



**NEW ZEALAND
COMPANIES OFFICE**

**FRIENDLY
SOCIETIES**



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Post your completed form to: Registrar of Friendly Societies and Credit Unions, Private Bag 92061, Victoria Street West, Auckland 1142

Annual return – Friendly society

Friendly Societies and Credit Unions Act 1982

Name of friendly society

ALLIANCE MUTUAL BENEFIT SOCIETY

Organisation number

1803024

Financial year ended

30/9/2017

Name of branch (where applicable)

LORNEVILLE, Invercargill

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.

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		
Trustees	PAUL LYNCH	186 CONYERS STREET, INVERCARGILL 9812
	BEVAN CLARK	59 KERERU STREET, INVERCARGILL 9810
Secretary	TYLER DORE	1 Wellesley Avenue, INVERCARGILL
Treasurer	ROBERT BLACKIE	110 CALYPSO ROAD, MAKAREWA RD6 INVERCARGILL

B. Membership

Total number of members at beginning of year

275

Number who joined during year

1032

Number who died during year

3

Number who left during year

1118

Total number of members at end of year

186

Name of friendly society

Organisation number

Alliance Mutual Benefit Society

1803024

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

Alliance Group Ltd, Lorneville Plant, 205 State Highway 99, Underwood, Invercargill 9876

Postal address for communication

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

P.O. Box 5018, Waikiwi, Invercargill 9843

Email address for communication

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



D. Financial statements and auditor's report

Please select 1 of the following options:

- A signed copy of the financial statements and 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.

Blackie

Signature of Secretary or Treasurer

Date: 18/12/2017

Form completed by:

Name: Robert Blackie

Address: Alliance Group Ltd, Lorneville Plant, P.O. Box 5018, Waikiwi, Invercargill 9843



Name of friendly society

Organisation number

Alliance Mutual Benefit Society

1803024

Payment details

Amount

	Companies Office fee GST excl	FMA Levy GST excl	XRB Levy GST excl	Total GST excl	GST	Total GST incl
<input type="checkbox"/> Financial statements filing fee (if filing under Friendly Societies and Credit Unions Act 1982)	\$175.00	\$0.00	\$0.00	\$175.00	\$26.25	
<input type="checkbox"/> Financial statements filing fee (if filing under Financial Markets Conduct Act 2013)	\$175.00	\$48.00	\$0.00	\$223.00	\$33.45	
<input checked="" type="checkbox"/> Annual return fee	\$34.78	\$9.00	\$6.00	\$49.78	\$7.47	

Method of payment

Choose your payment method from the options below. Please do not send cash or a purchase order

Cheque

Make your cheque payable to the 'Ministry of Business, Innovation and Employment'

or

Credit card

Credit card type:

Visa

Amex

Mastercard

Diners

Expiry date:

/

Name of cardholder:

Card number:

Card Security Code:

Signature of cardholder:

or

Direct debit

Your (or your organisation) name:

OR

Your 9 digit User ID No:

Signature:

Steele

NOTE

Your Card Security Code number is the 3 or 4 digit number printed on your card.

For Visa, Mastercard & Diners cards this is typically found printed on the signature panel on the back of your card.

On Amex cards this is a 4 digit number printed on the front of the card, above the main credit card number.

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

Performance Report

Alliance Mutual Benefit Society
For the year ended 30 September 2017

Prepared by Malloch McClean Chartered Accountants



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Entity Information

Alliance Mutual Benefit Society For the year ended 30 September 2017

Legal Name of Entity

Alliance Mutual Benefit Society

Entity Type and Legal Basis

Sickness Fund registered under the Friendly Societies and Credit Unions Act 1982

Entity's Purpose or Mission

Alliance Mutual Benefit Society provides relief to members who are employees of the Alliance Group Limited Lorneville Plant in cases of death, sickness and off-work accidents.

Registration Number

774

Entity Structure

Three trustees which include one member of the executive of the Alliance Group Limited Lorneville Plant and one Union Secretary. Trustees are as follows;

- Paul Lynch
- Bevan Clark
- Tyler Dore

Union Secretary is;

- Bob Blackie

Committee of Management, consisting of one member from each department of the Alliance Group Limited Lorneville Plant.

Officers consisting of a Chairman, Secretary & Treasurer.

