

ANNUAL ACCOUNTS

of the

FEDERATED MOUNTAIN CLUBS OF NEW ZEALAND

Incorporated

and

THE MOUNTAIN & FOREST TRUST

28 February 2011

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Federated Mountain Clubs of NZ Incorporated
Statement of Financial Performance
For the year ended 28 February 2011

	<i>Note</i>	2011	2010
		\$	\$
INCOME			
Subscriptions		93,901	90,439
Bulletin Advertising		23,731	21,105
Sale of Maps etc	2	2,137	21,087
Interest Received		13,491	15,438
Commission		-	107
FMC Travel Commission		10,189	7,556
Grants – SPARC	3	14,000	24,000
Donations Maerewhenua Trust		15,000	-
Miscellaneous Income		146	-
TOTAL INCOME		172,595	179,732
LESS EXPENSES			
Administration			
Administration Expenses		6,806	5,796
Office Costs		30,432	25,561
Honararia	4	27,000	19,000
Travel and Meeting Costs		18,373	17,267
Insurance		3,425	-
Electronic Archival		2,193	25
Audit Fees		2,180	2,280
Depreciation	5	840	572
Total		91,249	70,501
Bulletin			
Editing and Layout		21,576	23,324
Printing		37,098	45,306
Distribution		10,566	10,822
Total		69,240	79,452

The accompanying notes form part of these accounts



Federated Mountain Clubs of NZ Incorporated
Statement of Financial Performance (continued)
For the year ended 28 February 2011

Less Expenses (continued)	Note	2011	2010
Campaigns			
High Country Tenure Review Process		1,000	1,978
Anti-Mining		1,497	793
Total		2,497	2,771
Advocacy			
Join a Club Brochure		1,695	1,781
General Advocacy		2,233	5,944
Youth Encouragement		749	-
Trust Brochure		-	1,740
Subs and Levies		427	427
Total		5,104	9,892
Communications			
Club Liaison		1,446	482
Membership Cards		4,748	4,223
Web Site		1,483	954
External Publication Advertising		1,194	981
Total		8,871	6,640
Cost of Sales			
Purchases of Merchandise	2	331	13,918
Total		331	13,918
TOTAL EXPENSES		177,292	183,174
Transfer from Provisions	10	10,000	-
NET SURPLUS/(DEFICIT)		5,303	(3,442)

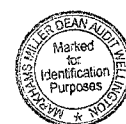
The accompanying notes form part of these accounts



Federated Mountain Clubs of NZ Incorporated
Statement of Movements in Equity
For the year ended 28 February 2011

	<i>Note</i>	2011	2010
		\$	\$
EQUITY AT START OF THE YEAR		199,520	202,962
Net Surplus/(Deficit) for the Year		5,303	(3,442)
Total recognised revenues and expenses		5,303	(3,442)
EQUITY AT END OF THE YEAR		204,823	199,520

The accompanying notes form part of these accounts



Federated Mountain Clubs of NZ Incorporated
Notes to the Financial Statements
For the year ended 28 February 2011

2 SALES/PURCHASES – BOOKS ETC	2011	2010
	\$	\$
Sale of Maps	-	19,727
Sale of Books	1,275	874
Sale of Pack Liners	862	486
Total Sales	2,137	21,087
Less Costs of Sales		
Purchases of Books etc	331	13,918
Total Cost of Sales	331	13,918
Gross Margin	1,806	7,169

3 Grants – SPARC	2011	2010
	\$	\$
Income in Advance brought forward	8,000	8,000
Receipts	6,000	24,000
Income Received in Advance	-	(8,000)
Total	14,000	24,000

4 HONARARIA	2011	2010
	\$	\$
President	15,000	15,000
Vice President	4,000	-
Secretary	4,000	2,000
Treasurer	4,000	2,000
Total	27,000	19,000

5 Fixed Assets & Depreciation

2011	Historical Cost	Depreciation	Accumulated Depreciation	Net Book Value
\$				
Furniture & Office Equipment	7,885	840	6,205	1,680
2010				
\$				
Furniture & Office Equipment	7,885	572	5,365	2,520

6 CONTINGENT LIABILITIES

There were no contingent liabilities as at 28 February 2011 (2010 \$Nil).

7 CAPITAL COMMITMENTS

There were no capital expenditure commitments as at 28 February 2011 (2010 \$Nil).

8 RELATED PARTIES

There were no related party transactions as at 28 February 2011 (2010 \$Nil).

