



PALMERSTON NORTH
COMMUNITY SERVICES COUNCIL
Sharing strengths - empowering community

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2014**

77 King Street, Palmerston North 4410
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www.pncsc.co.nz



PALMERSTON NORTH COMMUNITY SERVICES COUNCIL

Sharing strengths - empowering community

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**PALMERSTON NORTH
COMMUNITY SERVICES COUNCIL**

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DIRECTORY

MISSION STATEMENT:

to participate in and contribute to civil society.

NATURE OF ACTIVITIES:

Palmerston North Community Services Council is a network of community groups in the Palmerston North area.

ADDRESS:

Community House
77 King Street
Palmerston North. 4410

AUDITOR:

Cotton Kelly Chartered Accountants,
145 – 157 Queen Street,
P O Box 5257,
Palmerston North. 4441

BANK:

Westpac,
Broadway Avenue,
P O Box 870
Palmerston North. 4440



PALMERSTON NORTH COMMUNITY SERVICES COUNCIL

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For the Year Ended 30 June 2014

	2013-14	2012-13
	\$	\$
Income		
PNCC - Salary	30,000	31,700
PNCC -8% Small Grants Fund (Ref. 2.1)	10,906	10,808
PNCC -Small Grants Administration	1,500	1,500
Subscription of Membership	3,403	2,721
Interest Earned	645	704
Lottery Grant - (\$3,000 less unspent \$2,678)	322	0
PNCC - Community Training	12,326	13,525
CSC - Community Training	990	378
Grant - Eastern & Central	4,000	0
Grant - COGS	2,000	2,000
Grant - Infinity Foundation	2,500	0
Grant - Lion Foundation	0	2,174
Use of Photocopier	199	128
Sundry Income	367	547
WINZ Subsidy	0	3,347
Total Income	69,157	69,532
Expenses		
ACC	162	251
Advertising	179	182
AGM	182	34
Auditing Fee 2012	0	1,900
Auditing Fee	1,943	1,900
Bank Fees	15	78
Car Parks	0	0
Computer Item	456	724
Community Projects	482	0
Depreciation (Ref 2.2)	1,549	1,239
Insurance	209	1,334
Loss on Asset	243	0
ANGOA Subscription	100	87
NZCOSS Subscription	0	50
Office Furniture	0	33
Office Supplies	737	0
PNCC Community Trg	11,088	14,566
Postage & Stationery	530	1,962
Photocopying & Printing	1,645	1,601
Professional Fees	160	187
Resources	0	107
Rent - Office I (Ref 2.5)	4,534	4,281
Small Grants Fund Expenses	1,647	957
Staff Training	251	333
Staff Travel	28	0
Telephone & Internet	2,460	1,964
Treasurer	139	231
Volunteer Expenses	87	0
Wages	44,152	40,889
Website	465	325
Total Expenses	73,444	75,213
Deficit	-4,287	-5,681



PALMERSTON NORTH
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Statement of Movement in Members Equity
For the Year Ended 30 June 2014

	2013-14	2012-13
	\$	\$
Beginning Members Equity	19,109	19,097
Adjustment	0	5,693
Net Surplus/Deficit for the period	(4287)	(5,681)
Total Recognised Revenues & Expenses		
Ending Members Equity	14,822	19,109



PALMERSTON NORTH COMMUNITY SERVICES COUNCIL

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Statement of Financial Position For the Year Ended 30 June 2014

Members Equity	2013-14 \$	2012-13 \$
Accumulated Funds as per statement of Movements in Members Equity	14,822	19,109

Presented by:

Current Assets

Accounts Receivable	140	3,502
Westpac - Cheque Account	4,155	7,187
Wespac - Savings Account	9,039	7,656
Wespac - Term Deposit	10,086	10,086
Petty Cash	54	33
Prepayments	0	0
GST Receivable	0	0
Total Current Assets	23,475	28,464

Current Liabilities

Leave Liability	1,990	1,224
Accounts Payable	3,072	8,424
Funds Held on behalf of PNCC (Ref 2.1)	1,956	1844
Grants Unspent	2,678	0
GST Payable	1,532	2675
PAYE Payable	594	348
Total Current Liabilities	11,821	14,515

Working Capital	11,654	13,949
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Fixed Assets as per Schedule (Ref 2.2)	3,168	5,160
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Net Assets	14,822	19,109
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Signed on behalf of the Council:

Therese Chairman
17/9/14 Dated

AG Swinburne Treasurer
17 September 2014 Dated



PALMERSTON NORTH COMMUNITY SERVICES COUNCIL
30 JUNE 2014

1. Statement of Accounting Policies

a. Reporting Entity

Palmerston North Community Services Council Incorporated was incorporated under the Incorporated Societies Act 1908 on the 1st June 1993. Palmerston North Community Services Council Incorporated is an approved charitable entity registered with the Charities Commission under the Charities Act 2005 since the 30th June 2008; therefore, it is tax exempt.

