



## Annual return – Friendly society

Friendly Societies and Credit Unions Act 1982

Name of friendly society

Organisation number

Christchurch United Friendly Societies Dispensary

1803 006

Financial year ended

30 / 4 / 2018

Name of branch (where applicable)

### IMPORTANT

- This form is used for friendly societies, benevolent societies and fidelity insurance societies, registered under Part II of the Friendly Societies and Credit Unions Act 1982 ('the Act'). A separate form is available for UFS dispensaries and working men's clubs registered under the Act.
- Section 70 of the Act requires you to file the annual return, duly completed, together with a copy of your financial statements and audit report (where applicable), within 3 months of the end of the financial year of your society or branch.

COMPANIES OFFICE  
02 JUL 2018  
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### A. Names and addresses of officers

As at the date of the return; continue on a separate sheet if necessary

	Name	Residential address
Committee of management	Ingrid R. Taylor	16 Memorial Avenue, Christchurch
	Ernest A McNicholl	501/50 Kilmore Street, Christchurch
	Stanley J Smith	58A Teesdale Street, Christchurch
	Malcolm E Taylor	17 Petworth Place, Christchurch
	Peter J. Doody	14 Brackendale Place, Christchurch
Trustees	Malcolm E Taylor	17 Petworth Place, Christchurch
	Peter J. Doody	14 Brackendale Place, Christchurch
	Ingrid R Taylor	16 Memorial Avenue, Christchurch
Secretary	Stanley J. Smith	58A Teesdale Street, Christchurch
Treasurer	Stanley J. Smith	58A Teesdale Street, Christchurch

### B. Membership

Total number of members at beginning of year	3103
Number who joined during year	0
Number who died during year	19
Number who left during year	87
Total number of members at end of year	2997

Name of friendly society

Organisation number

Christchurch United Friendly Societies Dispensary

1803 006

C. Organisation addresses

Address of registered office

This must be a physical address in New Zealand and must not be a PO Box or Private Bag address

58A Teesdale Street, Burnside, Christchurch 8053

Postal address for communication

Postal address (e.g. PO Box) to which communications from the Registrar may be sent

58A Teesdale Street, Burnside, Christchurch 8053

Email address for communication

The Registrar may contact the society via email – this email address will not be publicly available

[Redacted]

D. Financial statements and auditor's report

Please select 1 of the following options:

- A signed copy of the financial statements and <sup>reviewed</sup> ~~auditor's~~ report (where applicable) are enclosed because the society/branch is;
  - an FMC reporting entity/ issuer (section 61); or
  - a specified not-for-profit (section 62).

OR

- Financial statements have not been prepared because the society/branch has opted out in accordance with section 64.

OR

- Financial statements and auditor's report (where applicable) have been prepared in accordance with this society's rules.

E. Certification

I certify that the particulars of this annual return are correct.

[Handwritten Signature]

Date: 27-6-2018

Signature of Secretary or Treasurer

Form completed by:

Name: Stanley James Smith

Address: 58A Teesdale Street  
Burnside  
Christchurch 8053

[Redacted]

## Guidance notes for completing an annual return for a friendly society

Section 70 of the Act requires you to file the annual return, duly completed, together with a copy of your financial statements and audit report (where applicable).

### Financial statements

Annual financial statements must be prepared unless the society or branch has opted out, by way of a resolution of a majority of the members at a meeting of the society or branch, held within 6 months from the start of the financial year, in accordance with section 64 of the Act.

#### NOTE

*A society or branch cannot opt out where:*

- › *the rules expressly provide that section 64 does not apply (section 64(1)); or*
- › *in respect of a financial year if, in each of the 2 preceding financial years, the total operating expenditure of the society or branch is \$30 million or more (section 64(2)).*

Where financial statements are prepared, the statement of financial position in the annual financial statements should include all items which the society, or branch, owns on behalf of its members. In respect of consolidated funds administered by a central body, and for which a branch acts only as an agent for the transfer of levies and benefits between members and the central body, the central body should fully account for all of the funds and revenue, and the branch should exclude all such items.

