



*JACKS POINT RESIDENTS & OWNERS  
ASSOCIATION INCORPORATED*

*Annual Report  
For the Year Ended 30 June 2022*

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## Directory

<b>Nature of Activities</b>	Provide, maintain & administer infrastructural assets and communal facilities at Jacks Point on behalf of residents.		
<b>Business Address</b>	Jacks Point Clubhouse Clubhouse Road Jacks Point Queenstown	<b>Postal Address</b>	PO Box 64 Queenstown
<b>Incorporation Number</b>	1833867	<b>IRD Number</b>	095-399-517
<b>Committee:</b> Area	<b>Person:</b> Michael Coburn Clive Geddes Neville Andrews John Herlihy David Wightman Dan Wells	<b>Position:</b> Chairman Committee Member Committee Member Committee Member Committee Member Committee Member	<b>Representative of:</b> Southern Village Precinct Residential Precinct Residential Precinct Southern Village Precinct Northern Village Precinct Northern Village Precinct
Residential	Clive Geddes Ilse Erasmus Simon Taverner Marcus Saxton Neville Andrews	Chairman Committee Member Committee Member Committee Member Committee Member	
Southern Village	Michael Coburn John Herlihy Steve Mclsaac	Chairman Committee Member Committee Member	
Northern Village	David Wightman Noel Kirkwood Dan Wells	Chairman Committee Member Committee Member	
<b>Secretary</b>	McCulloch + Partners Chartered Accountants PO Box 64 Queenstown	<b>Auditors</b>	Deloitte Chartered Accountants PO Box 1245 Dunedin
<b>Bankers</b>	ASB Bank PO Box 35 Shortland Street Auckland	<b>Solicitors</b>	Preston Russell Law PO Box 355 Invercargill  Anderson Lloyd PO Box 201 Queenstown



## Independent Auditor's Report

To the Members of Jacks Points Residents and Owners Association Incorporated

### Opinion

We have audited the financial statements of Jacks Point Residents and Owners Association Incorporated (the 'entity'), which comprise the statement of financial position as at 30 June 2022, and the statement of comprehensive revenue and expense, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, on pages 4 to 23, present fairly, in all material respects, the financial position of the entity as at date, and its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Company 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 the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor, we have no relationship with or interests in the entity.

### Committee's responsibilities for the financial statements

The Committee is responsible on behalf of the entity for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, 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 entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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 is not a guarantee that an audit conducted in accordance with ISAs and ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8>

This description forms part of our auditor's report.

### Restriction on use

This report is made solely to the Members, as a body. Our audit 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.

*Deloitte Limited*

Dunedin, New Zealand  
27 September 2022

# Statement of Comprehensive Revenue and Expense

For the Year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Revenue from Exchange Transactions</b>			
Interest Received		49,332	37,231
		<b>49,332</b>	<b>37,231</b>
<b>Revenue from Non-Exchange Transactions</b>			
Property Levies		2,365,146	2,182,495
Golf Course Levies		723,897	692,338
Water & Wastewater Usage Charges		288,282	256,541
Administration Transfer Fees Received		31,683	43,896
Sundry Income		86,021	89,704
Penalties Income		29,175	50,816
		<b>3,524,204</b>	<b>3,315,790</b>
<b>Total Income</b>		<b>3,573,536</b>	<b>3,353,021</b>
<b>Less Expenses</b>			
Audit Fees		11,000	10,500
Bad Debts		480	-
Bank Charges & Interest		1,616	1,765
Bulk Water Charges		240,254	233,218
Civil Defence		565	678
Computer Support Costs		62,841	54,328
Committee Honorarium		7,000	6,000
Consultants		10,225	29,252
Depreciation	8	1,518,111	1,535,671
DRB Administration		21,443	21,000
Electricity		34,806	38,545
Financial & Accounting Fees		179,000	180,000
Golf Levies		723,897	692,338
Insurance		88,977	86,965
Legal Fees		14,679	26,046
Management Fees		159,561	153,230
Meeting Expense - Members		844	660
Members Services & General Enquires		73,500	73,500
Printing & Photocopying		4,551	7,597
Rates		18,146	13,659
Rent & Opex		27,904	29,802
Repairs & Maintenance		469,845	510,864
Servicing		589,963	501,578
Water Sampling & Testing		34,865	12,883
<b>Total Expenses</b>		<b>4,294,073</b>	<b>4,220,079</b>
<b>Net Operating Deficit for the Year Before Tax</b>		<b>(720,537)</b>	<b>(867,058)</b>
Taxation Expense	3a	13,813	10,425
<b>Net Operating Deficit for Year After Tax But Before Other Revenue or Expenses</b>		<b>(734,350)</b>	<b>(877,483)</b>
<b>Other Revenue or Expenses</b>			
Member Levy Call from Joint Venture	1e	(35,459)	(6,843)
Share of Loss of Equity Accounted Investees	5	(206,960)	(117,384)
Vesting Income	4	2,530,000	110,088
Capital Contribution	2d	-	84,000
<b>Total Other Revenue or Expenses</b>		<b>2,287,581</b>	<b>69,861</b>
<b>Total Net Surplus/(Deficit) and Comprehensive Income for the Year</b>		<b>1,553,231</b>	<b>(807,622)</b>