Federated Mountain Clubs of NZ Incorporated
Notes to the Financial Statements
For the year ended 28 February 2011

9 TERM DEPOSITS		2011	2010
BNZ		\$	\$
Maturing 21-07-11 @ 5.4%	3034	12,000	12,000
Maturing 08-01-11 @ 4.9%	3045	-	11,000
Maturing 30-06-11 @ 4.9%	3047	20,000	20,000
Maturing 18-01-11 @ 5.1%	3049	-	10,000
Maturing 22-07-11 @ 5.4%	3050	15,000	15,000
Maturing 04-09-13 @ 7.25%	3058	20,000	20,000
Maturing 18-03-11 @ 5.1%	3056	15,000	15,000
Maturing 21-07-11 @ 5.4%	3057	20,000	-
Maturing 26-05-11 @ 5.2%	3058	10,000	-
Total		<u>112,000</u>	<u>103,000</u>
WESTPAC			
Maturing 12-10-11 @ 5.2%	1029	17,000	17,000
Maturing 08-08-13 @ 7.0%	1030	25,000	25,000
Maturing 21-07-11 @ 5.4%	1034	-	15,000
Maturing 07-12-12 @ 4.7%	1036	10,000	10,000
Maturing 04-08-13 @ 7.0%	1037	10,000	10,000
Maturing 01-08-11 @ 5.2%	1041	20,000	20,000
Maturing 13-08-13 @ 7.0%	1042	15,000	15,000
Total		<u>97,000</u>	<u>112,000</u>
TOTAL TERM DEPOSITS		<u>209,000</u>	<u>215,000</u>
10 PROVISIONS		2011	2010
		\$	\$
High Country Tenure Review (HCTR) Process Fund			
Opening Provision		5,000	10,000
Movements during the Year		-	(5,000)
Closing Provision		<u>5,000</u>	<u>5,000</u>
Southern Lakes Tramping Protection Fund			
Opening Provision		5,000	10,000
Movements during the Year		-	(5,000)
Closing Provision		<u>5,000</u>	<u>5,000</u>
Anti Mining Fund			
Opening Provision		10,000	0
Release of Provision to Statement of Financial Performance		(10,000)	10,000
Closing Provision		<u>-</u>	<u>10,000</u>

These funds have been established to meet extraordinary costs of activities in these areas, should they arise. The HCTR Process Fund is to cover submissions and other advocacy costs in relation to tenure reviews of high country properties in the South Island. The Southern Lakes Tramping Protection Fund is held in case proposals arise for the development of transportation facilities from Queenstown to Milford Sound across or through the public conservation estate. The Anti Mining Fund was to provide for vigorous opposition to the Government's proposals to mine the conservation estate including land set aside under Section 4 of the Crown Minerals Act. The success of this opposition means the fund is no longer required. The fund has been released back to accumulated funds

**INDEPENDENT AUDITOR'S REPORT*****To the Executive of Federated Mountain Clubs of NZ Inc***

We have audited the financial statements of Federated Mountain Clubs of NZ Inc (the Society), which comprise the statement of financial position as at 28 February 2011, the statement of financial performance and the statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Executive's Responsibility for the Financial Statements

The Executive are responsible for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Executive 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 the 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, the Society.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Society as at 28 February 2011 and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.

Markhams Miller Dean Audit
Wellington
20 March 2011

Federated Mountain Clubs Mountain and Forest Trust
Statement of Financial Performance
For the year ended 28 February 2011

	<i>Note</i>	2011	2010
		\$	\$
INCOME			
Donations		8,915	4,070
Bequests Received		2,000	-
Interest Received		12,126	16,288
TOTAL INCOME		<u>23,041</u>	<u>20,358</u>
LESS EXPENSES			
Audit Fees		960	1,109
Envelope Appeal		3,658	-
Grants		3,000	2,500
Travel		140	-
General Expenses		99	50
Interest – Gilbert McCaul Bequest		-	5,270
TOTAL EXPENSES		<u>7,857</u>	<u>8,929</u>
NET SURPLUS		<u>15,184</u>	<u>11,429</u>

The accompanying notes form part of these accounts



Federated Mountain Clubs Mountain and Forest Trust
Statement of Movements in Equity
For the year ended 28 February 2011

	<i>Note</i>	2011	2010
		\$	\$
EQUITY AT START OF THE YEAR		252,406	240,977
Net Surplus/(Deficit) for the Year		15,184	11,429
Total recognised revenues and expenses		15,184	11,429
EQUITY AT END OF THE YEAR		<u>267,590</u>	<u>252,406</u>