### Audit of financial statements

Section 64A of the Act requires a society or branch to appoint an auditor to audit its financial statements where the society or branch:

- › is a specified not-for-profit (NFP) entity (section 64A(1)); or
- › is not a specified NFP and the rules of the society require (section 64A).

#### NOTE

*An entity is a specified NFP entity in respect of an accounting period if, in each of the 2 preceding accounting periods of the entity, the total operating payments of the entity are \$125,000 or more.*

### Societies with separately registered branches

For societies with branches there are 2 acceptable ways of filing annual returns:

1. A separate annual return may be completed for each society and for each branch. The basic filing fee for each return would be determined separately (see below); or
2. One annual return may be completed, under section 70(4) of the Act, covering the society and all or some of its registered branches. What this means is that, for the branches so comprised in the society return, the membership, statement of financial performance and statement of financial position details are added together and included with those for the society itself, as a consolidated group.

A separate sheet of paper for each branch so comprised should be included showing details of the place of the registered office, the postal address, and a list of the names and addresses and designations of officers. The separate financial statements and audit report (where applicable) for each branch are also required.

Please state in an accompanying letter which branches have been comprised in the society (or district) annual return. If the financial statements of some branches are not available when the society annual return is being completed, those branches may be omitted and filed separately at a later date (and a separate filing fee would apply).

At times in this note, the terms 'central body' and 'branch' are used to encompass the relationships of a society and a lodge, a society and a district, and a district and a lodge, as appropriate.

Membership figures in the annual return should avoid double counting, where members belong to both a central body and a branch. Only members covered for any financial benefits should be included in the membership count – social members should not.

Branch assets are frequently invested in a society or district investment fund. Where this occurs, the statement of financial performance in the annual return(s) should avoid double counting the investment income (i.e. in the central body as well as the branch). Where separate annual returns are filed for a society and a branch, the society should exclude investment earnings to the extent they are paid to branches; and the branch should include those earnings in its own annual return.

Any transfers of funds to and from a central body investment fund should be excluded from both the central body and branch statements of financial performance, because they are not revenue or expenditure.

#### NOTE

*A change of trustees, change of name and amendments to registered rules should be notified using the relevant form(s). Please contact us on 0508 266 726 for further assistance*

**CHRISTCHURCH UNITED FRIENDLY  
SOCIETIES DISPENSARY**

**SPECIAL PURPOSE ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 APRIL 2018**

COMPANIES OFFICE  
02 JUL 2018  
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**Christchurch United Friendly Societies Dispensary**

**Special Purpose Annual Report and Financial Statements**

For the Year Ended 30 April 2018

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**Christchurch United Friendly Societies Dispensary**  
**Notice of Meeting**  
As at 30 April 2018

Notice is hereby given that the Annual Meeting of  
the General Committee will be held  
in the Philatelic Centre, 67 Mandeville Street, Riccarton, Christchurch,  
on Thursday 30 August 2018 at 7.30pm.

**Order of Business**

1. Roll Call
2. Apologies
3. Minutes
4. Correspondence
5. Consideration of Annual Report
6. Consideration of Special Purpose Financial Statements
7. To consider and if thought fit, pass the following recommendation of the Board –  
  
That the dividend on capital be at a rate of 2 cents per dollar of capital for the  
year ending 30 April 2018.
8. Election of Officers  
President  
Vice President  
Secretary/Treasurer  
One Trustee (Bro M.E Taylor retires by rotation and being eligible offers himself for  
re-election)
9. Appointment of Reviewer or Auditor
10. General Business
11. Installation of Officers

Light supper and refreshments will be served after the meeting.

**Directory**

**As at 30 April 2018**

**Board of Management:**

**President:** Sis. I. R. Taylor M.U.F.S.

**Vice President:** Bro. E.A. McNicholl. M.U.F.S.

**Secretary/Treasurer:** Bro. S.J. Smith A.O.F.

**Trustees:** Bros. M.E. Taylor M.U.F.S.  
P.J. Doody A.O.F.  
Sis. I. R. Taylor M.U.F.S.

**Reviewer:** BDO Christchurch  
Chartered Accountants  
Christchurch

**Solicitors:** M.D.S.LAW  
Christchurch

## Presidents Report 2018

2018 has been a quiet and uneventful year as regards the Christchurch U.F.S. Dispensary and the work of the Board.