## Statement of Changes in Equity

For the Year ended 30 June 2022

	Notes	Accumulated Funds	Reserves- Sinking Fund	Reserves - Future Capital Expenditure	Total
		\$	\$	\$	\$
<b>Balance 30 June 2020</b>		<b>30,270,237</b>	<b>2,517,853</b>	<b>116,924</b>	<b>32,905,014</b>
Total Net Deficit & Comprehensive Income for the Year		(807,622)	-	-	(807,622)
Transfer from Accumulated Funds	2a	(731,783)	731,783	-	-
Transfer to Accumulated Funds	2a	58,634	(58,634)	-	-
<b>Closing Balance 30 June 2021</b>		<b>28,789,466</b>	<b>3,191,002</b>	<b>116,924</b>	<b>32,097,392</b>
Total Net Surplus & Comprehensive Income for the Year		1,553,231	-	-	1,553,231
Transfer from Accumulated Funds	2a	(708,396)	708,396	-	-
Transfer to Accumulated Funds	2a	189,174	(72,250)	(116,924)	-
<b>Closing Balance 30 June 2022</b>		<b>29,823,475</b>	<b>3,827,148</b>	<b>-</b>	<b>33,650,623</b>

# Statement of Financial Position

For the Year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Equity</b>			
Reserves - Sinking Fund	2c	3,827,148	3,191,002
Reserves - Future Capital Expenditure	2c	-	116,924
Accumulated Funds	2a	29,823,475	28,789,466
<b>Total Equity</b>		<b>33,650,623</b>	<b>32,097,392</b>
<b>Represented By</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents		5,309,131	4,514,336
Accounts Receivable due from Related Party (Exchange)	10	10,441	4,733
Accounts Receivable due from Non-Related Party (Non-Exchange)	6a	120,665	229,008
Accrued Interest		19,559	7,391
GST		44,840	22,570
Provision for Taxation	3b	-	2,082
<b>Total Current Assets</b>		<b>5,504,636</b>	<b>4,780,120</b>
<b>Less Current Liabilities</b>			
Provision for Taxation	3b	3,408	-
Payables due to Related Party (Exchange)	9	198,312	96,387
Payables due to Non-Related Party (Exchange)	7	1,028,807	915,051
Advances from Related Party	11	23,155	29,783
Provisions due to Related Parties	12	150,801	236,973
<b>Total Current Liabilities</b>		<b>1,404,48</b>	<b>1,278,194</b>
<b>Non-Current Assets</b>			
Equity Accounted Investees	5	5,315,509	5,522,469
Non-Current Receivables	6b	10,174	15,938
Fixed Assets	8	24,224,787	23,057,059
<b>Total Non-Current Assets</b>		<b>29,550,470</b>	<b>28,595,466</b>
<b>Net Assets</b>		<b>33,650,623</b>	<b>32,097,392</b>



Michael Coburn  
Chairman  
Dated: 27 September 2022



Committee Member  
Dated: 27 September 2022

# Statement of Cash Flows

For the Year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Cash Flows from Operating Activities</b>			
<u>Cash was Provided From:</u>			
Receipts from Members – Non-Exchange		3,617,549	3,848,676
Interest Received		37,164	44,673
<u>Cash was Disbursed To:</u>			
Payments to Suppliers		(2,631,397)	(2,706,624)
Payments to Inland Revenue		(30,591)	(1,633)
<b>Net Cash Inflow from Operating Activities</b>		<b>992,725</b>	<b>1,185,092</b>
<b>Cash Flows from Investing Activities</b>			
<u>Cash was Disbursed To:</u>			
Payments for Property, Plant and Equipment	8	(155,839)	(115,365)
Member Levy Call – Resort Zone Infrastructure Association Incorporated	1e	(35,459)	(6,843)
<b>Net Cash Outflow from Investing Activities</b>		<b>(191,298)</b>	<b>(122,208)</b>
<b>Cash Flows from Financing Activities</b>			
<u>Cash was Received From:</u>			
Advance to Related Party – Coneburn Water Supply Company Limited		-	4,005
<u>Cash was Disbursed To:</u>			
Advance to Related Party – Coneburn Water Supply Company Limited		(6,628)	-
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>		<b>(6,628)</b>	<b>4,005</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>794,795</b>	<b>1,066,889</b>
Add Cash and Cash Equivalents at Beginning of the Year		4,514,336	3,447,447
<b>Cash and Cash Equivalents at End of the Year</b>		<b>5,309,131</b>	<b>4,514,336</b>
<b>Reconciliation of Comprehensive Income for the Year with Cash Flow from Operating Activities:</b>			
Total Surplus/(Deficit) and Comprehensive Income for the Year		1,553,231	(807,622)
<b>Adjustments for:</b>			
Share of Loss of Equity Accounted Investees	5	206,960	117,384
Vesting Income		(2,530,000)	-
Capital & Member Levy Call from Associate	1e	35,459	6,843
Movement in Accrued Interest		(12,168)	7,442
Depreciation and Amortisation on Non-Current Assets	8	1,518,111	1,535,671
		<b>(781,638)</b>	<b>1,667,340</b>
<b>Movements in Working Capital:</b>			
Decrease/(Increase) in Trade and Other Receivables		6,271	(31,517)
Increase/(Decrease) in Trade and Other Payables		240,310	111,122
Increase/(Decrease) in Related Party Provisions		-	236,973
Increase/(Decrease) in Water Connection Payable		(8,672)	-
Increase/(Decrease) in Provisions		(16,777)	8,792
		<b>221,132</b>	<b>325,370</b>
<b>Net Cash Generated by Operating Activities</b>		<b>992,725</b>	<b>1,185,088</b>



# Statement of Accounting Policies

For the Year ended 30 June 2022

## Reporting Entity

Jacks Point Residents & Owners Association Incorporated (“The Society”) principle activities are to provide, maintain and administer infrastructural assets and communal facilities at Jacks Point on behalf of residents.

Jacks Point Residents & Owners Association Incorporated is an Incorporated Society registered under the Incorporated Societies Act 1908.

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Public Benefit Entity Not for Profit Accounting Standards (PBE NFP) and other applicable Financial Reporting Standards, as appropriate for Tier 2 not for profit public benefit entities, for which all reduced disclosure regime exemptions have been applied. The Society qualifies for Tier 2 as it is not publicly accountable and is not defined as large.

