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ANNUAL RETURN
 UNITED FRIENDLY SOCIETIES DISPENSARY
 & WORKING MEN'S CLUB
 Friendly Societies and Credit Unions Act 1982

This Return is to be completed and sent within three months of the end of the financial year to the Registrar of Friendly Societies and Credit Unions, Private Bag 92061, Auckland Mail Centre.

The purpose of the Return is to obtain up-to-date information, and to present certain details in a consistent manner for all dispensaries/clubs registered under the Act, for ease of analysis. It is also used to compile overall statistics. Please complete all sections. This Return may be typed or neatly handwritten.

Organisation Number:

1803038

Name of Dispensary/Club:

CHRISTCHURCH WORKING MEN'S CLUB MSA

Registered Office:

818 COLONIA STREET, CHRISTCHURCH

Postal Address:

P.O. Box 13425, MANUKAU, CANTON

Financial Year Ended (DD/MM/YYYY):

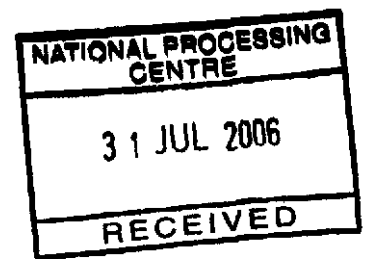
31 03 2006

NAMES AND ADDRESSES OF OFFICERS (as at the date of the Return; continue of separate sheet if necessary).

	Name	Residential Address
Committee of Management	C. STONE	18 SAPPIN-RI STREET CHCH
	A. SPERBURN	2/47 BLAIR AVE CHCH
	T. SCHMIDTKE	124 NORTH COTE STREET CHCH
	J. JOHNS	534 GLOUCESTER STREET CHCH
	J. HAMILTON	32 COLERIDGE ROAD CHCH
	M. LEWER	17 NORMAN KIRK COVTS CHCH
	I. FORDON	239 HONGAIAI ROAD CHCH
Trustees	S. WHITLA	44 A ROSE STREET CHCH
	I. JERRY	1/13 HASTINGS STREET CHCH
	C. FIDELL	254 KILMERE STREET CHCH
	W. WHITE	2/60 MANUREWA ROAD CHCH
Secretary	B. HOGE	11/403 INNES ROAD CHCH
Treasurer	B. FLYGEL	281 B FITZGERALD AVE CHCH

MEMBERSHIP

Total number of members at beginning of year	806
Number who joined during year	47
Number who left during year	241
Total number of members at end of year	612



STATEMENT OF FINANCIAL POSITION

("BALANCE SHEET")

ASSETS

(Whole dollars only)

	\$
Land and buildings	/
Term deposits & cash investments	2,125,215
Bank accounts & cash on hand	15,397
Furniture, fittings & other fixed assets	168,970
Stock / Inventories	5,301
Sundry debtors / Accounts receivable	11,696
Other assets (specify significant items)	
PREPAYMENTS	21,913
GST RECEIVABLE	14,752

Total Assets \$ 2,363,244 (A)

7 LIABILITIES & MEMBERS EQUITY

Capital / Accumulated funds	2,015,582
PAYE/GST/Tax payable	
Sundry creditors / Accounts payable	140,548
Bank loans / Overdraft	157,096
Other liabilities (if any - specify significant items)	
ACCUMULATED HOLIDAY PAY	8,045
SPORTING SECTION FUNDS	20,273
MEMBER DEPOSITS	21,700

NOTE: TOTALS (A) & (B) MUST BE IDENTICAL

Total Liabilities & Equity \$ 2,363,244 (B)

We hereby certify that this Return is in accordance with the audited financial statements of the dispensary/club.

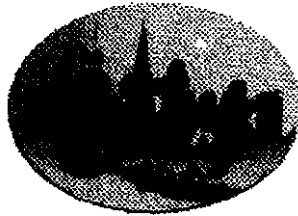
A copy of the annual financial statements and auditor's report are enclosed.

