

***Fernridge Water Supp
Association Inc***



C/- Mr Graeme Want (Treasurer), PO Box
Masterton 5840, Tel 06 377-1446

10060359274

15th July 2011

Registrar of Incorporated Societies
Companies Office
PO Box 92061
Auckland Mail Centre

Dear Registrar

RE: Filing of 2009/2010 Annual Financial Statement

Please find **enclosed** a copy of our Association's Annual Financial Statement,
and a copy of the AGM minutes for 15th May 2011.

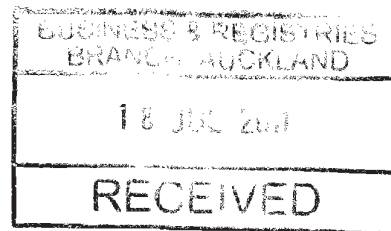
I confirm that this statement was submitted to and approved by the members
of our Association, at our AGM held on the 15th May 2011.

Yours Faithfully

Graeme Want
Treasurer

Enc.

NPC
18 JUL 2011



**MINUTES OF THE
24th ANNUAL GENERAL MEETING
OF THE
FERNRIDGE WATER SUPPLY ASSOCIATION (INC)**

HELD AT

Fernridge School Hall, Upper Plain Road, Sunday 15th May 2010 at 4.06 pm.

WELCOME

Mr Alec Birch (Chairman) welcomed all members.

PRESENT

A Birch (Chair), Coral Birch, Graeme Want, Christine Want, George Butcher, Barbara Butcher, Ian Gray, D Holmes, Murray Taucher, Grant Allan, Adrienne Hewitt, Cathy Lainge, Mark Tacon, Cindy Carson, Duncan Simpson, Ross & Ngaire Lerwill, Donald Perry

APOLOGIES

Jean Gray, T Holmes, Robin & Sheryl Richards, Jan Taucher, Jenny Wilkinson, Steve Rogers, Tony & Marie Garstang, Heather McCallum, Chris Ryan, Pauline Senior, Albie Edginton, Sue & Alison Naysmith

G Butcher/G Allan
Carried

MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING held on 2nd May 2010 having been circulated were taken as read and confirmed with no alterations.

M Taucher/G Butcher
Carried

MATTERS ARISING FROM THE MINUTES

No matters arising.

CHAIRMAN'S REPORT

Mr Birch moved that the Chairman's report having been previously circulated together with AGM Notice of Meeting be accepted.

A Birch/M Tacon
Carried

ANNUAL ACCOUNTS AND BUDGET

The Annual accounts were distributed to the membership present by the Treasurer, Graeme Want.

Budget for the forthcoming year:

Running expenses below budget, capital expenditure on pump house.

Any questions on the budget:

Ross Lerwill noted the difference in the financial performance total and total expenditure. Graeme Want explained that the financial performance did not show the capital expenditure outlaid for the building of the pump house.

The Treasurer moved that the accounts as presented be approved.

G Want/C Carson
Carried

MOTION

That the annual rates for 1st July 2011 – 30th June 2012 be increased by CPI 4.5% for connected units (\$171.21 + GST) \$196.89 INCL.

That the annual rates for 1st July 2011 – 30th June 2012 be increased by CPI 4.5% for unconnected units (\$80.15 + GST) \$92.17 INCL.

Graeme Want moved that the motion (as worded above) be accepted.

G Want/G Allan
Carried

APPOINTMENT OF AUDITOR

The Treasurer moved that Russell Stewart of Markhams be retained as Auditor to the Fernridge Water Supply Association.

G Want/M Taucher
Carried

ELECTION OF OFFICERS

Chairman: Mr Alec Birch

D Holmes/G Butcher
Carried with applause

Deputy Chairman: Mr Grant Allan

A Birch/G Butcher
Carried with applause

Secretary: Mrs Donna Holmes

A Hewitt/G Want
Carried with applause

Treasurer: Mr Graeme Want

A Birch/D Holmes
Carried with applause

Committee:

Present Management Committee:

George Butcher, Ian Gray, Christopher Holmes, Jason Luttrell, Murray Taucher, George Mahupuku, Wayne Andrews-Paul, Mark Tacon

Nominations to serve on the committee were called for by Mr Birch:

Cindy Carson was nominated by George Butcher.

Cindy Carson welcomed onto the committee.

It was moved that nominations be closed and that the Management Committee Members be duly appointed for a further term.