## Measurement Base

The financial statements have been prepared on the basis of historical cost. Reliance is placed on The Society being a going concern.

The information is presented in New Zealand dollars. Due to rounding, numbers presented may not add up precisely to totals provided.

## Specific Accounting Policies

The following specific accounting policies have a material effect on the measurement of results and financial position:

(a) Interest in Equity-Accounted Investees

The Society’s interest in equity-accounted investees comprises interests in the associate Resort Zone Infrastructure Association Incorporated (“RZIAI”), which controls Coneburn Water Supply Company Limited (“CWSCL”). Associates are those entities in which the Group has significant influence, but not control over the financial and operating policies. The determination of significant influence over RZIAI is a matter of judgement and is based on the nature of the relationship between The Society and RZIAI. Through the constitution of RZIAI and other Deeds, on wind up of RZIAI, The Society has a 50% interest in the Communal Facilities of RZIAI, which includes the shares in CWSCL, further The Society’s representatives are the Directors of CWSCL. Interests in associates are accounted for using the equity method, which is outlined at note 5.

(b) Accounts Receivable

Accounts receivable are stated at expected realisable value, after provision for amounts considered doubtful.

(c) Equity

Equity is the members’ interest in The Society as measured by total assets less total liabilities. Equity is made up of Accumulated Funds, Sinking Fund Reserves and Future Capital Expenditure Reserves. The purpose and calculation methodology are set out in Note 2.

(d) Impairment

At each reporting date, The Society reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that the assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss (if any). An impairment loss is recognised in the Statement of Financial Performance immediately.

## Statement of Accounting Policies (Continued)

For the Year ended 30 June 2022

### (e) Fixed Assets & Depreciation

Fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of assets. Where the asset is acquired for no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition.

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their expected useful lives. The rates used for each class of asset are as follows:

<u>Asset Class</u>	<u>Years</u>	<u>Depn Rate</u>	<u>Infrastructure Assets</u>	<u>Years</u>	<u>Depn Rates</u>
Open Spaces & Reserves Land	n/a	0%	Roads, Carparks & Tracks	10-15	6.7%-13.5%
Land Improvements (Stonewalls)	14	7%	Stormwater Reticulation Networks	25	4%
Buildings & Structures	50	2%	Street Furniture & Lighting	7-30	3.3%-21%
Plants & Equipment	3-20	5%-33.3%	Wastewater/Sewage Reticulation Network	25	4%
Computer Equipment	3-4	25%-40%	Water Reservoir (lake)	25	4%
Motor Vehicles	5	21%			
Civil Defence	6-17	6%-17.5%			
Office Equipment	4	25%			

### (f) Accounts Payable

Accounts Payable are recognised when The Society becomes obliged to make future payments normally from the purchase of goods and services.

### (g) Vested Assets

Vested assets are recognised at their fair value at the date the assets are unconditionally passed to The Society. The fair value of the vested asset is recognised as income in the year of vesting in the Statement of Comprehensive Revenue and Expense.

### (h) Revenue

Levies are recognised when the Society is entitled to pass the levy. User charges, member transfer fees, penalty and other income are recognised when the Society is entitled to invoice for these, generally when the service has been provided or goods consumed.

Revenue is allocated between exchange and non exchange transactions. An exchange or exchange-like transaction is one in which each party receives and sacrifices something of approximate equal value. A non-exchange transaction is one in which one party receives something of value without directly giving value in exchange.

The Society recognises revenue from members as a non-exchange transaction on the basis that the value members receive is greater than the amount paid.

### (i) Provisions

A provision is recognised if, as a result of a past event, the Society has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

### (j) Cash & Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and other short term highly liquid deposits that are readily convertible to a known amount of cash.

### (k) Goods & Services Tax

These financial statements are prepared on a GST exclusive basis, with the exception of receivables and payables, which include GST.

## ***Statement of Accounting Policies (Continued)***

For the Year ended 30 June 2022

(l) Taxation

The Society is a non-profit incorporated Society and as such is not liable for income tax in relation to member income.

(m) Changes in Accounting Policies

There have been no changes in accounting policies during the year.

(n) Significant Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions about the recognition and measurement of assets, liabilities and income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

# Notes to the Financial Statements

For the Year ended 30 June 2022

## 1. Statement of Operations

The Statement of Operations represents income less the direct cost of operations excluding depreciation on vested assets and vested asset income share of joint venture loss.

	Notes	2022 \$	2021 \$
<b>Income from Exchange Transactions</b>			
Interest Received		49,332	37,231
		<b>49,332</b>	<b>37,231</b>
<b>Income from Non-Exchange Transactions</b>			
Administration Transfer Fees Received		31,683	43,896
Property Levies		2,365,146	2,182,495
Golf Course Levies	1a	723,897	692,338
Water and Wastewater Usage Charges		288,282	256,541
Penalties Income		29,175	50,816
Sundry Income	1b	86,021	89,704
		<b>3,524,204</b>	<b>3,315,790</b>
<b>Total Income</b>		<b>3,573,536</b>	<b>3,353,021</b>
<b>Administration Expenses</b>			
Audit Fees		11,000	10,500
Bad Debts		480	-
Bank Charges & Interest		1,616	1,763
Computer Support Costs		62,841	54,328
Committee Honorarium		7,000	6,000
DRB Administration		21,443	21,000
Financial & Accounting Fees		179,000	180,000
Management Fees		159,561	153,230
Meeting Expense- Members		844	660
Members Services & General Enquiries		73,500	73,500
Printing & Photocopying		4,551	7,597
		<b>521,836</b>	<b>508,578</b>
<b>Property Expenses</b>			
Bulk Water Charges	1c	240,254	233,218
Electricity		34,806	38,545
Insurance		88,977	86,965
Rates		18,146	13,659
Rent & Opex		27,904	29,802
		<b>410,087</b>	<b>402,189</b>
<b>Repairs &amp; Maintenance</b>			
Civil Defence		565	678
General Landscape Maintenance		589,963	501,578
Pest Control		14,105	13,146
Plant & Equipment		66,461	61,851
Roads		38,463	26,494
Roads-Reseal	1d	-	53,357
Stormwater		5,724	5,980
Roading Upgrades	1d	10,659	-
Wastewater Service Contract		334,433	350,037
Water Sampling & Testing		34,865	12,883
		<b>1,095,238</b>	<b>1,026,004</b>

