

ARCHERY NEW ZEALAND INC.

TREASURER'S REPORT TO THE ANNUAL GENERAL MEETING

9th JANUARY 2014

I am pleased to present for your approval the audited financial statements for the year ended 30th September 2013.

The Statement of Financial Position, or Balance Sheet, (Page 4) shows a healthy financial state of affairs. It has been my policy to build up our reserves to a point where we could continue operating in our normal way for a year even if no income were to be received. I think we can say that position has been achieved. SportNZ, however, have recommended that we should aim to get our reserves to a level whereby we could continue for three years. This is an admirable target to aim for but it cannot be achieved in a short time without an enormous increase in membership fees which, in the view of our members, would certainly fall into the '*lead balloon*' category. We shall hope to achieve that level of reserves over a period of time by budgeting for a reasonable surplus of income each year.

In looking at our cash holdings I can inform you that during this year, the Board took a prudent decision that we should not keep all our 'eggs in one basket'. This view was taken in the light of the world-wide economic recession much of which was brought about by the collapse of certain banking institutions. The Board instructed me to place some of our funds with a different institution and, after research and with the Board's approval, I have opened a further Term Deposit of \$50,000 with Kiwibank whilst reducing the sum on Term Deposit at ANZ Bank to \$30,000.

Turning now to the Statement of Financial Performance (Page 3) I have again produced my own modified version of the Income and Expenditure account and this accompanies the audited accounts. This has been found helpful in previous years and I trust you will find it so again. I believe you will find this account to be self-explanatory but I will draw your attention to one matter. During the year the Board applied for and received a significant grant from the NZ Community Trust to enable us to purchase new Danage targets and new frames. The auditors maintained that their standard principles required that grant to be included as normal income. In my layman's view this is a one-off grant for a specific purpose and is not normal income and distorts the results of our normal activities. In producing my modified account, therefore, I have removed the entry and have shown it as exceptional income and in addition to the normal net income on the year's activities.

I recommend this report and the financial statements for your approval.

Alan Logan