Bro. Ernie McNicholl was warmly welcomed to the Board as Vice President as a result of the 2017 Annual General Meeting.

All of the accounts that could now be destroyed along with old prescriptions were removed from Ferrymead Heritage Building.

The updating of the Honours Board has been commissioned and we are hopeful that this work will be completed shortly.

As regards delegate entitlements, we can confirm the following:

LOYAL RICCARTON LODGE	10 delegates
LOYAL CANTERBURY LODGE	8 delegates
COURT STAR OF CANTERBURY	7 delegates
ST PATRICKS LODGE	3 Delegates

The subscribed Capital in the Christchurch U.F.S. Dispensary is as follows:

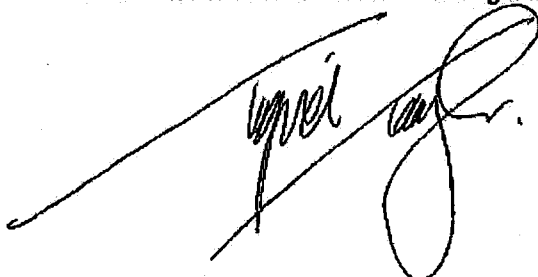
LODGE		CAPITAL
LOYAL RICCARTON LODGE	M.U.F.S.	\$74,326.00
LOYAL CANTERBURY LODGE	M.U.F.S.	\$39,541.00
COURT STAR OF CANTERBURY	A.O.F.	\$33,947.00
ST PATRICKS LODGE	H.A.C.B.S.	\$13,167.00
		\$160,981.00

The net assets of the Dispensary at the end of financial year were \$171,215.00, with a net surplus for the year of \$3,915.00. One third of the capital totalling \$80,490.00 was returned to the Shareholding Lodges as per the Boards recommendation.

I wish to thank our secretary and treasurer, Bro. Smith, for his support and efficiency in assisting me over the past year. His continued hard work is very much appreciated. I am also grateful to my fellow board members, Bro. Taylor, Bro. Doody and Bro. McNicholl.

The matters for consideration at this meeting are set out in the Notice of Meeting.

For and on behalf of the Board of Management, Ingrid Taylor, President.



**INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT TO THE MEMBERS OF THE  
CHRISTCHURCH UNITED FRIENDLY SOCIETIES DISPENSARY**

**Report on the Financial Statements**

We have reviewed the accompanying special purpose annual report of the Christchurch United Friendly Societies Dispensary that comprises the statement of financial performance for the year ended 30 April 2018, the statement of financial position as at 30 April 2018, and the statement of accounting policies and other explanatory information.

**The Responsibility of the Committee for the Special Purpose Annual Report**

The Committee is responsible on behalf of the entity for:

- (a) the preparation and fair presentation of the special purpose annual report which comprises:
  - the statement of financial performance, statement of financial position, statement of accounting policies and notes to the annual report
- (b) for such internal control as the Trustees determine is necessary to enable the preparation of the annual report that is free from material misstatement, whether due to fraud or error.

*Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400, *Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity*. ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE (NZ) 2400 is a limited assurance engagement. It consists primarily of making inquiries of management and others within the entity involved in financial and accounting matters, applying analytical procedures, and evaluating the sufficiency and appropriateness of evidence obtained. A review also requires performance of additional procedures when the practitioner becomes aware of matters that cause the practitioner to believe the financial statements as a whole may be materially misstated.

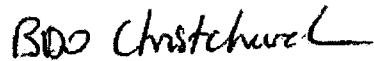
The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these financial statements.

We believe that the evidence we have obtained in our review is sufficient and appropriate to provide a basis for our conclusion.