## Notes to the Financial Statements (Continued)

For the Year ended 30 June 2022

### 1. Statement of Operations (Continued)

	Notes	2022 \$	2021 \$
<b>Other Overhead Expenses</b>			
Consultants		10,225	29,252
Legal Fees		14,679	26,046
Golf Levies	1a	723,897	692,338
		<b>748,801</b>	<b>747,636</b>
<b>Total Expenses</b>		<b>2,775,962</b>	<b>2,684,407</b>
<b>Net Surplus Before Depreciation and Taxation</b>		<b>797,574</b>	<b>668,614</b>
Taxation		13,813	10,425
<b>Net Surplus Before Depreciation</b>		<b>783,761</b>	<b>658,189</b>
		<b>2022</b>	<b>2021</b>
		\$	\$
<b>Reconciliation to Statement of Comprehensive Revenue and Expense:</b>			
Net Surplus Before Depreciation		783,761	658,189
Less: Share of Loss of Equity Accounted Investees	5	(206,960)	(117,384)
Less: Depreciation	8	(1,518,111)	(1,535,671)
Less: Levy Call from Associate	1e	(35,459)	(6,843)
Plus: Vesting Income	4	2,530,000	110,088
Capital Contribution	2d	-	84,000
<b>Total Comprehensive Income for the Year</b>		<b>1,553,230</b>	<b>(807,621)</b>

#### (a) Golf Course Levies

The Society collected on behalf of Jacks Point Golf Limited golf course maintenance levies of \$723,897 (Prior Year: \$692,338) These levies are passed directly to Jacks Point Golf Limited. As such a Golf Levies expense of \$723,897 (Prior Year: \$692,338) has been recognised.

#### (b) Sundry Income

Sundry Income collected \$86,021 (Prior Year \$89,704) was generated from parking revenue, on charge of Design Review Board administration costs, a community grant, forfeited building bonds and roading maintenance & management contributions.

#### (c) Bulk Water Charges

The Bulk Water Charges represent the supply cost of potable water by Coneburn Water Supply Company as set out in the Deed pertaining to Jacks Point Water Supply. The supply cost of potable water is met through the fixed Water Access Charge and the variable Water Usage Charge.

#### (d) Roads- Reseal and Roding Upgrades

The Society incurred no costs (Prior Year \$53,357) as part of the roading reseal programme. There was \$10,659 of costs incurred this year (Prior year: \$nil) for roading upgrades that were outside of the normal repairs and maintenance program. These costs have been funded from Sinking Fund Reserve contributions as shown in Note 2(b).

## Notes to the Financial Statements (Continued)

For the Year ended 30 June 2022

### 1. Statement of Operations (Continued)

#### (e) Capital and Member Levy Call from Associate

	2022	2021
	\$	\$
The Capital Levy Call from Associate is made up of:		
- Capital Levy Call – Capital Expenditure	28,042	-
- Member Levy Call	7,417	6,843
	<u>35,459</u>	<u>6,843</u>

#### (1) Capital Levy Call from Associate

During the year, Resort Zone Infrastructure Association made a capital call on the Society of \$28,042 (Prior Year \$nil) for Capital Expenditure items on behalf of Coneburn Water Supply Company Limited ("CWSCCL") as allowed for under the various agreement between these parties, which was subsequently paid.

#### (2) Member Levy Call from Associate

During the year, Resort Zone Infrastructure Association made a member call of \$7,417 (Prior Year \$6,843) for Operating Expenditure incurred by Resort Zone Infrastructure Association Incorporated.

### 2. Equity and Sinking Fund Calculations

The sinking fund was set up as per the constitution as a fund in which The Society sets aside money for future Capital Expenditure. It is based on a specific rate per exhaustible asset which may need future upgrade/repairs, calculated by the number of leviable lots per quarter. A portion of the retained earnings are set aside specifically for the Sinking Fund and Future Capital Expenditure reserves, which are released back to Accumulated Funds when used for Capital Expenditure or other expenditure items as agreed by the Committee.

#### (a) Accumulated Funds

	Notes	2022	2021
		\$	\$
Opening Balance		28,789,466	30,270,237
Net (Deficit) Surplus for the Year		1,553,231	(807,622)
Transfer from Sinking Funds		189,174	58,634
Transfer to Sinking Funds		(708,396)	(731,783)
<b>Closing Balance (a)</b>		<u><b>29,823,475</b></u>	<u><b>28,789,466</b></u>

#### (b) Sinking Funds / Future Capital

		2020	2021
		\$	\$
Opening Balance		3,307,926	2,634,777
Transfer to Accumulated Funds – Roading Reseals	1d	-	(53,357)
Transfer to Accumulated Funds – Roading Upgrades	1d	(10,659)	-
Transfer to Accumulated Funds - Future Capital Expenditure Footbridge	2c	(116,924)	-
Transfer to Accumulated Funds - RZIAL Capital Expenditure Call	1e	(28,042)	-
Transfer to Accumulated Funds - Waste & Storm Water	2f	(33,549)	-
Transfer from Accumulated Funds - Member Contributions		587,109	545,727
Transfer from Accumulated Funds – Repayment of Capital Additions	2e	121,287	102,056
Transfer from Accumulated Funds – Capital Contributions	2d	-	84,000
Transfer from Accumulated Funds - 2021 Capital Additions	2e	-	(5,277)
<b>Closing Balance (b)</b>		<u><b>3,827,148</b></u>	<u><b>3,307,926</b></u>
<b>Total Equity (a+b)</b>		<u><b>33,650,623</b></u>	<u><b>32,097,392</b></u>

## Notes to the Financial Statements (Continued)

For the Year ended 30 June 2022

### 2. Equity and Sinking Fund Calculations (Continued)

#### (c) Sinking Funds / Future Capital (Continued)

The following table details the balance of funds being held in the sinking fund. Each member contribution paid into the sinking fund is split between the relevant category and any expenditure is tracked throughout the year.