A Hewitt/G Allan
Carried

GENERAL BUSINESS

- Cindy Carson acknowledged the hard work done on the pump house and the good financial standing of the Association.
- Alec Birch explained that we are having pH monitoring equipment installed. Water alkalinity has been an issue. Caustic dosing to be addressed. Monitoring of water consumption has been out of action during building work, the pager is about to be up and working soon.
- Murray Taucher advised that we have put in place better safety procedures for handling the caustic.
- Graeme informed that we have had no transgressions over the past few months, evidence of the better filtering system. The water is currently being tested twice a month, once by the FWSA and once by the Masterton District Council. This exceeds the requirements of the Water Drinking Standards.

MEETING CLOSED the Chairman thanked those in attendance for coming, the meeting was closed at 4.28 pm and was followed by afternoon tea.


CHAIRMAN

FERNRIDGE WATER SUPPLY ASSOCIATION (INC)

FINANCIAL STATEMENTS

31 MARCH 2011



INDEPENDENT AUDITOR'S REPORT

AUDIT

To the members of Fernridge Water Supply Association Inc.

We have audited the financial statements of Fernridge Water Supply Association Inc on pages 2 to 6, which comprise the Statement of Financial Position as at 31 March 2011, and the Statement of Financial Performance, for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Committees' Responsibility for the Financial Statements

The Management Committee are responsible for the preparation of these financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate, and for such internal control as the Management Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view of the matters to which they relate 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

Other than in our capacity as auditor we have no relationship with, or interests in, Fernridge Water Supply Association Inc.

Opinion

In our opinion, the financial statements on pages 2 to 6 present fairly, in all material respects, the financial position of Fernridge Water Supply Association Inc as at 31 March 2011, and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.



Markhams Wairarapa Audit
Masterton
11 May 2011

MARKHAMS WAIRARAPA AUDIT

41 Perry Street, P O Box 190, Masterton 5840, New Zealand
Telephone: +64 (0)6 377 4139 Email: mstn@markhams.co.nz
Facsimile: +64 (0)6 378 8260 Web: www.markhams.co.nz

124 Main Street, P O Box 13, Greytown 5742, New Zealand
Telephone: +64 (0)6 304 9015 Email: gn@markhams.co.nz
Facsimile: +64 (0)6 304 9949 Web: www.markhams.co.nz

Markhams Wairarapa Audit is a partnership, all partners are members of the New Zealand Institute of Chartered Accountants.

CORRESPONDENT of **Praxity**
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

FERNRIDGE WATER SUPPLY ASSOCIATION (INC)
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FOR THE YEAR ENDED 31 MARCH 2011

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FERNRIDGE WATER SUPPLY ASSOCIATION (INC)
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2011

2010		2011	2011
\$	INCOME	\$	\$
4,737.17	Interest		2,835.89
25,447.39	Rates/Administration Charge		25,496.40
50.00	Swimming Pool Filling/Tank Filling		374.36
30,234.56			28,706.65
	EXPENDITURE		
61.81	Bank Charges & Interest	84.25	
3,725.07	Power	4,094.66	
536.00	Water Treatment & Filters	1,493.89	
5,450.53	Repairs & Maintenance	2,047.10	
95.01	Supervision/Collection Fees - W.R.C.	-	
833.86	Office Expenses	459.37	
1,102.00	Audit Fee	1,275.01	
95.26	General	218.89	
1,844.74	Insurance	2,027.78	
1,000.00	Honorarium	-	
1,416.23	Water Sampling	879.07	
1,421.15	Income Tax Expense	850.77	
<u>17,581.66</u>			<u>13,430.79</u>
<u>12,652.90</u>	EXCESS INCOME OVER EXPENDITURE		<u>15,275.86</u>
	TAXABLE ADJUSTMENTS		
7,915.73	Net Income/(Deficit) generated between members		<u>12,439.97</u>
<u>4,737.17</u>	TAXABLE INCOME (INTEREST)		<u>2,835.89</u>



These Financial Statements should be read in conjunction with the accompanying notes, Accounting Policies and Audit Report.

FERNRIDGE WATER SUPPLY ASSOCIATION (INC)
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2011

2009		2010	2010
\$	ASSETS	\$	\$
197,660.94	Cost	197,660.94	
774.88	New Pump Shed	50,107.77	
198,435.82			247,768.71
188,016.89	Accumulated Depreciation		189,592.77
10,418.93			58,175.94
(524.83)	BNZ Current Account	4,060.52	
47.35	BNZ Call Account	47.71	
692.07	GST Clearing Account	1,816.55	
15,842.41	Kiwibank Call Account	640.75	
88,316.51	BNZ Term Deposit	63,356.40	
-	Accounts Receivable	160.55	
104,373.51			70,082.48
114,792.44	TOTAL ASSETS		128,258.42
	LIABILITIES		
1,348.24	Income Tax Payable	1,121.67	
7.43	Accounts Receivable	-	
1,355.67	TOTAL LIABILITIES		1,121.67
113,436.77	NET ASSETS		127,136.75
	REPRESENTED BY:		
	Accumulated Funds		
89,566.38	Opening Balance	102,455.90	
12,652.90	Current Period Surplus/(Deficit)	15,275.86	
236.62	Adjustment to 2009 Tax Expense	-	
102,455.90			117,731.76
	MEMBER CONTRIBUTION		
198,997.76	Opening Balance	198,997.76	
-	plus Income Tax Payable		
198,997.76		198,997.76	
188,016.89	less Accumulated Depreciation	189,592.77	
10,980.87			9,404.99
113,436.77	TOTAL FUNDS		127,136.75