Other than in our capacity as assurance practitioner we have no relationship with, or interests in, the Christchurch United Friendly Societies Dispensary.

*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of the Christchurch United Friendly Societies Dispensary as at 30 April 2018, and its financial performance for the year then ended, in accordance with special purpose.



BDO Christchurch  
20 June 2018  
Christchurch  
New Zealand

**Statement of Financial Performance**

For the Year Ended 30 April 2018

	Note	2018	2017
<b>Investment Income</b>			
<b>Investments - Financial</b>			
Interest - Sundry		3	0
Westpac Call A/c Interest		11	39
Westpac Fixed Interest		680	1,367
Bonds Interest		9,256	9,728
Bond Sales - Net Profit		244	0
		<u>10,194</u>	<u>11,134</u>
<b>Less Administration Expenses</b>			
Accountancy and Reviewer Fees		3,002	2,827
Computer Expenses		69	90
General Expenses		932	653
Office Expenses		1,104	1,032
Postage and Stationery		0	69
Subscriptions & Registrations		672	410
Fidelity Insurance		500	500
		<u>6,279</u>	<u>5,581</u>
<b>Total Expenses</b>		<u>(6,279)</u>	<u>(5,581)</u>
<b>Net Surplus/(Loss)</b>		<u>3,915</u>	<u>5,553</u>

The accompanying notes form part of these financial statements.

**Statement of Appropriation**

For the Year Ended 30 April 2018


	Note	2018	2017
<b>Income</b>			
<b>Net Surplus before Taxation</b>		3,915	5,553
Tax Expense/(Refund)	3	0	0
<b>Net Operating Surplus for the Year</b>		<u>3,915</u>	<u>5,553</u>
<b>Retained Earnings Brought Forward</b>		\$6,319	\$29,743
		<u>\$10,234</u>	<u>\$35,296</u>
Less Distribution to Lodges - Paid		0	28,977
<b>Retained Earnings Carried Forward</b>		<u><u>\$10,234</u></u>	<u><u>\$6,319</u></u>


The accompanying notes form part of these financial statements.

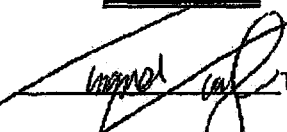
## Statement of Financial Position

As at 30 April 2018

	Note	2018	2017
<b>Equity-Members Capital and Reserves</b>			
Subscribed Capital	8	180,981	241,471
Retained Earnings		<u>10,234</u>	<u>6,319</u>
<b>Total Equity</b>		<u><b>\$171,215</b></u>	<u><b>\$247,790</b></u>
<b>Represented by:</b>			
<b>Current Assets</b>			
Accounts Receivable		1,602	2,782
Westpac		(613)	24
Westpac Call Account	4	10,864	5,891
Westpac Term Deposit 8 Nov 2017-3.40%		0	38,000
		<u>11,853</u>	<u>46,697</u>
<b>Non-Current Assets</b>			
Investments	2	160,569	202,243
<b>Total Assets</b>		<b>\$172,422</b>	<b>\$248,940</b>
<b>Less Current Liabilities</b>			
Accounts Payable		1,207	1,150
Income Tax Due	3	0	0
		<u>\$1,207</u>	<u>\$1,150</u>
<b>Net Assets</b>		<u><b>\$171,215</b></u>	<u><b>\$247,790</b></u>

  
 \_\_\_\_\_  
 Trustee

  
 \_\_\_\_\_  
 Secretary

  
 \_\_\_\_\_  
 Trustee

20-10-2018 Date

The accompanying notes form part of these financial statements.