	Notes	2022 \$	2021 \$
<u>Roading Residential</u>			
Opening Balance		842,350	662,976
Collected for Roothing Residential		187,822	179,374
Spent on Roothing Residential		(5,659)	-
Closing Balance		1,024,513	842,350
<u>Roothing Preserve</u>			
Opening Balance		527,169	526,697
Collected for Roothing Preserve		56,251	53,829
Spent on Roothing Preserve		-	(53,357)
Closing Balance		583,420	527,169
<u>Roothing Village</u>			
Opening Balance		16,810	-
Collected for Roothing Village		29,627	16,810
Closing Balance		46,437	16,810
<u>Water</u>			
Opening Balance		628,432	526,614
Collected for Water		109,267	101,818
Spent on Water	1(e)(1)	(28,042)	-
Closing Balance		709,657	628,432
<u>Waste &amp; Storm Water - Residential</u>			
Opening Balance		1,414,839	1,150,422
Capital Contribution	2d	-	84,000
Collected for Waste & Storm Water Residential		188,969	180,417
Spent on Waste & Storm Water Residential	2f	(38,549)	-
Closing Balance		1,565,259	1,414,839
<u>Stormwater - Preserve</u>			
Opening Balance		16,386	14,715
Collected for Stormwater - Preserve		1,747	1,671
Closing Balance		18,133	16,386
<u>Stormwater - Village</u>			
Opening Balance		1,763	-
Collected for Stormwater - Village		2,867	1,763
Closing Balance		4,630	1,763
<u>Street Furniture</u>			
Opening Balance		81,194	71,148
Collected for Street Furniture		10,559	10,046
Closing Balance		91,753	81,194
<u>Other Capital Expenditure</u>			
Opening Balance		(337,943)	(434,720)
Other Capital Expenditure Incurred	2e	-	(5,277)
Transfer from Accumulated Earnings	2e	121,287	102,056
Closing Balance		(216,656)	(337,941)
<b>Total Reserves - Sinking Fund</b>		<b>3,827,148</b>	<b>3,191,002</b>

## Notes to the Financial Statements (Continued)

For the Year ended 30 June 2022

### 2. Equity and Sinking Fund Calculations (Continued)

#### (c) Sinking Funds / Future Capital (Continued)

	Notes	2022 \$	2021 \$
<u>Future Capital Expenditure</u>			
Opening Balance		116,924	116,924
Spent Capital Expenditure Projects	2g	(116,924)	-
<b>Total Future Capital Expenditure</b>		<b>-</b>	<b>116,924</b>
<b>Total Reserves</b>		<b>3,827,148</b>	<b>3,307,926</b>

#### (d) Capital Contributions

In the prior year, as part of the approval of a development activity by an independent developer within the residential precinct, a capital contribution of \$84,000 was requested to contribute towards future upgrade requirements of the stormwater and wastewater system as a result of the development. This capital contribution has been recognised as other income per note 1 and been transferred to the sinking fund per note 2b - 2c.

#### (e) Other Capital Expenditure

The other capital expenditure line item within the sinking fund provision is made up of the cost of new capital assets, funded by sinking fund reserves. The new capital assets are not considered attributable to other line items of the sinking fund, which sinking fund levies are collected for. There were no new capital assets in the current year that were required to be funded via the sinking fund (prior year \$5,277). On preparation of the financial statements, it was agreed that \$121,287 (prior year \$102,056) would be transferred from the current year operating surplus to continue to repay the other capital expenditure.

#### (f) Capital Expenditure – Waste & Storm Water

During the year, new bore monitoring equipment was installed. The cost of these monitors was \$33,549 and was funded from the Waste & Storm Water reserve. The bore monitoring equipment has been recognised as an addition to fixed assets as outlined in note 8.

#### (g) Future Capital Expenditure – Maori Jack Road and Morrison Drive Footbridge

In the prior year, \$116,924 of funds were set aside within the Future Capital Expenditure Reserve to fund the Maori Jack Road and Morrison Drive Footbridge projects. These projects were completed in the current year, utilising the balance of the reserve. The total cost of the projects was \$122,290 and has been recognised as an addition to fixed assets as outline in note 8. The difference between the reserve and total cost of \$5,366 was funded via Accumulated Funds.

