



THE WAIKATO SOCIETY OF POTTERS INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019



PKF

Accountants &
business advisers

Annual Report

The Waikato Society of Potters Inc
For the year ended 31 March 2019

Prepared by PKF Hamilton Limited

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Compilation Report

The Waikato Society of Potters Inc For the year ended 31 March 2019

Compilation Report to the Directors of Waikato Society of Potters.

Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Waikato Society of Potters for the year ended 31 March 2019.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

Responsibilities

The society is solely responsible for the information contained in this financial report and have determined that the accounting policies used are appropriate to meet your needs and for the purpose for which the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

Independence

We have no involvement with Waikato Society of Potters other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on this financial report.

PKF Hamilton Limited
Chartered Accountants
Hamilton

Entity Information

The Waikato Society of Potters Inc For the year ended 31 March 2019

'Who are we?', 'Why do we exist?'

Legal Name of Entity

Waikato Society of Potters

Entity Type and Legal Basis

Incorporated Society & Registered Charity

Registration Number

CC 52647

Entity's Purpose or Mission

Waikato Society of Potters aims to

- Promote and encourage education and involvement in pottery and the ceramic arts.
- To facilitate the uptake and practice of pottery and the ceramic arts by people of all ages and abilities in the wider community.
- To provide education at all levels on subjects connected with clay-work, as well as providing facilities and resources, holding classes, workshops and being involved in public events.
- To educate the public, promote interest in the art of ceramics.
- To support emerging potters by holding and facilitating exhibitions including by holding an annual Waikato Society of Potters exhibition within Hamilton.
- To advance ceramic education by sharing knowledge, resources and facilities with other organisations.

Entity Structure

The Waikato Society of Potters is a volunteer organisation led by an elected committee with managerial administration provided by an independent contractor. The elected committee comprises president, vice-president, secretary and treasurer.

Main Sources of Entity's Cash and Resources

Membership subscriptions, tuition fees and grants.

Main Methods Used by Entity to Raise Funds

Memberships, class fees and grants.

Entity's Reliance on Volunteers and Donated Goods or Services

There is a heavy reliance on volunteers for most aspects of operation of the society.

Additional Information

Reliant on premises provided by Hamilton City Council at community rental rates.

Physical Address

Studio 1, Ward Park Art Centre
2 Seddon Road
Hamilton, New Zealand

Postal Address

PO Box 9299
Waikato Mail Centre
HAMILTON 3240

Approval of Financial Report

The Waikato Society of Potters Inc For the year ended 31 March 2019

The elected committee is pleased to present the approved financial report including the historical financial statements of Waikato Society of Potters for year ended 31 March 2019.

APPROVED

President - Caryl Ginever

Date

Treasurer - Sarah Lee

Date

Statement of Service Performance

The Waikato Society of Potters Inc For the year ended 31 March 2019

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

The mission is to promote and encourage education and involvement in pottery and the ceramic arts. Thus the outcomes can be divided into a few different categories like members, outreach units, educational units, Otago polytechnic students. The learning at local level is in the form of classes but the society also provides premises and tutors for Otago poly-tech for tertiary diploma in ceramic arts.

	2019	2018
Description and Quantification of the Entity's Outputs		
WSP financial members	299	232
Otago Polytechnic Students	9	10
Community Outreach Units	4,240	1,600
Educational Units	3,618	2,400

Description and Quantification of the Entity's Outputs

Stated below are further descriptions to entity's outcomes:-

- WSP financial members - paid memberships each year.
- Otago Polytechnic Students - Otago polytechnic satellite students doing a full year course of study.
- Educational Units - a single lesson provided to a single individual.
- Besides the above four there are also exhibitions which means a successful open day, contributions to local exhibitions, demonstrations. Our own regional exhibition, rotational involvement in national exhibit as well as high participation in clay art skills by the general community.

Additional Output Measures

Otago polytechnic Ceramics Diploma Students studying at the Waikato Society of Potters received five of the six awards in 2015 National Student Ceramics competition.