Fee enclosed \$ 200.00

[Signature] Secretary

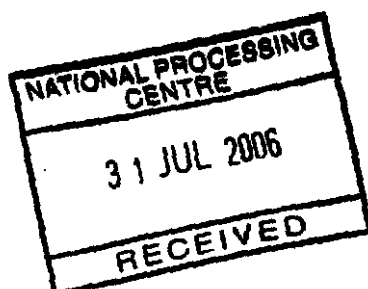
[Signature] Treasurer

27.07.06 Date



**CHRISTCHURCH WORKINGMENS
CLUB & MSA**

**One Hundred & Twenty Sixth
Annual Reports & Balance Sheet
Period Ending 31 March 2006.**



Office Bearers during 2005 / 2006

President

Gary Syme

President Vice

Andrew Sherburd

Treasurer

Bruce Flyger

Trustees

Ian Drury Charlie Fiveash Bill White

Executive Committee

Don Hamilton, John Johns, Neil Lewer, Ivan Jordan
Doug Whitla, Theo Schaapsmeeders

Solicitors

Helmore Ayres

Auditors

Ashton, Wheelans, & Hegan

PRESIDENT'S COMMENTS

It has been quite a journey to get to our new premises, but we are here at last, bringing some relief to the executive.

Over the past few years, you were being told of the grim economic realities of Club life and the failed amalgamation negotiations, but now you can start to enjoy our new modernised surroundings as the club enters a new era.

One sobering thought is that our financial state will continue to dictate our success, or otherwise, into the future. We have done ourselves no favours with the two month delay between leaving our old premises and entering our new one as many members were finding it comfortable at other licensed venues. I appeal to you to bring these people back to the fold, and actively network to sign up new members.

Whilst we have lost some appeal because of our new, compact size, it is people who can make this club a success financially and socially in our community.

As you can see from the 2005 / 2006 financial reports, revenues and operating costs are down from last financial year.

Most clubs are struggling with the downturn in gaming and bar profits, because of their obvious impact on peoples financial well being. We know what the problems are: but the solutions are that more elusive to find to satisfy the majority of our membership. There is no doubt that the Club's long term future relies on finding the answers sooner rather than later, so if you have ideas, please notify your executive. I would like to thank all those members (you know who you are) who helped with the massive clean up and auction of unwanted assets at Oxford Terrace. This help extended over Easter weekend, and the executive is grateful for your time and effort. It was a huge job to strip the old Club and, sadly some of the Club's old memento and honours boards did not make the trip to our smaller home.

Our move to smaller premises helps us to contain our costs more, but we are not "out of the woods". While our investment interest will greatly cover our lease payments, the need to generate more income over all areas will need to be a key strategy for the new executive.

As most of you know, we have employed new, friendly staff who will add value to our bar, TAB, and (eventually) gaming casino. A warm welcome to Jacqui, Nick, Nina, Karlie, and Rebecca to our Club.

While personally I had some misgivings about moving to smaller premises, I must say that the surroundings we now enjoy are great, cozy and inviting, to both members and visitors. I have heard only favorable comments, particularly from affiliate clubs and visitors.

There are several issues still being worked through, particularly the gaming machines and food operations. I hope these issues can be resolved reasonably quickly, to allow us to operate as a chartered club.

As this is my last term as President, the predominant memory I will have was leading our executive through some of the most difficult and challenging times in the history of our Club. Over the last five years I have always tried to act in the best interests of this Club, and at times, have felt the task "all consuming" time-wise, particularly when you have to fit it into your personal work commitments and life. It hasn't always been plain sailing, but I have enjoyed the experience and have met many "top" people in the club movement. Thanks to the largely unchanged executive for their support over the years, particularly those hard times. One frustration for me is the increasing costs that a club has to bear from compliance, safety, health, responsible gambling and so on. We don't seem to get a fair deal as a community based club.

Special thanks to my Vice-President, Andrew, who has been more than an able lieutenant. He is mainly responsible for getting us where we are today and no doubt

this journey has aged him prematurely. The time he has spent on the relocation is considerable, and just as well his boss does not work with him in Christchurch. Well-done Andrew and I wish you well in your first year as President of a new era in the history of our Club.