The accompanying notes form part of these accounts



Federated Mountain Clubs Mountain and Forest Trust
Statement of Financial Position
As at 28 February 2011

	<i>Note</i>	2011	2010
		\$	\$
CURRENT ASSETS			
BNZ Cheque Account		6,835	3,460
BNZ Term Deposits		257,549	237,538
Accrued Interest		4,976	12,308
Undeposited banking		50	-
		<u>269,410</u>	<u>253,306</u>
TOTAL ASSETS		<u>269,410</u>	<u>253,306</u>
CURRENT LIABILITIES			
Accounts Payable & Accruals		1,820	900
Total Current Liabilities		<u>1,820</u>	<u>900</u>
TOTAL LIABILITIES		<u>1,820</u>	<u>900</u>
NET ASSETS		<u>267,590</u>	<u>252,406</u>
Represented by:			
Retained Earnings		267,590	252,406
TOTAL EQUITY		<u>267,590</u>	<u>252,406</u>

For and on behalf of the Executive:

Treasurer *S J HyThgoe*
Date 20 April 2011

The accompanying notes form part of these accounts



Federated Mountain Clubs Mountain and Forest Trust

Notes to the Financial Statements

For the year ended 28 February 2011

1 STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

These are the financial statements of Federated Mountain Clubs Mountain and Forest Trust (the 'Trust').

The Trust is established and domiciled in New Zealand by a Trust Deed dated 14 July 1985 and is registered under the Charitable Trusts Act 1957.

The financial statements of the Trust have been prepared in accordance with generally accepted accounting principles.

The Trust qualifies for differential reporting as it is not publicly accountable and is not large as defined in the Framework for Differential Reporting issued by the New Zealand Institute of Chartered Accountants. The Trust has taken advantage of all available differential reporting exemptions.

Measurement Base

These financial statements have been prepared on a historical cost basis unless otherwise stated.

Specific Accounting Policies

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

Donations

Donations are recognised as revenue at the point when receipt is formally acknowledged by the Society.

Goods and Services Tax (GST)

The Trust is not registered for GST. Consequently these financial statements have been prepared on a GST inclusive basis.

Income Tax

The Trust is a charity registered with the Charities Commission and is therefore exempt from Income Tax.

Comparative Figures

The comparative figures in the financial statements related to a period of twelve months. Where appropriate the comparative figures have been restated in order to conform with this year's presentation.

Changes in Accounting Policy

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

2 GRANTS

	2011	2010
	\$	\$
Rock & Pillar Hut Trust	2,000	-
Mt Brown Community Hut Project	1,000	-
Canterbury University Press – Lauper	-	2,500
Total Grants	3,000	2,500



Federated Mountain Clubs Mountain and Forest Trust
Notes to the Financial Statements
For the year ended 28 February 2011

3 TERM DEPOSITS

		2011	2010
		\$	\$
BNZ			
Maturing 26-08-11 @ 5.4%	3006	20,000	20,000
Maturing 26-08-11 @ 5.4%	3007	12,000	12,000
Maturing 26-04-11 @ 5.25%	3011	10,000	10,000
Maturing 25-01-12 @ 5.3%	3015	19,000	19,000
Maturing 18-07-11 @ 5.3%	3020	20,000	20,000
Maturing 18-07-11 @ 5.3%	3021	90,000	90,000
Maturing 6-05-11 @ 4.4%	3023	18,000	18,000
Maturing 2-12-11 @ 6.0%	3024	13,000	13,000
Maturing 21-02-11 @ 4.0%	3025	36,549	35,538
Maturing 20-08-11 @ 5.2%	3027	19,000	-
Total		<u>257,549</u>	<u>237,538</u>

4 GILBERT McCAUL BEQUEST

This bequest, made in 2004, was tagged for improvements of amenities and tracks for trampers in the valleys and lowlands of New Zealand and spent during the year ended 28 February 2010

	2011	2010
	\$	\$
Original Bequest	-	24,447
Add: Accrued Interest (5 years)	-	5,270
	-	<u>29,717</u>
Less:		
CTC for Renata Hut Mattresses	-	600
DOC for 3 Ruahine Hut Decks	-	3,117
DOC for enlargement of new Papatahi Hut, Orongorongo Valley	-	26,000
Total	-	<u>29,717</u>
Amount Unspent at Year End	-	-

5 CONTINGENT LIABILITIES

There were no contingent liabilities as at 28 February 2011 (2010 \$Nil).