Outreach sessions in Huntly have resulted in the Huntly Friendship House starting their own regular clay club.

Working with ten Hamilton/Waikato schools, firing hundreds of pieces for multiple classes.

One member with specific special needs has, with support, gone from being terrified to be in a room with strangers to enjoying a particular making technique to the point of making bowls so well that they are now sold through ArtsPost Gallery, thus enabling her to earn some of her own money for the first time in her life.

Additional Information

- Waikato Society of Potters premises and equipment is also used by other community & educational groups from kindergarten to clubs. The significant contribution to Hamilton Community is recognised by Hamilton City Council by providing premise lease at community arts rates.
- Community Outreach such as 'Play with Clay' is attended by a high number of welfare dependent/ disabled, immigrant involvements and home school families of all ages by about 15 different nationalities including Maori, Pasifika, Russian, Chinese, Indian, Korean, Spanish and a variety of Europeans.

Statement of Financial Performance

The Waikato Society of Potters Inc
For the year ended 31 March 2019

'How was it funded?' and 'What did it cost?'

	NOTES	2019	2018
Revenue			
Donations, fundraising and other similar revenue	1	3,984	7,905
Revenue from providing goods or services	1	159,002	126,020
Interest, dividends and other investment revenue	1	2,476	2,118
Other revenue	1	-	16,917
Total Revenue		165,462	152,961
Expenses			
Costs related to providing goods or services	2	149,227	129,674
Other expenses	2	17,510	13,466
Total Expenses		166,737	143,140
Surplus/(Deficit) for the Year		(1,275)	9,821

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Financial Position

The Waikato Society of Potters Inc
As at 31 March 2019

'What the entity owns?' and 'What the entity owes?'

	NOTES	31 MAR 2019	31 MAR 2018
Assets			
Current Assets			
Bank accounts and cash	3	14,551	20,423
Inventory	3	1,470	1,470
Total Current Assets		16,021	21,893
Non-Current Assets			
Property, Plant and Equipment	5	40,143	36,406
Investments	3	73,917	71,480
Other non-current assets	3	-	699
Total Non-Current Assets		114,060	108,585
Total Assets		130,082	130,478
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	878	-
Total Current Liabilities		878	-
Total Liabilities		878	-
Total Assets less Total Liabilities (Net Assets)		129,203	130,478
Accumulated Funds			
Accumulated surpluses or (deficits)	6	129,203	130,478
Total Accumulated Funds		129,203	130,478

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Cash Flows

The Waikato Society of Potters Inc
For the year ended 31 March 2019

'How the entity has received and used cash'

	2019	2018
Statement of Cash Flows		
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	850	305
Fees, subscriptions and other receipts from members	162,136	150,712
Interest, dividends and other investment receipts	2,476	2,118
GST	(12,104)	(12,410)
Payments to suppliers and employees	(147,504)	(132,306)
Total Cash Flows from Operating Activities	5,853	8,419
Cashflow from Investing and Financing Activities		
Payments to acquire property, plant and equipment	(9,287)	(10,673)
Payments to purchase investments	(2,438)	(2,067)
Total Cashflow from Investing and Financing Activities	(11,725)	(12,740)
Net Increase/Decrease in Cash	(5,872)	(4,321)
Cash and cash equivalents at the beginning of the period	20,423	24,744
Cash and cash equivalents at end of period	14,551	20,423
Net Change in Cash for Period	(5,872)	(4,321)

Statement of Accounting Policies

The Waikato Society of Potters Inc For the year ended 31 March 2019

'How did we do our accounting?'