Finally, I would like to offer my condolences to members who have lost loved ones over the last year.

Heres to the future,

Kind Regards,

Gary Syme

President.

TREASURERS REPORT

Members,

As expected the year ending 31 March 2006 was another bad year for the Club financially.

You have the figures in front of you so I will not cause you any pain by going over them line by line.

The bottom line is a deficit of \$213,659 for the year, however if we subtract the one off provision for the loss on disposal of fixed assets (Auditors note 5) then the deficit is reduced to \$162,000. Compared with \$182,673. last year.

I believe all is not doom and gloom however, since the opening of our new Club there has been some encouraging signs that patronage is improving and new members have been signing up.

Hopefully next year I will be able to give you a more pleasing financial report.

It is up to you

Bruce D Flyger

Treasurer.

**CHRISTCHURCH WORKING
MEN'S CLUB & MSA**

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

CHRISTCHURCH WORKING MEN'S CLUB & MSA

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CHRISTCHURCH WORKING MEN'S CLUB & MSA

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2006

	Note	2006 \$	2005 \$
CURRENT ASSETS			
Cash On Hand		15,397	59,226
BNZ Cheque Accounts		-	18,803
Sundry Debtors		11,696	4,683
Prepayments & Deposits		21,913	5,000
GST Receivable		14,752	4,965
Stock on Hand		5,301	11,062
Investments	2	2,000,000	-
Total Current Assets		<u>2,069,059</u>	<u>103,739</u>
NON-CURRENT ASSETS			
Fixed Assets		168,970	101,776
Investments	2	125,215	2,126,568
Total Non-Current Assets		<u>294,185</u>	<u>2,228,344</u>
Total Assets		<u>2,363,244</u>	<u>2,332,083</u>
CURRENT LIABILITIES			
BNZ Cheque Accounts		157,096	-
Sundry Creditors		140,548	47,279
Accrued Wages & Holiday Pay		8,045	10,790
Sporting Sections	8	20,273	22,426
Total Current Liabilities		<u>325,962</u>	<u>80,495</u>
NON-CURRENT LIABILITIES			
Hire Purchase	3	-	647
Members Deposits	4	21,700	21,700
Total Non-Current Liabilities		<u>21,700</u>	<u>22,347</u>
Total Liabilities		<u>347,662</u>	<u>102,842</u>
Net Assets		<u>2,015,582</u>	<u>2,229,241</u>
TOTAL CLUB FUNDS		<u>2,015,582</u>	<u>2,229,241</u>

Signed on behalf of Christchurch Working Men's Club & MSA
18 July 2006



President



Vice President

ASHTON
WHEELANS
& HEGAN

The above Statement should be read in conjunction with the accompanying notes and Auditors' Report.

CHRISTCHURCH WORKING MEN'S CLUB & MSA

STATEMENT OF MOVEMENTS IN CLUB FUNDS

FOR THE YEAR ENDED 31 MARCH 2006

	2006 \$	2005 \$
CLUB FUNDS AT BEGINNING OF THE YEAR	<u>2,229,241</u>	<u>2,411,914</u>
SURPLUS/DEFICIT AND REVALUATIONS		
Net Profit (Deficit) for the year	<u>(213,659)</u>	<u>(182,673)</u>
Total recognised revenues and expenses for the year	<u>(213,659)</u>	<u>(182,673)</u>
CLUB FUNDS AT END OF THE YEAR	<u><u>2,015,582</u></u>	<u><u>2,229,241</u></u>

ASHION
WHEELANS
& HEGAN

The above Statement should be read in conjunction with the accompanying notes and Auditors' Report.

