	2,442
Total Plant & Equipment	941,794	171,350	112,648		53,285	823,729	230,713
MOBILE							
Loader & Blade	39,069	3,052		14.4% DV	439	36,456	2,613
Groomer 210, 2nd Hand	14,371	31		33% DV	10	14,350	21
Groomer, PB 300 2nd Hand	127,000	2,959		33% DV	769	124,810	2,190
Trailer	2,000	542		14.4%DV	78	1,536	464
Hi Ace Van	11,947	1,263		26% DV	328	11,012	935
Skidoo P161560237	2,508	433		40%DV	173	2,248	260
Skidoo P161562674	4,400	760		40%DV	304	3,944	456
Toyota Landcruiser	45,784	16,591		33%DV	5,475	34,668	11,116
Trailer	1,532	1,514		14.4%DV	218	236	1,296
Skidoo			3,913	40%DV	913	913	3,000
Total Mobile Plant	248,611	27,145	3,913		8,709	230,175	22,349
TOTAL PLANT & EQUIPMENT	1,235,823	202,898	122,097		66,489	1,099,414	258,506
TOTAL	1,694,736	454,348	125,109		79,833	1,320,221	499,623

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

Reporting Entity

Rainbow Sports Club Incorporated is an Incorporated Society under the Incorporated Societies Act 1908.

Rainbow Sports Club Incorporated is a ski field business.

These Financial Statements are of special purpose and have been prepared for internal management purposes.

The accounting policies adopted are not in conformity with generally accepted accounting practice. Accordingly, the financial statements should only be relied on for the expressly stated purposes.

Basis of Preparation

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical basis have been used, with the exception of certain items for which specific accounting policies have been identified. Financial Statements have been prepared for internal management and funding purposes. using special purpose framework.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent it is probable that the economic benefits will flow to the Incorporated Society and revenue can be reliably measured.

Interest received is recognised on receipt, gross of refundable tax credits received.

Grants received are recognised in revenue, unless specific conditions are attached to the grant and repayment of the grant is required where these conditions are not met. The unspent portion of these grants is recognised in the Statement of Financial Position as Grants Received in Advance until all conditions are fulfilled.

Property, Plant and Equipment and Investment Property

Fixed Assets have been included at cost less accumulated depreciation. Details of fixed assets are set out in the attached Fixed Asset Register.

Depreciation

Depreciation has been charged on either a diminishing value (DV) or straight line basis (SL), at rates approved by the Inland Revenue Department except buildings which are based on estimated useful life. Details of rates and depreciation claims are set out in the Fixed Asset Register included herein.

The methods and rates applied are as follows:

Asset Class	Method	Rate
Buildings - At cost	Prime Cost and Diminishing Value	4 - 100%
Plant & Equipment - Rental	Prime Cost and Diminishing Value	67 - 100%
Plant & Equipment	Prime Cost and Diminishing Value	7 - 100%
Vehicles	Diminishing Value	14.4 - 100%

Accounts Receivable

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

Goods and Services Tax (GST)

The Statement of Financial Performance and Statement of Cashflows (where included) have been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with exception of account receivables and payables.

Inventory

Inventories are recorded at cost.

Taxation

Rainbow Sports Club Incorporated has been approved under section CW45 of the Income Tax Act 2007 as an amateur game or sports promoter. As such, all income earned by the society will be exempt from income tax provided the requirements of section CW46 are met each year.

Donated Labour and Materials

Club members and supporters donate their time and/or materials to the maintenance of the ski field infrastructure and construction of new buildings and facilities. It is not practical to quantify the value contributed, therefore the cost of maintenance expenses and the value of constructed fixed assets reported in these financial statements represent only the cash outlay incurred by the Rainbow Sports Club and not a full market value purchase price.

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 period.

Rainbow Sports Club Incorporated
Notes to the Financial Statements
For the Year Ended 30th November 2022

	2022	2021
1 Sales		
Access Fees	1,026	1,435
Lift Passes	474,398	337,778
Memberships	173,037	129,123
Partnership Funds	6,277	10,600
Rental Clothing	21,544	14,850
Rental Equipment Income	173,046	135,877
Shuttle Income	45,603	37,489
Snow School Income	65,054	79,962
Café	91,070	-
Total Sales	<u>1,051,055</u>	<u>747,113</u>
2 Field Expenses		
Café Purchases	46,532	0
Cleaning and Laundry	1,784	899
Medical Supplies	798	1,653
R & M - Intermediate Platter	4,150	1,545
R & M - Other Plant	9,331	7,827
R & M - Radios	1,200	450
R & M - Snow Making	8,280	5,483
R & M - T Bar	6,930	4,228
Road & Terrain	8,797	0
Rental Equipment - R & M and general	554	0
Safety Services - General Expenses	2,930	1,260
Signage	655	2,205
Snow School Expenses	363	2,198
Total Field Expenses	<u>92,304</u>	<u>27,747</u>
3 General & Utilities		
Buildings and Security	253	2,474
Fuel	84,359	60,312
R & M - Base Site Area	8,053	1,007
R & M - Buildings & Fittings	3,951	5,460
R & M - Generator	515	3,071
Sewage & Toilet Expenses	352	901
Total General & Utilities	<u>97,484</u>	<u>73,225</u>