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

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

Income Tax

Waikato Society of Potters is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Changes in Accounting Policies

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

Notes to the Performance Report

The Waikato Society of Potters Inc For the year ended 31 March 2019

	2019	2018
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Donations Received	850	305
Grants	3,134	7,600
Total Donations, fundraising and other similar revenue	3,984	7,905
Revenue from providing goods or services		
Classes Income - Otago Polytech	31,071	13,972
Classes Income - WSP	47,875	40,215
Clay Sales	25,731	13,978
Exhibitions - Sales	2,468	1,990
Kiln Hire - Firing	23,029	22,192
Open Day Sales	887	1,135
Rent Received	3,009	3,417
Social Activities	373	-
Studio Use	10,287	14,531
Subscriptions - Membership	10,104	9,274
Sundry Income	530	-
Workshop	3,639	5,315
Total Revenue from providing goods or services	159,002	126,020
Interest, dividends and other investment revenue		
Interest Received	2,476	2,118
Total Interest, dividends and other investment revenue	2,476	2,118
Other revenue		
Depreciation Recovered	-	374
Equipment Sales	-	16,544
Total Other revenue	-	16,917
	2019	2018

2. Analysis of Expenses

Costs related to providing goods or services

Advertising	2,045	2,488
Classes Costs - Otago Polytech	8,518	5,117
Classes Costs - WSP	26,954	30,083
Cleaning	4,599	-
Opening Stock	1,470	1,475
Closing Stock	(1,470)	(1,470)
Costs of Clay	23,743	14,335
Electricity - Studio	1,673	1,384
Exhibition - Member Payouts	3,305	1,842
Exhibition Costs	966	767

Gas - Kilns	7,368	6,534
Gas - Studio Heating	764	794
General Class Catering	954	934
Kiln Technician	19,454	7,555
Manager Invoices	30,242	28,151
Purchases	-	13,726
Purchases - Glaze Materials	3,608	3,110
Rent	2,099	1,938
Repairs & Maintenance - Kiln	983	3,008
Repair & Maintenance - Studio	-	782
Repairs & Maintenance - Other	4,760	4,106
Social Activities	694	-
Workshop Expenses	6,497	3,017
Total Costs related to providing goods or services	149,227	129,674

Other expenses

Bank Fees	797	448
Depreciation	3,815	2,832
General Expenses	1,353	1,714
Insurance	2,368	2,203
Loss on Sale of Fixed Assets	1,735	-
Printing & Stationery	1,244	1,681
Professional Fees	2,770	1,770
Sponsorship	-	652
Subscriptions, Licenses & Fees	2,077	643
Telephone & Internet	1,351	1,523
Total Other expenses	17,510	13,466

2019 2018

3. Analysis of Assets

Bank accounts and cash

Westpac - Cheque Account	14,489	19,937
Westpac 01 Debit Card	62	486
Total Bank accounts and cash	14,551	20,423

Inventory

Stock on Hand	1,470	1,470
Total Inventory	1,470	1,470

Investments

Westpac Term Deposit - 0003	19,453	18,938
Westpac Term Deposit - 0005	14,631	14,208
Westpac Term Deposit - 0006	27,623	26,568
Westpac Term Deposit - 0010	12,212	11,766
Total Investments	73,917	71,480

2019 2018

4. Analysis of Liabilities

Creditors and accrued expenses

Accounts Payable	589	-
GST	289	-
Total Creditors and accrued expenses	878	-

2019 2018

5. Property, Plant and Equipment

Pottery Equipment

Opening Carrying Amount	36,406	25,734
Purchases	9,722	14,357
Sales/ Disposals	(2,170)	(852)
Current Year Depreciation	(3,815)	(2,832)
Total Pottery Equipment	40,143	36,406

Total Property, Plant and Equipment	40,143	36,406
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Significant Donated Assets Recorded

Six years ago there was a generous donation of pottery wheels.

A significant donation of \$10,000 was received in June 2016 and was used for purchasing equipment.

2019 2018

6. Accumulated Funds

Accumulated Funds

Opening Balance	130,304	120,484
Accumulated surpluses or (deficits)	(1,275)	9,821
Total Accumulated Funds	129,029	130,304

Total Accumulated Funds	129,029	130,304
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7. Commitments

There are no commitments as at 31 March 2019 (Last year - nil).

8. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 March 2019 (Last year - nil).

9. Events After the Balance Date

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

10. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.