CHRISTCHURCH WORKING MEN'S CLUB & MSA

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH, 2006

	2006 \$	2005 \$
LOUNGE / CLUB BAR		
Bar Sales	221,812	291,990
Less: Cost of Goods Sold		
Opening Stock	8,434	10,846
Bar Purchases	130,458	173,304
Wages	54,452	67,060
	<u>193,343</u>	<u>251,210</u>
Less: Closing Stock	5,301	8,434
Total Cost of Goods Sold	<u>188,042</u>	<u>242,776</u>
Gross Profit from Trading	<u>33,770</u>	<u>49,214</u>
GAMING MACHINES		
Coin Machine Receipts	80,165	135,831
Less: Direct Costs		
Gaming Machine Duty	18,037	30,563
Service Contracts / Repairs	3,094	10,061
Coin Machine Expenses	19,989	20,009
Licence Fees	7,220	7,128
Loss On Obsolete Machines	-	(1,707)
Depreciation	6,070	9,338
Total Direct Costs	<u>54,411</u>	<u>75,392</u>
Gross Profit from Trading	<u>25,754</u>	<u>60,440</u>
RAFFLES		
Raffle Sales	13,325	20,526
Less: Direct Costs		
Raffle Prizes & Expenses	4,843	8,128
Gross Profit from Trading	<u>8,482</u>	<u>12,398</u>
HOUSIE		
Housie Sales	-	111,822
Less: Direct Costs		
Housie Prizes	-	87,945
Housie Expenses	-	9,878
Total Direct Costs	<u>-</u>	<u>97,822</u>
Gross Profit from Trading	<u>-</u>	<u>13,999</u>

The above Statement should be read in conjunction with the accompanying notes and Auditors' Report.

CHRISTCHURCH WORKING MEN'S CLUB & MSA

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH, 2006 (continued)

	2006	2005
	\$	\$
GYMNASIUM		
Gym Sales	916	2,231
Less: Direct Costs		
Gym Expenses	-	800
Gross Profit from Trading	<u>916</u>	<u>1,432</u>
GROSS PROFIT SUMMARY		
LOUNGE / CLUB BAR	33,770	49,214
GAMING MACHINES	25,753	60,440
RAFFLES	8,482	12,398
HOUSIE	-	13,999
GYMNASIUM	916	1,432
Gross Profit	<u>68,921</u>	<u>137,483</u>
ADD:		
Other Income		
Pool & Billiard Tables	1,596	2,679
Squash Fees	-	445
Interest Received	255	4,727
Shower Fees	-	236
Subscriptions Received	5,253	6,932
Sundry Income	1,568	5,353
MI Recreation Association Donation	15,000	-
Total Other Income	<u>23,672</u>	<u>20,372</u>
NET INCOME CARRIED FORWARD	<u>92,593</u>	<u>157,855</u>

The above Statement should be read in conjunction with the accompanying notes and Auditors' Report.

CHRISTCHURCH WORKING MEN'S CLUB & MSA

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH, 2006 (continued)

	2006	2005
	\$	\$
NET INCOME BROUGHT FORWARD	<u>92,593</u>	<u>157,855</u>
Less: Expenses		
Advertising	2,624	21,542
Affiliation & Conference Expenses	4,799	4,369
ACC Levies	1,658	721
Audit Fee	7,855	4,000
Bad Debts	-	40
Bank Fees & Charges	5,621	3,705
Cleaning & Laundry	3,400	7,092
Computer & Till Expenses	9,071	13,260
Consultancy & Accounting Fees	7,350	4,182
Depreciation	12,086	37,518
Election & Meeting Expenses	708	445
Entertainment & Bands	5,046	13,617
President & Executive Allowances	6,757	7,366
Staff & Committee Allowances	4,458	5,438
Promotions & Loyalty Points	1,478	10,751
General Expenses	4,155	10,711
Heating & Lighting	49,290	37,040
Insurance & Rates	30,555	23,053
Interest - Overdraft & IRD	5,029	683
Interest - Hire Purchase	1,674	410
Legal Fees	1,980	2,751
Provision for Loss on Disposal	51,675	-
Printing & Stationery	5,081	7,657
Rent - Oxford Ventures Ltd	200,000	200,000
Less: Implied Interest Offset	(200,000)	(200,000)
Repairs & Maintenance	8,095	12,890
Wages & Salaries	55,829	82,087
Service Contracts	2,844	3,041
Sky TV Rental	7,579	7,347
Taxi Hire & Parking	959	1,026
Telephone & Tolls	7,243	9,589
Write Downs - Bowling Club Equity	1,353	(3,190)
Grants to Sections	-	11,387
Total Expenses	<u>306,252</u>	<u>340,528</u>
Deficit for the year	<u>213,659</u>	<u>182,673</u>

The above Statement should be read in conjunction with the accompanying notes and Auditors' Report.