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	2022	2021
4 Management and Administration		
Accounting Fees	14,250	13,625
Bank Fees	163	163
Computer Expenses	4,035	2,740
Credit Card Merchant Fees	11,094	7,783
DOC Concession	26,948	1,192
General Expenses	3,178	1,038
Internet & Web Expenses	1,702	1,822
Intouch Fees	29,831	20,814
Licences & Subscriptions	3,590	3,654
Marketing	2,177	1,485
Office Supplies	568	940
Payroll Fees	2,112	2,368
Shuttle Transport	30,266	25,048
Staff Accommodation	2,466	-
Staff Expenses	9,062	4,767
Telephone Expenses	4,927	3,845
Total Management & Administration	<u>146,369</u>	<u>91,285</u>
5 Vehicle Expenses		
R & M - 4 Wheel Drive Ute	9,595	3,760
R & M - Hi Ace Van	1,767	984
R & M - Loader and Other Heavy Machines	556	0
R & M - Shuttle	3,000	3,192
R & M - Skidoo	-	287
R & M - Snow Groomer	20,656	4,152
Total Vehicle Expenses	<u>35,574</u>	<u>12,375</u>
6 Grants & Donations Received		
Marlborough District Council	4,600	1,881
Other	186	100
Lion Foundation	-	3,000
Yealands Marlborough	9,967	4,022
Mainland Foundation	10,000	0
Packaging Forum	600	0
Transpower	3,000	0
Snowball Fundraising	19,075	0
Total Grants & Donations Received	<u>47,428</u>	<u>9,003</u>

This Statement is to be read in conjunction with the Financial Statements and are subject to the Auditor's Report

	2022	2021
7 Accrued Expenses		
DOC Concession Fee	57,023	30,000
Wages & Holiday Pay	-	5,544
	<u>57,023</u>	<u>35,544</u>

8 Borrowings		
Contributor Advances	975	975
Total Current Borrowings	<u>975</u>	<u>975</u>

There were no contingent liabilities at balance date (2020: Nil)

9 Liabilities - Other		
ANZ Loan	-	7,503
Total Current Liabilities - Other	<u>-</u>	<u>7,503</u>
ANZ Loan	-	-
Total Non Current Liabilities - Other	<u>-</u>	<u>-</u>

10 Capital Commitments

No capital commitments have been contracted or provided for at balance date (2021:Nil)

11 Contingent Liabilities

There were no contingent liabilities at balance date (2021:Nil)

12 Related Parties

The following material transactions occurred with related parties during the year:

Maree Shelling \$14,250 (2021: \$12,325). Maree Shelling provides accounting services and was appointed in 2021.

Rainbow Sports Club has paid \$3,462 (2021 Nil) to iGenerate Ltd of which Mark Unwin, a committee member has an interest. This payment was made on normal commercial terms.

Kaitlyn Robinson is an employee and daughter of a committee member.

Robert Whittle provides legal advice free of charge.

13 Events After Balance Date

Department of Conservation Concession

Rainbow Sports Club Incorporated relies upon a licence to operate the Rainbow Ski field on the Department of Conversation's (DOC) Conservation Area Land. The licence term expired but has been extended by DOC on a month-to-month basis pending renewal.

An application for renewal of the licence was submitted by Rainbow Sports Club Incorporated to DOC in October 2020. DOC issued a draft renewal licence in March 2023. Rainbow Sports Club Incorporated is currently reviewing the draft licence and will endeavour to agree terms with DOC. The renewal may not be processed in time for the 2023 ski season or part thereof.

Rainbow Sports Club Incorporated has informed DOC that it intends to continue to operate for the 2023 season in line with what other ski fields in New Zealand have done pending a renewal.

INDEPENDENT AUDITOR'S REPORT

To the Committee Members of Rainbow Sports Club Incorporated

Opinion

We have audited the special purpose financial statements of Rainbow Sports Club Incorporated, ("the Society") which comprise the statement of financial position as at 30 November 2022, the statement of financial performance and statement of movements in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and schedule of fixed assets and depreciation.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at 30 November 2022, and of its financial performance for the year then ended in accordance with the accounting policies detailed in the statement of accounting policies.

Basis of Opinion

We conducted our audit in accordance with International Standards of Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* 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, we have no relationship with, or interests in, the Society.

Emphasis of Matter - Basis of Accounting

We draw attention to the Basis of Accounting Note in the financial statements. The financial statements are prepared for internal management and funding purposes. As a result, the financial statements may not be suitable for another purpose.

Committee's Responsibility for the Financial Statements

The Committee is responsible for the selection and consistent application of appropriate accounting policies; the preparation of these financial statements in accordance the accounting policies detailed in the statement of accounting policies and for such internal control as the Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Committee is responsible for assessing the Society'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 Committee is either intending to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole 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 it 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 aggregate, they could be reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The full details of the auditor's responsibilities can be found on the following web page.

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/>

Independent Auditors Ltd.

INDEPENDENT AUDITORS LTD

Nelson

13 April 2023