**Statement of Movements in Equity**

For the Year Ended 30 April 2018

	Note	2018	2017
Equity at 1 May 2017		247,790	271,214
Net operating surplus for the year		3,915	5,553
		<u>251,705</u>	<u>276,767</u>
Capital Distribution to Lodges Paid		(80,490)	0
Distribution to Lodges - Paid		0	(28,977)
		<u>                    </u>	<u>                    </u>
Equity at 30 April 2018		<u><u>\$171,215</u></u>	<u><u>\$247,790</u></u>

The accompanying notes form part of these financial statements

**Notes to the Financial Statements**

For the Year Ended 30 April 2018

**1. Statement of Accounting Policies**

**Reporting Entity**

The Christchurch United Friendly Society's Dispensary (UFS) is a Society registered under the Friendly Societies and Credit Union Act 1982. These financial statements are special purpose financial statements prepared solely to meet the requirements of the Christchurch United Friendly Society's Dispensary. The accounting policies applied are specific to the Society's circumstances, as determined by the Trustees.

**Measurement Base**

The accounting principles recognised by the UFS are that of historical cost.

**Specific Accounting Policies**

\* **Revenue Recognition**

Revenues are recorded in the year they are earned not received.

\* **Receivables**

Receivables are stated at their estimated realisable value.

\* **Income Tax**

The UFS no longer engages in any taxable activities.

\* **Business**

At year end the Society had income from bank deposits and bonds.

\* **GST**

Figures are GST exclusive to 31 October 2016.

The UFS de-registered from GST commencing 1 November 2016.

\* **Investments**

Bank investments are initially recorded at cost.

Bonds are recorded using amortised cost.

\* **Changes in Accounting Policies**

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

## Notes to the Financial Statements (continued)

For the Year Ended 30 April 2018

**2. Investments**

	Holding	2018	2017
Auckland Airport Bonds due 13 Dec 2019	35,000	35,183	35,386
Contact Energy Bonds due 15 May 2019	50,000	50,386	50,773
Westpac Bonds due 12 July 2019	20,000	0	20,552
Bank of New Zealand Bonds due 23 Jun 2019	20,000	0	20,552
Trustpower Bonds due 15 December 2021	25,000	25,000	25,000
Bank of New Zealand Bonds due 17 Dec 2025	50,000	50,000	50,000
		<b>\$160,569</b>	<b>\$202,243</b>

**3. Taxation**

	2018	2017
Net surplus before tax	3,915	5,553
Less non-taxable income	(3,915)	(5,553)
	<u>0</u>	<u>0</u>

The Society has income tax losses totalling \$125,426 to carry forward and available to be set-off against future assessable income. The potential future income tax benefit of these losses has not been recorded in the financial statements. We no longer engage in taxable activities so it is not possible to use these losses.

**4. Bank Deposits**

<b>Westpac Canterbury Centre</b>	<b>2018</b>	<b>2017</b>
<b>Westpac Call Account</b>		
at 0.10%	\$10,864	\$5,891
<b>Westpac Canterbury Centre</b>	<b>2018</b>	<b>2017</b>
<b>Westpac Term Deposit – due 8 November 2017</b>		
At 3.40%	0	\$38,000

**Notes to the Financial Statements(continued)**

For the Year Ended 30 April 2018

**5. Capital Commitments**

There were no capital commitments at year end. (2017:Nil)

**6. Contingent Liabilities**

In the Agreement for Sale & Purchase of the Pharmacy Business with Mackenzie Group there exists the potential for the Society to assist with funding members Prescription Rebates under certain circumstances.

These are; Exceeding an agreed amount of Rebate or Health Authority funding changes. At this time it is not possible to quantify the exact value of these possible liabilities. This was also the case in the 2017 year.

**7. Total Gross Revenue**

	2018	2017
Bond Sales	244	0
Interest	9,950	11,134
	<u>\$10,194</u>	<u>\$11,134</u>

**8. Capital & Reserves**

	2018	2017
<b>Subscribed Capital</b>		
Balance as at 1 May 2017	241,471	241,471
Less Return of Capital Paid	80,490	0
Balance as at 30 April 2018	<u>\$160,981</u>	<u>\$241,471</u>

**9. Related Parties****Lodge Members/Shareholding Lodges**

At balance date there are no outstanding balances with Lodge Members or Shareholding Lodges

**Zilco NZ Ltd**

This company of which Stanley James Smith is a Director provided the printing services for the 2017 Annual Accounts to the Christchurch United Friendly Societies Dispensary