CHRISTCHURCH WORKING MEN'S CLUB & MSA

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The Club is registered under the Friendly Societies and Credit Unions Act 1982.

The financial statements are general purpose reports prepared in accordance with generally accepted accounting practice in New Zealand.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and the recording of the financial position on a historical cost basis have been followed, except where modified by revaluations as stated in the specific accounting policies.

Specific Accounting Policies

The following specific accounting policies have a material effect on the measurement of the results and financial positions.

(a) Sundry Debtors

Sundry Debtors are stated at their estimated net realisable value.

(b) Depreciation

Depreciation is calculated using rates as stated in the Fixed Assets and Depreciation Schedule to expense the cost over the economic lives of the assets.

(c) Inventory/Stock

Stocks are valued at the lower of cost and net realisable value on a first in, first out basis.

(d) Investments

Investments are recorded at cost, except as mentioned in Note # 2.

(e) Gaming Income

Gaming licensing laws restrict the use to which proceeds from the Club's Gaming operation can be applied to. As it is more likely than not that the Club is going to be the ultimate beneficiary or recipient of these "Authorised Purpose Payments", Gaming revenue is recognised when earned and not when applied or distributed. The value of unapplied Gaming Proceeds at balance date is (\$4,982) [2005: \$5,298].

(f) Subscriptions

Members subscriptions are paid annually in advance. Subscriptions are recorded as income in full when received except as stated in Note # 4.

(g) Goods and Services Tax

The statement of financial performance has been prepared on a Good and Services Tax (GST) exclusive basis All items in the statement of financial position are stated net of GST with the exception of accounts receivable and accounts payable, which include GST invoiced.

(h) Taxation

All of the Club's income is derived from members and passive investments. therefore under the mutuality principle, no taxation is payable by the Club.

CHRISTCHURCH WORKING MEN'S CLUB & MSA

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006 (continued)

(i) Loyalty Points Discount

A loyalty scheme exists where members are entitled to a 2.0% discount on bar sales. The full sale amount is recognised and the discount/points value is accrued to members to credit against their future purchases. The member's rights to redeem their accrued points are at the discretion of the Executive Committee. The Value of the points redeemed is included as a Promotional & Loyalty Points expense.

(j) Comparatives

The comparative figures refer to the year ended 31 March 2005. The classification of some of these amounts has changed for ease of comparison with the current year.

(k) Differential Reporting

The Club qualifies for Differential Reporting as it is not publicly accountable and it is not large as defined in the framework for Differential Reporting. The Club has taken advantage of all available differential reporting exemptions.

CHANGES IN ACCOUNTING POLICIES

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

2. Investments	2006	2005
	\$	\$
<u>Current</u>		
Oxford Ventures Limited	2,000,000	-
<u>Non Current</u>		
Oxford Ventures Limited		2,000,000
Christchurch - Richmond MSA Bowling Club	124,715	126,068
McLeans Island Committee	500	500
	125,215	2,126,568
	2,125,215	2,126,568

Oxford Ventures Ltd

A sale and lease back arrangements for the freehold premises and most fixtures & fittings owned by the Club at 202 Oxford Terrace was entered into in September 2002. The investment in OVL represents an interest free loan by the Club to the purchaser in lieu of any rent charged. (See Also Note # 5) These funds were repaid in April 2006.

Christchurch - Richmond M.S.A Bowling Club

The Bowling Club is an independent section of this Club and the Richmond Working Men's Club. Its book value to this Club is 50% of the Bowling Club's Equity. Any changes in the book value of the Bowling Club is reported in the Statement of Financial Performance and represents 50% of the Bowling Club's current years surplus/(loss).

McLean's Island Recreation Association

This investment represents an interest free loan may by the Club to The Canterbury Chartered Clubs Recreation Association based at McLeans Island, of which this Club is one of nine member clubs. It is unlikely that the loan will be repaid in the foreseeable future.