### 3. Taxation

#### (a) Tax Expense

	2022 \$	2021 \$
Net Deficit for the Year Before Tax	(720,537)	(867,058)
Total Other Comprehensive Revenue or (Expenses)	2,287,581	69,860
Total Comprehensive Income for the Year Before Tax	1,567,043	(797,198)
Tax Adjustments		
Less: Non-Taxable Income	(6,054,204)	(3,509,875)
Plus: Non-Taxable Expenses	4,536,493	4,344,304
Total Tax Adjustments	(1,517,711)	834,429
Total Taxable Income	49,332	37,231
Income Tax at 28%	13,813	10,425
<b>Income Tax Expense</b>	<b>13,813</b>	<b>10,425</b>



## Notes to the Financial Statements (Continued)

For the Year ended 30 June 2022

### 3. Taxation (Continued) (b) Provision for Tax

	2022 \$	2021 \$
Opening Balance Income Tax Payable/(Receivable)	(2,082)	3,173
Plus:		
Provision for Taxation	13,813	10,425
Tax Refund Received	2,082	-
Less:		
Resident Withholding Tax Paid	10,405	12,508
Tax Refund Paid	-	3,172
<b>Income Tax Payable/(Receivable)</b>	<b>3,408</b>	<b>(2,082)</b>

### 4. Vested Assets

During the financial year, The Society was vested open space land, being Lot 14 DP 566457 (North Villas subdivision). The asset was vested for nil consideration. The fair value of the vested assets of \$2,530,000 has been recognised as other revenue in the Statement of Comprehensive Revenue and Expense. The fair value of the assets has been determined using the Rateable Value for the land.

### 5. Interest in Equity-Accounted Investees

At 31 December 2016, The Society acquired a 50% interest in Resort Zone Infrastructure Association Incorporated "RZIAI". No consideration was paid for the interest in RZIAI. RZIAI holds 100% of the assets and operating activities of Coneburn Water Supply Company Limited "CWSCL", known as the RZIAI Group. On obtaining its 50% interest in RZIAI, The Society was required to recognise the value of its interest with reference to the fair value of the underlying assets held by RZIAI, being the assets of CWSCL.

It was determined by a valuation that 50% of the fair value of the underlying asset in CWSCL as at 31 December 2016 was \$5,860,198. This value represents the original Investment in RZIAI Group.

The Society's investment in the RZIAI Group has been equity accounted in the Statement of Comprehensive Revenue and Expense. Under the equity accounting method, each year The Society's share of the operating profit or loss is added or subtracted from the opening balance of the 50% investment in the RZIAI Group and is recognised as either income or an expense in the Statement of Comprehensive Revenue and Expense.

During the financial year The Society recognised \$206,960 of expenses through the financial statements being its 50% share of the loss of the RZIAI Group. (Prior year: \$117,384).

	2022 \$	2021 \$
Opening Balance	5,522,469	5,639,853
Share of Profit/(Loss) for Period Ended 30 June	(206,960)	(117,384)
<b>Closing Balance</b>	<b>5,315,509</b>	<b>5,522,469</b>

## Notes to the Financial Statements (Continued)

For the Year ended 30 June 2022

### 6. Accounts Receivable

(a) The Current Accounts Receivable Balance is made up of:

	2022	2021
	\$	\$
Association Member Levies	120,358	228,495
Sundry Receivables	308	513
	<u>120,665</u>	<u>229,008</u>

Certain members have not paid various instalments of the Association levies. At balance date \$50,328 are overdue (Prior year: \$140,937).

(b) The Non-Current Accounts Receivable Balance is made up of:

	2022	2021
	\$	\$
Association Member Levies	10,174	15,938
	<u>10,174</u>	<u>15,938</u>

Association Member Levies

The Committee is negotiating with those members whose Levies are in arrears to obtain payment of all outstanding amounts. However, The Society has presented certain amounts outstanding, \$10,174 as being non-current (Prior year: \$15,938) as payment is not expected to be made in the 12 months following balance date.

### 7. Accounts Payable

	2022	2021
	\$	\$
The Current Accounts Payable Balance is made up of:		
Accruals	29,888	18,000
Bonds - Building & Design Review	842,967	747,217
Trade Payables	144,778	146,515
Sundry Payables	5,242	1,550
Retentions Not Yet Due	5,932	1,769
	<u>1,028,807</u>	<u>915,051</u>

## Notes to the Financial Statements (Continued)

For the Year ended 30 June 2022

### 8. Fixed Assets

Carrying Value 30 June 2021	Asset Class	Opening Cost 1 July 2021	Additions/ (Disposals)	Closing Cost 30 June 2022	Accumulated Depreciation 1 July 2021	Depreciation Expense	Accumulated Depreciation 30 June 2022	Carrying Value 30 June 2022
\$		\$	\$	\$	\$	\$	\$	\$
231,686	Buildings & Structures	255,575	-	255,575	23,889	5,112	29,001	226,574
521	Computer Equipment	74,984	-	74,984	74,463	232	74,695	289
1,783	Office Equipment	10,393	-	10,393	8,610	856	9,466	927
52,214	Plant & Equipment	95,848	-	95,848	43,634	7,445	51,079	44,769
890	Motor Vehicles	45,391	-	45,391	44,501	890	45,391	-
	<b>Infrastructure Assets</b>							
2,097,124	Open Spaces & Reserves Land	2,097,124	2,530,000	4,627,124	-	-	-	4,627,124
371,460	Land Improvements (Stone Fencing)	831,879	-	831,879	460,419	41,856	502,275	329,604
9,289,267	Roads, Carparks & Tracks	13,629,599	122,290	13,751,889	4,340,332	913,026	5,253,358	8,498,531
4,514,591	Storm Water Reticulation Networks	5,578,978	-	5,578,978	1,064,387	223,159	1,287,546	4,291,432
500,404	Street Furniture & Lighting	764,286	-	764,286	263,882	27,579	291,461	472,825
5,594,327	Wastewater/Sewage Reticulation	6,916,313	33,549	6,949,862	1,321,986	277,658	1,599,644	5,350,218
399,476	Water Reservoir (Lake)	495,270	-	495,270	95,794	19,811	115,605	379,665
3,317	Civil Defence Equipment	4,697	-	4,697	1,380	487	1,867	2,830
<u>23,057,059</u>		<u>30,800,337</u>	<u>2,685,839</u>	<u>33,486,176</u>	<u>7,743,277</u>	<u>1,518,111</u>	<u>9,261,388</u>	<u>24,224,788</u>

As outlined in Note 4, during the year The Society was vested various infrastructure assets. These assets were vested to The Society for nil consideration. For accounting purposes, the assets were acquired at the fair value of \$2,530,000 (prior year \$110,088). As such, the total cash cost of asset additions for the year was \$155,839 (prior year \$5,277) as set out in the Statement of Cash Flows. There were no assets disposed of this year (prior year nil).