6 CAPITAL COMMITMENTS

There were no capital expenditure commitments as at 28 February 2011 (2010 \$Nil).

7 RELATED PARTIES

There were no related party transactions as at 28 February 2011 (2010 \$Nil).



**INDEPENDENT AUDITOR'S REPORT*****To the Trustees of Federated Mountain Clubs Mountain and Forest Trust***

We have audited the financial statements of Federated Mountain Clubs Mountain and Forest Trust (the Trust), which comprise the statement of financial position as at 28 February 2011, the statement of financial performance and the statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustees Responsibility for the Financial Statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the trustee's 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 the 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, the Trust.

Basis for Qualified Opinion on the Consolidated Financial Position and the Consolidated Financial Performance

In common with similar organisations, control over cash income prior to being recorded is limited and there are no practical audit procedures to determine the effect of this limited control. Included in the Trust's recorded income are donations of \$8,915. There is no system of control over such income on which we could rely for the purpose of our audit and there were no satisfactory audit procedures that we could adopt to confirm independently that all cash income was properly recorded.

Qualified Opinion on the Financial Position and Financial Performance

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Trust as at 28 February 2011 and the financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.

CLUB MEMBERSHIP 28/2/2011

Alpine Sports Club	436	Ngahere Tramping Club	10
Auckland Baptist Tramping Club	124	Nth Otago T & M C	55
Auckland Catholic Tramping Club	145	Nth Shore Tramping Club	100
Auckland Tramping Club	397	NZ Alpine Club	3600
Auckland Uni. TC	6	Otago T & MC	160
Avon Tramping Club	79	Otago Uni. TC	100
Buller Mountain Safety Council	21	Over 40's Tramping Club	434
Buller Tramping Club	21	Palmerston Nth T & M C	63
Cambridge Tramping Club	12	Parawai Tramping Club	72
Canty Mountain Radio Service	20	Peninsula Tramping Club	160
Canterbury Uni. TC	50	Pukekohe Tramping Club	35
Christchurch Catholic TC	30	Rangiora Tramping Club	110
Christchurch Tramping Club	273	Rangitikei Tramping Club	25
Fiordland T & Odr Recn Club	26	Rotorua Tramping & Ski Club	56
Geraldine Tramping Club	52	Southland Tramping Club	80
Gisborne Canoe & Tramping Club	54	Sth Canterbury Tramping Club	68
Golden Bay Alpine & Tramping Club	64	Sth Wairarapa Tramping Club	55
Hagley Tramping Club	20	Stratford Tramping Club	85
Hamilton Tramping Club	47	Taranaki Alpine Club	224
Hawkes Bay Climbing Club	15	Tararua Tramping Club	650
Heretaunga Tramping Club	94	Taumarunui Tramping Club	15
Hoki Hikers	10	Taupo Tramping Club	60
Hokonui Tramping Club	49	Tauranga Tramping Club	10
Howick Tramping Club	35	Temuka Tramping Club	13
Hutt Valley Tramping Club	260	Toi Toi Trekkers Tramping Club	17
Kahui Outdoor Prsts & A C	13	Tokoroa Alpine Club	69
Katikati Tramping Club	15	Upper Clutha Tramping Club	34
Kauaeranga Tramping Club	10	Upper Valley Tramping Club	26
Kaumatua Tramping Club	212	Victoria Uni. of Wellington TC	60
Levin-Waiopahu Tramping Club	11	Waikato Tramping Club	240
Manawatu T & S C	258	Waimea Tramping Club	70
Manukau Tramping Club	82	Wakatipu Tramping Club	30
Marlborough Tramping Club	115	Wanderer's Tramping Club	25
Massey Uni. Alpine Club	2	Wanganui Tramping Club	130
Masterton Tramping Club	36	Wellington Catholic TC	115
Motueka Tramping Club	29	Wellington T & M C	360
Mt Egmont Alpine Club	55	West Auckland Dist TC	101
Mt Somers Walkway Society	11	West Coast Alpine Club	60
Napier Tramping Club	53	Whangamata Tramping Club	20
Nelson Tramping Club	118	Whangarei Tramping Club	60
New Plymouth T C	100	Women's Outdoor Pursuits	14
Nga Tapuwae O Taneatua TC	82		