The financial statements comprise statements of: financial performance, movements in equity; financial position; as well as the notes to these statements.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. They comply with the approved Financial Reporting Standards (FRSs) and Statements of Standard Accounting Practice (SSAPs) as appropriate for entities that qualify for and apply differential reporting concessions. The financial statements have been prepared on the basis of historical cost unless otherwise stated.

b. Differential Reporting

In terms of the framework for differential reporting an entity is exempt from certain financial reporting standards if it satisfies the criteria laid down in the framework. Palmerston North Community Services Council Incorporated qualifies for differential reporting exemptions as it has no public accountability and is not large in terms of the criteria set out in the Differential Reporting Framework. All available differential reporting exemptions allowed under the framework for differential reporting have been adopted.

c. Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis except debtors and creditors. The amount owed, or refund due, as the case maybe, is shown separately in the Statement of Financial Position.

d. Plant and Equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Where an item of property, plant or equipment is disposed of, the gain or loss recognized in the statement of financial performance is calculated as the difference between the sale price and the carrying amount of the asset.

e. Depreciation

Depreciation has been charged against the operation of the Society in the statement of financial performance. The following rates have been used in accordance with current Inland Revenue rates:

Office Furniture & Equipment	15-40% diminishing value
Computer Software & Equipment	40-50% diminishing value

f. Taxation

Palmerston North Community Services Council Incorporated is exempt from payment of income tax as it is treated by the IRD as a charitable organization under section CW41-43 of the Income Tax Act 2007. Accordingly no income tax has been provided for.

g. Leases

Leases where Palmerston North Community Services Council Incorporated does not assume substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are recognised in the statement of financial performance over the term of the lease.

h. Employee Entitlements

Provision (leave liability) is made in respect of Palmerston North Community Services Council Incorporated's liability for annual leave. Annual leave has been calculated on an actual entitlement basis at current rates of pay.

i. Changes in Accounting Policies

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

2. NOTES TO THE ANNUAL ACCOUNTS – As at 30 June 2014

1. Funds Held on Behalf of Palmerston North City Council

	<u>2013-14</u>	<u>2012-13</u>
Opening Balance	1,844	680
Plus: Current funds for allocation to groups		
Total Community Development Small Grants funding from PNCC	136,320	135,100
Less: 8% PNCSC administration	(10,906)	(10,808)
	125,414	124,292
Less: Total payments		
Grants allocated	(124,226)	(120,960)
Emergency Grants paid	(1,076)	(2,168)
Paid back to PNCC	-	-
	(125,302)	(123,128)
Funds Held on Behalf of PNCC	<u>1,956</u>	<u>1,844</u>

2. Fixed Assets

2014	Cost	Depreciation Expense	Accumulated Depreciation	Book Value
Office Furniture & Equipment	7,110	511	4,027	2,129
Computer Software & Equipment	5,640	1,038	3,563	1,039
TOTAL as at 30 June 2014	<u>12,750</u>	<u>1,549</u>	<u>7,590</u>	<u>3,168</u>

2013	Cost	Depreciation Expense	Accumulated Depreciation	Book Value
Office Furniture & Equipment	7,110	744	3,283	3,083
Computer Software & Equipment	5,640	494	3,069	2,077
TOTAL as at 30 June 2013	<u>12,750</u>	<u>1238</u>	<u>6,352</u>	<u>5,160</u>

3. Contingent Liabilities

There are no contingent liabilities as at Balance Date.

4. Capital Commitment

The Council did not have any forward Capital Commitments as at Balance Date (Previous year – Nil).

5. Statement of Commitments

The Palmerston North Community Services Council has a lease agreement with Palmerston North City Council for office rental at Community House, 77 King Street, Palmerston North. The commencement date is 1 March 2011 and the final expiry date is 28 February 2021 (including a right of renewal date 1 March 2016). The annual operating expense is \$2,441.00 plus GST per annum, plus cost of living increases annually.

a. Total Operating Commitment (exclusive GST)

	2014-15	2013-14
Current	2,441	2,402
Non-current	13,832	16,003
TOTAL	16,273	18,405

6. Related Parties

Due to the nature of the organization, many members of the Palmerston North Community Services Council are also members of the recipient organisations' paid out from the Allocation Committee during the year and in the previous year. Procedures are in place to minimize any potential conflict of interest and are signed off by the Palmerston North City Council.

Sue Swinbourne, Treasurer and member of the PNCSC Collective, has a contract of service for her work as Treasurer for the years ended 30 June 2011 to 2014.

7. Events Subsequent to Balance Date

There are no events subsequent to Balance Date which would materially affect these financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of Palmerston North Community Services Council Incorporated

Report on the Financial Statements

We have audited the financial statements of Palmerston North Community Services Council Incorporated on pages 3 to 9, which comprise the statement of financial position as at 30 June 2014, the statement of financial performance, the statement of movements in member's equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Collective's Responsibility for the Financial Statements

The Collective is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Collective 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 and fair presentation of the financial statements 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.

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

Other than in our capacity as auditor we have no relationship with, or interests in, Palmerston North Community Services Council Incorporated.

Opinion

In our opinion, the financial statements on pages 3 to 9 present fairly, in all material respects, the financial position of Palmerston North Community Services Council Incorporated as at 30 June 2014 and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.



Cotton Kelly
17 September 2014