## Notes to the Financial Statements (Continued)

For the Year ended 30 June 2022

### 9. Accounts Payable Due to Related Parties

#### Current Accounts Payable Due to Related Parties:

	2022	2021
	\$	\$
<b>Entity</b>		
Darby Asset Management LP	26,396	28,377
Jacks Point Clubhouse Holdings Ltd	173	575
Jacks Point Golf Ltd	72,647	67,435
Jacks Point Village No 2 Ltd	99,096	-
<b>Total</b>	<b>198,312</b>	<b>96,387</b>

### 10. Accounts Receivable from Related Parties

	2022	2021
	\$	\$
<b>Entity</b>		
Amisfield LP T/as Jacks Point Restaurant	250	-
Clive Geddes	69	-
Coneburn Water Supply Co Ltd	149	-
Ilse Erasmus	-	(30)
Jacks Point Golf Limited	693	345
Jacks Point Village No 2 Limited	5,796	275
Marcus Saxton	65	-
Michael Coburn	51	115
Neville Andrews	26	33
RCL Henley Downs Ltd	3,041	3,891
Simon Tavener	221	-
Steve Mclsaac	80	104
<b>Total</b>	<b>10,441</b>	<b>4,733</b>

### 11. Related Party Advances

	2022	2021
	\$	\$
<b>Entity</b>		
Advance from Coneburn Water Supply Company Limited	23,155	29,783
<b>Total</b>	<b>23,155</b>	<b>29,783</b>

### 12. Provisions Due to Related Parties

	2022	2021
	\$	\$
<b>Entity</b>		
Connections Charges – Water and Storm Water	150,801	236,973
<b>Total</b>	<b>150,801</b>	<b>236,973</b>

During the year, entities associated with the Developer of Jacks Point Village ("the Developer"), requested the Society invoice the unrelated developers of Jacks Point Village a connection charge for both potable water and stormwater. The connection charge was set out in the sale and purchase agreements between the Developer and the purchasers of the bulk Jacks Point Village lots. On collection by the Society, the funds are to be paid to the Developer. Current year collections total \$nil (Prior year \$236,973). As at balance date, total invoices of \$86,172 exclusive of GST (\$99,096 inclusive of GST) have been issued by the Developer. These invoices have been reversed from the provision in the current year and recognised as a related party payable in Note 9. No payment or demand for payment has been made or received for the remaining \$150,801. It is expected that payment will be made within the year. As such, a provision for the amount collected and payable to the Developer has been recognised in the current year.

## ***Notes to the Financial Statements (Continued)***

For the Year ended 30 June 2022

### **13. Capital Commitments**

There were no commitments for capital expenditure at balance date this year (Prior Year: None).

### **14. Comparative Figures**

Comparative figures are reported on a consistent basis.

### **15. Contingent Liabilities**

There were no known contingent liabilities at balance date this year (Prior Year: None)

### **16. Events Subsequent to Balance Date**

There are no subsequent events.

### **17. Related Party Transactions**

The following related parties are noted:

Darby Asset Management LP (“DAMLPL”) formerly Jacks Point Management Limited is the Controlling Member of The Society. The Directors of DAMLPL are also directors of a number of other entities involved in the wider development of Jacks Point.

The following related parties of Committee Members as outlined in the Directory are noted:

Clive Geddes	Property Owner Director of Fernhill 2009 Limited Director of Fiordland Tablelands Limited Director of JIA Limited Director of Korokipo Tablelands Limited Director of Napier Tablelands Limited Director of Otago Tablelands Limited Director of Yantai Views Limited
Dan Wells	Employee of RCL Henley Downs Limited
Ilse Erasmus	Property Owner Trustee of Erasmus Family Trust
Michael Coburn	Property Owner Director of Coneburn Community Housing Trustee Limited Director of Coneburn Water Supply Company Limited Director of Henley Downs Farm Holdings Limited Director of Henley Downs Land Holdings Limited Director of Jack Tewa Foundation Appointer Limited Director of Jacks Point Developments No. 1 Director of Jacks Point Developments No. 2 Director of Jacks Point Developments No. 3 Director of Jacks Point Developments No. 4 Director of Jacks Point Developments No. 5 Director of Jacks Point Developments No. 6 Director of Jacks Point Village Holdings Limited Director of Jacks Point Village Holdings No. 2 Limited Director of Willow Pond Farm Limited Trustee of the Coburn Family Trust Trustee of the Coburn Investment Trust

## Notes to the Financial Statements (Continued)

For the Year ended 30 June 2022

### 17. Related Parties Transactions (Continued)

David Wightman	Director of RZIA Member Limited RCL Developments Henley Downs Limited Director of Northern Village Precinct Director of RCL Jacks Point Limited Director of RCL Henley Downs Limited Director of Northern Village Precinct C.M Limited Director of Coneburn Water Supply Company Limited
John Herihy	Director of Jacks Point Village Phase 2 Limited Director of Coneburn Approval Authority Limited
Marcus Saxton	Property Owner
Simon Taverner	Property Owner Trustee of Taverner Family Trust
Neville Andrews	Property Owner
Noel Kirkwood	Director of RCL Jacks Point Limited Director of RCL Henley Downs Limited Director of RCL Jacks Point Village Limited Director of Coneburn Water Supply Company Limited Director of Henley Downs Village Investments Limited
Steve Mclsaac	Property Owner Trustee of S & C Mclsaac Family Trust

The Transactions on the following table (GST inclusive) were undertaken with related parties during the year.