CHRISTCHURCH WORKING MEN'S CLUB & MSA

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2006 (continued)

3. Hire Purchase	2006	2005
	\$	\$
AGC Finance	<u>-</u>	<u>647</u>

Security is held over the specific assets to which the HP Agreements relate.

4. Non-Current Liabilities	2006	2005
	\$	\$
Members Deposits	<u>21,700</u>	<u>21,700</u>

These are member's individual deposits of \$300 and \$500. The interest foregone by the members is off set by subscriptions not being charged by the Club. Deposits are repayable on demand.

5. Commitments and Relocation

Subsequent to balance date, the Club has relocated from its premises at 202 Oxford Terrace to 818 Colombo Street, Christchurch.

Consequently, the Club has redeemed its investment in Oxford Ventures Ltd (see Note # 2). Total fit out costs at 818 Colombo Street are expected to total \$530,000. This is payable as progress payments and the balance is due on completion, expected in early July 2006.

The lease on the premises at 818 Colombo Street has five years to run from June 2006 with two further rights of renewal of five years each. The rent is \$7,500 per month plus GST and is subject to two-yearly rent reviews.

After deducting fit out costs and other liabilities the balance of the redeemed investment in Oxford Ventures Ltd is expected to be \$1.1 million. This amount is to be invested with the interest earned being used to pay the lease rental on the new premises.

The majority of fixed assets were unsuitable for the new premises. Those fixed assets not subsequently relocated were either written off or written down to their value realised at an auction in April 2006.

6. Contingent Liabilities

There are no contingent liabilities (2005: Nil) at balance date.

7. Total Operating Revenue	2006	2005
	\$	\$
Gross operating revenue from all income streams	<u>538,536</u>	<u>785,963</u>

CHRISTCHURCH WORKING MEN'S CLUB & MSA

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006 (continued)

8. Section Accounts

	2006	2005
	\$	\$

The various sporting sections that are affiliated with the Club are separate entities with their own methods of governance and control.

This report does not include the financial performance or position of any of the sections. However, the Club holds in trust deposits of cash on behalf of the sections and these amounts are recognised as a liability to the club and are detailed further in the specific notes below.

Rifle Section	6,344	6,821
Indoor Bowls	2,737	3,167
Squash Section	3,112	3,290
Cards Section	489	1,346
Pool Section	435	64
Netball Section	307	739
Table Tennis Section	1,379	1,529
Golf Sporting	4,743	4,743
Outdoor Bowls Section	250	250
Cycling Section	477	477
	<u>20,273</u>	<u>22,426</u>

9. Going Concern Statement

The Financial Statements of the Club have been prepared using the going concern assumption. The Executive having considered the Club's operational results in recent years recommended to members to relocate to smaller premises which are perceived to be more economical to operate. This statement however will be unable to be proven until trading recommences, and an accurate picture on costs and revenues is known.

As members will have heard the local council has declined to transfer the gaming licences to the new site as at the date of this report. As a consequence the Club is unable to operate the Gaming Machines, the effect of which is to deprive the Club of any returns from these facilities. The executive are unable to predict at this stage when or if the licences will be reinstated. The effect on the Club's gaming revenues and some effect on bar takings may detrimentally affect operational efficiencies that were anticipated with the change in premises.