Chairman



Treasurer





These Financial Statements should be read in conjunction with the accompanying Notes, Accounting Policies and Audit Report

FERNRIDGE WATER SUPPLY ASSOCIATION (INC)
OPERATING BUDGET - COMPARISON WITH ACTUAL
FOR THE YEAR ENDED 31 MARCH 2011

	BUDGET	ACTUAL
INCOME	\$	\$
Interest	3,000.00	2,835.89
Rates/Administration Charge	25,956.00	25,496.40
Swimming Pool Filling/Tank Filling	200.00	374.36
Unit Sale	-	-
Sundry	-	-
	<u>29,156.00</u>	<u>28,706.65</u>
 EXPENDITURE		
Bank Charges & Interest	100.00	84.25
Power	4,700.00	4,094.66
Water Treatment & Filters	2,900.00	1,493.89
Repairs & Maintenance	3,500.00	2,047.10
Supervision/Collection Fees - W.R.C.	95.00	-
Office Expenses	900.00	459.37
Audit Fee	1,145.00	1,275.01
Legal Fees	-	-
General	50.00	218.89
Insurance	2,500.00	2,027.78
Honorarium	1,000.00	-
Water Sampling	900.00	879.07
Unit Purchase	-	-
Income Tax Expense	700.00	850.77
	<u>18,490.00</u>	<u>13,430.79</u>
 EXCESS INCOME OVER EXPENDITURE	 10,666.00	 15,275.86
 New Pump Shed	 35,000.00	 50,107.77



FERNRIDGE WATER SUPPLY ASSOCIATION (INC)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. STATEMENT OF ACCOUNTING POLICES:

REPORTING ENTITY

The reporting entity is the FERNRIDGE WATER SUPPLY ASSOCIATION (INC).

The financial statements are prepared in accordance with the reporting requirements of the Financial Reporting Act 1993.

This entity qualifies for the differential reporting exemptions as set out by the New Zealand Institute of Chartered Accountants as it is not publicly accountable and is not a large organisation.

This entity has taken advantage of all differential reporting exemptions except that Goods and Services Tax is accounted for on an exclusive basis.

The accounting policies adopted in the preparation of these financial statements are as follows:

GENERAL ACCOUNTING POLICES:

The measurement base adopted is that of historical cost (except as otherwise noted below). Reliance is placed on the fact that the venture is a going concern.

Accrual accounting is used to match expenses and revenues.

PARTICULAR ACCOUNTING POLICES:

The following particular accounting policies which materially affect the measurement of profit and financial position have been applied.

Valuation of Assets - Scheme Expenditure

All direct expenses incurred on the water supply system to date have been recorded at cost. Depreciation has been charged against this expenditure in the Balance Sheet and claimed at 5.5% (see Note 2).

Goods and Services Tax

All income, deductible expenses and fixed assets are shown GST exclusive. Debtors and creditors, when applicable, are shown GST inclusive.

Income Tax

Income tax payable has been accounted for using the taxes payable method. Income tax is calculated on the profit disclosed in the Statement of Income & Expenditure less permanent differences. The entity does not have any timing differences.

CHANGES IN ACCOUNTING POLICES

There have been no changes in Accounting policies. All policies have been applied on bases consistent with those used in previous years.



FERNRIDGE WATER SUPPLY ASSOCIATION (INC)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

2. COST OF SYSTEM AND DEPRECIATION:

Depreciation has been claimed on a straight line rate of 5.5%. Since 1989 this amounts to \$ 189,592.77

	\$
Total Capital Cost of System	247,768.71
less Depreciation	189,592.77
Net Depreciated Value	58,175.94

3. TAXATION:

	\$
Taxable Income - Interest	2,835.89
Tax Expense (30%)	850.77
less RWT Paid	579.90
plus 2008 Income Tax Due but not Assessed by IRD	850.80
Tax Payable	<u>1,121.67</u>

4. COMMITMENT TO BUY BACK WATER UNIT:

There were no units of water available for sale to members.