	<u>Notes</u>	<u>Transactions</u>		<u>Balance Owing</u>		<u>Nature of Supply</u>
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
		\$	\$	\$	\$	
<b>Sales To (Excluding Levies):</b>						
<u>Darby Asset Management LP</u>						
Darby Asset Management LP		12,344	63	-	-	Re-charge of Expenses
Jacks Point Golf Course Ltd		41	-	-	-	Re-charge of Expenses
Jacks Point Golf Ltd		-	-	-	172	Shared Utilities & Recharge of Expenses
Amisfield LP T/as Jacks Point Restaurant		16	-	-	-	Re-charge of Expenses
Jacks Point Village No. 2 Ltd		6,049	10,205	5,796	275	Re-charge of Expenses
<u>Joint Venture</u>						
Coneburn Water Supply Co Ltd		25,279	16,139	149	-	Re-charge of Expenses
<u>Noel Kirkwood &amp; David Wightman</u>						
RCL Henley Downs		495	-	495	-	Penalty Interest
		<b>44,224</b>	<b>26,407</b>	<b>6,440</b>	<b>447</b>	
<b>Purchases From:</b>						
<u>Joint Venture</u>						
Coneburn Water Supply Co Ltd	1c	279,595	268,200	-	-	Bulk Water Charges
<u>Darby Asset Management LP</u>						
Jacks Point Clubhouse Holdings Ltd		2,070	2,645	173	575	Operating Costs
Jacks Point Golf Ltd		759,548	729,019	72,647	67,435	Operating Costs / Golf Levies
Jacks Point Golf Course Ltd		27,727	27,600	-	-	Operating Costs / Golf Levies
Amisfield LP T/as Jacks Point Restaurant		712	2,460	-	-	Rent & Opex / Operating Expenses
Jacks Point Village No 2		99,098	-	99,098	-	Connections Charges – Water and Storm Water – See Note 12

## Notes to the Financial Statements (Continued)

For the Year ended 30 June 2022

### 17. Related Parties Transactions (Continued)

	<u>Notes</u>	<u>Transactions</u>		<u>Balance Owing</u>		<u>Nature of Supply</u>
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
		\$	\$	\$	\$	
Darby Asset Management LP - Fixed Management		262,631	315,157	26,263	26,263	Provision of Management Services
Darby Asset Management LP - Disbursements		-	348	-	-	Operating Expense Re-charge at Cost. (Prior year expense recharged at cost for Insurance, Information Technology and Operating Expenses)
Darby Asset Management LP- Administration Fee		3,604	7,221	133	1,477	Re-charge at Cost of Variable Office services
Darby Asset management LP- Computer		7,354	9,469	-	637	For the Provision of Computer Support
<u>Mike Coburn</u>						
Mike Coburn		1,000	1,000	-	-	Committee Honorarium
<u>Ilse Erasmus</u>						
Ilse Erasmus		1,000	1,000	-	-	Committee Honorarium
<u>Neville Andrews</u>						
Neville Andrews		1,000	1,000	-	-	Committee Honorarium
<u>Simon Taverner</u>						
Simon Taverner		1,000	-	-	-	Committee Honorarium
<u>Marcus Saxton</u>						
Marcus Saxton		1,000	-	-	-	Committee Honorarium
<u>Clive Geddes</u>						
Clive Geddes		1,000	-	-	-	Committee Honorarium
<u>Steve Mclsaac</u>						
Steve Mclsaac		1,000	1,000	-	-	Committee Honorarium
		<b>1,449,338</b>	<b>1,366,119</b>	<b>198,313</b>	<b>96,387</b>	
<b>Levy Related Charges:</b>						
<u>Clive Geddes</u>						
Clive & Sally Geddes		4,156	4,182	67	50	
Fernhill 2009 Ltd		6,126	5,885	-	-	
Fiordland Tablelands Ltd		6,126	5,885	-	-	
JIA Ltd		6,139	5,903	2	2	
Korokipo Tablelands Ltd		6,126	5,885	-	-	
Napier Tablelands Ltd		6,126	5,885	-	-	
Otago Tablelands Ltd		6,126	5,885	-	-	
Yantai Views Ltd		6,126	5,885	-	-	
<u>Darby Asset Management LP</u>						
Amisfield LP T/as Jacks Point Restaurant		1,135	-	250	-	
Jacks Point Village No 2		127	-	-	-	
Jacks Point Restaurant Ltd		-	630	-	-	
Jacks Point Golf Ltd		62,537	43,018	693	172	Water Levies
<u>Michael Coburn</u>						
Coburn Family Trust		7,301	6,664	51	115	
<u>Neville Andrews</u>						
Neville & Erynne Andrews		4,383	4,197	26	33	
<u>Noel Kirkwood &amp; David Wightman</u>						
RCL Henley Downs Ltd		2,917	16,356	2,546	3,891	
<u>Steve Mclsaac</u>						
S & C Mclsaac Family Trust		4,461	4,355	80	104	

## Notes to the Financial Statements (Continued)

For the Year ended 30 June 2022

### 17. Related Parties Transactions (Continued)

	<u>Notes</u>	<u>Transactions</u>		<u>Balance Owing</u>		<u>Nature of Supply</u>
		2022	2021	2022	2021	
		\$	\$	\$	\$	
<u>Ilse Erasmus</u>						
Erasmus Family Trust		3,988	3,977	-	(30)	
<u>Marcus Saxton</u>						
Marcus Manuel Saxton & Shyne Lene Leigh Tay		4,378	4,172	65	72	
<u>Simon Taverner</u>						
Taverner Family Trust		5,142	4,900	221	113	
		<u>143,420</u>	<u>133,724</u>	<u>4,001</u>	<u>4,522</u>	