CHRISTCHURCH WORKING MEN'S CLUB & MSA

FIXED ASSET AND DEPRECIATION SCHEDULE FOR THE YEAR ENDED 31 MARCH 2006

RATE & TYPE	COST or HAND	OPENING WDV	ADDITIONS	DATE of ADDITION	SALE PRICE	PARTSALE PRICE	PROFIT (LOSS)	DISPOSAL DATE	COST	CAPITAL GAIN/LOSS	DEPN	ACCUM DEPN	CLOSING WDV
Property Improvements - At cost													
33.00P	-	3,050	-	01/10/02	-	-	(3,050)	31/03/06	17,385	-	-	-	-
33.00P	-	446	-	30/06/03	-	-	(446)	31/03/06	1,128	-	-	-	-
33.00P	-	266	-	09/05/03	-	-	(266)	31/03/06	725	-	-	-	-
33.00P	501	198	-	30/06/03	-	-	-	-	-	-	165	468	33
.00D	145,619	-	145,619	31/03/06	-	-	-	-	-	-	-	-	145,619
	146,119	3,960	145,619		-	-	(3,763)		19,239	-	165	468	145,651
Plant & Equipment													
Multi Screen Billboard & Random No. Generator													
25.00P	13,959	1,342	-	31/05/01	-	-	-	-	-	-	1,342	13,959	-
20.00P	-	3,969	-	31/08/01	-	-	(3,969)	31/03/06	14,875	-	-	-	-
33.00P	496	-	-	07/12/01	-	-	-	-	-	-	-	496	-
33.00P	622	-	-	31/01/02	-	-	-	-	-	-	-	622	-
33.00P	3,636	-	-	20/03/02	-	-	-	-	-	-	-	3,636	-
20.00D	-	2,078	-	30/11/02	-	-	(2,078)	31/03/06	3,540	-	-	-	-
33.00P	4,493	2,269	-	30/10/03	-	-	-	-	-	-	1,483	3,707	786
20.00P	8,277	6,482	-	31/03/04	-	-	-	-	-	-	1,655	3,450	4,827
33.00P	18,852	20,095	-	30/11/03	-	-	(10,047)	-	18,852	-	6,221	23,830	3,827
33.00P	2,890	1,699	-	31/01/04	-	-	-	-	-	-	954	2,145	745
	53,225	37,934	-		-	-	(16,094)		37,267	-	11,655	51,845	10,185
Furniture & Fittings													
12.50D	16,640	42,539	-	31/12/90	-	8,593	(31,819)	-	316,145	-	266	290,511	1,862
	16,640	42,539	-		-	8,593	(31,819)		316,145	-	266	290,511	1,862
Gaming Machines													
35.00D	40,726	17,342	-	31/12/90	-	-	-	-	-	-	6,070	29,454	11,272
	40,726	17,342	-		-	-	-		-	-	6,070	29,454	11,272
Total Assets	256,711	101,776	145,619		-	8,593	(51,675)		372,650	-	18,156	372,278	168,970

ANTON WIEHLANG & HEGAN

AUDITOR'S REPORT

To the Members of the **Christchurch Working Men's Club & MSA**

We have audited the Financial Statements on pages 2 to 11. The Financial Statements provide information about the past financial performance of the Club and its financial position as at 31 March 2006. This information is stated in accordance with the Accounting Policies set out on pages and 8.

Executive Committee's Responsibilities

The Executive Committee are responsible for the preparation of the Financial Statements which comply with generally accepted accounting practice in New Zealand and fairly present the financial position of the Club as at 31 March 2006 and its financial performance for the year ended on that date.

Auditor's Responsibilities

It is our responsibility to express an independent opinion on the Financial Statements presented by the Executive Committee and report our opinion to you.

Basis of Opinion

An Audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the Financial Statements. It also includes assessing:

- the significant estimates and judgements made by the Executive Committee in the preparation of the Financial Statements; and
- whether the Accounting Policies are appropriate to the Club's circumstances, consistently applied and adequately disclosed.

We conducted our Audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our Audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

Ashton Wheelans & Hegan have compiled the financial statements based on source documentation maintained by the Club. The Executive Committee have taken responsibility for the financial statements.

Qualified Opinion

1. Fundamental Uncertainty

In forming our qualified opinion, we have considered the adequacy of the going concern statement under which these financial statements have been prepared, as outlined in Note 9 of the Notes to the Financial statements. As the note states the Club is yet to have its gaming license reinstated, and accordingly we can not predict what financial impact this will have upon the club.

The financial statements do not include any adjustments that would result from a failure to adopt the going concern assumption. If this assumption cannot be relied upon there could be potential write downs to some fixed assets (fit-out and gaming machines) and investment balances.

2. Limited Control Over Cash Revenues

With the exception of Gaming Machine Receipts, there was little effective control over revenues on which we could rely for the purposes of our audit and there were no satisfactory audit procedures that we could adopt to confirm independently that all cash revenues were properly recorded.

In this respect alone:

- ♦ we have not obtained all the information and explanations that we have required; and
- ♦ proper accounting records have not been kept.

In our opinion, except for the adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning cash revenues and the effect of the fundamental uncertainty referred to above the financial statements on pages 2 to 11;

- ♦ comply with generally accepted accounting practice in New Zealand; and
- ♦ fairly present the financial position of the Club as at 31 March 2006 and its financial performance for the year ended on that date.

Our Audit was completed on 20 July 2006 and our qualified opinion is expressed as at that date.


ASHTON WHEELANS & HEGAN
CHRISTCHURCH

INDOOR BOWLS

Being the smallest section in the Club, Indoor bowls members have enjoyed this season.

The section qualified in singles, pairs and triples at the New Zealand Chartered Clubs national championships held at Hornby Workingmen's Club in June. Gordon Fraser the singles qualifier got to the last sixteen players.

With the sale, and relocation of the City Club we have played more away games than usual, but next season should see more visiting clubs enjoy the facilities at our new premises.

New members are always Monday nights.

Ray Corbin, Club Captain.

CARDS SECTION

The section had a reasonable season. We finished about the middle of the local competition.

The section has a reasonable number of members but are always looking for new members to join the section.

The Card section wishes the Club success in our new premises, and will do everything to support the Club

Bruce Ramsay, Chairman.

POOL SECTION

The 2005 season was an enjoyable year for the section. Three teams competed in the Canterbury 8 Ball assn. Interclub competition.

The Ladies Red Team was our leading team and won the Women's Interclub and finals playoff trophies. The Men's Green Team won their grade and the Blue team reached the playoffs. Congratulations to all those players for their excellent efforts.

This year the 2006 season has started well with the Ladies Red, Men's Green, and Mens Blue playing in the Interclub divisions.

Due to the uncertain future of the Club we lost players at the start of the year. All present members should be commended for their loyalty to the City Club's future. We welcome, and encourage all members with an interest in pool to join us for fun, friendship, and competition.

John Newport, Chairman.

CITY CLUB GOLF

CHAIRMAN'S REPORT 2005/2006

This year has been just as interesting as the last two, with similar components in the mix. We have laboured under the handicap of not knowing quite where our mother club was headed - for some months this has hindered access to \$4000+ held in the City Club's trust account, although this has almost been resolved. Green fees have risen at many courses, and we no longer have an annual house grant to defray our costs. The 'new' club, at 818 Colombo St, is an attractive venue. Remember, the worst day on a golf course is always better than the best day at work.

On the other side of the ledger we continue to troop around an array of courses, and the weather has been quite kind. We did not hold a 2005 mystery bus trip, but our xmas cum prize-giving dinner at Richmond was well-attended by golfers, other halves, and some invitees - thanks to Merv Smith for organising this key event.

Committee members play their parts, starting and closing games, and, most importantly, making monthly contacts with their 'phone groups' - these calls are a vital form of communication in an environment where we do not have a home '19th'. We continue to be assisted by Dave Froggatt, whose previous experience of golf and golf matters is invaluable

Our intention of sharing venues, and cost benefits, with our Richmond colleagues has not come to fruition. Our organisation is not that different, but we use location and timing differently. Our annual match is still closely-contested, and recent margins have been no more than a point or two.

Henk van den Bersselaar hammered out a programme for 2006, and this has served us well. I look forward to seeing you at the remaining scheduled events, from August to December of this year - funding of those events, and the prize-giving dinner, will reflect the willing participation of our attendees.

My thanks go to our committee members, for their continued efforts in uncertain times, and to others who have volunteered their time when we were short-handed. Our thanks are due to Brian Jones, for his efficient management of trophy engraving and presentation each year.

At this annual general meeting Bill Fleming, Henk van den Bersselaar, and I will retire from the positions of secretary/treasurer, handicapper, and chair/club captain. May we continue to golf together, somewhere, somehow.

Chris Bond