Main Sources of Entity's Cash and Resources

Alliance Mutual Benefit Society relies on the weekly contributions of its members in order to provide the benefit to its members.

Main Methods Used by Entity to Raise Funds

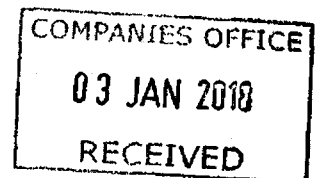
Weekly contributions are received from their members.

Physical Address

C/- Alliance Group Limited
205 State Highway 99
Invercargill 9874

Postal Address

PO Box 5018
Waikiwi
Invercargill 9843

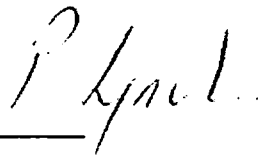


Approval of Performance Report

**Alliance Mutual Benefit Society
For the year ended 30 September 2017**

The Trustees are pleased to present the approved performance report including the historical financial statements of Alliance Mutual Benefit Society for year ended 30 September 2017.

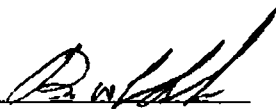
APPROVED



Name: Paul Lynch

Trustee

Date: 21 November 2017



Name: Bevan Clark

Trustee

Date: 21 November 2017



Name: Tyler Dore

Trustee

Date: 21 November 2017

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Statement of Service Performance

Alliance Mutual Benefit Society

For the year ended 30 September 2017

Description of Entity's Outcomes

Alliance Mutual Benefit Society provides financial relief to its members who are employees of the Alliance Group Limited Lorneville Plant at their time of need. This is to remove any un-necessary stress when unforeseen health events arise.

Description and Quantification of the Entity's Outputs

Support has been provided by way of funding relief to a number of our members during the year. This support includes financial relief for funerals, compassionate leave, sickness and injury. This financial relief provides support to those members when health events arise.

Benefits Provided

Benefits provided to the members this year total \$65,759; 544 members (Last year - \$74,215; 548 members).

Members eligible for benefits this year 1307.



Statement of Financial Performance

Alliance Mutual Benefit Society
For the year ended 30 September 2017

	NOTES	2017	2016
Revenue			
Fees, subscriptions and other revenue from members	1	73,483	76,978
Interest, dividends and other investment revenue	1	4,803	4,980
Total Revenue		78,285	81,958
Expenses			
Benefits & Grants	2	62,190	74,215
Other expenses	2	3,164	2,458
Total Expenses		65,354	76,673
Surplus/(Deficit) for the Year		12,931	5,285

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These accounts have been audited and should be read in conjunction with the attached notes as they form an integral part of these accounts.

Statement of Financial Position

Alliance Mutual Benefit Society
As at 30 September 2017

	NOTES	30 SEP 2017	30 SEP 2016
Assets			
Current Assets			
Bank accounts and cash	3	12,204	4,075
Other Current Assets	3	128,188	-
Total Current Assets		140,392	4,075
Non-Current Assets			
Investments	3	-	123,385
Total Non-Current Assets		-	123,385
Total Assets		140,392	127,460
Total Assets less Total Liabilities (Net Assets)		140,392	127,460
Accumulated Funds			
Capital contributed by owners or members	4	120,989	120,989
Accumulated surpluses or (deficits)	4	19,402	6,471
Total Accumulated Funds		140,392	127,460

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These accounts have been audited and should be read in conjunction with the attached notes as they form an integral part of these accounts.

Statement of Cash Flows

Alliance Mutual Benefit Society
For the year ended 30 September 2017

	2017	2016
Cash Flows from Operating Activities		
Fees, subscriptions and other receipts from members	73,483	76,978
Interest, dividends and other investment receipts	4,803	4,980
Payments to suppliers and contributor grants	(65,354)	(76,673)
Total Cash Flows from Operating Activities	12,931	5,285
Cash Flows from Investing and Financing Activities		
Payments to purchase investments	(4,803)	(4,980)
Total Cash Flows from Investing and Financing Activities	(4,803)	(4,980)
Net Increase/ (Decrease) in Cash	8,128	305
Cash Balances		
Cash and cash equivalents at beginning of period	4,075	3,770
Cash and cash equivalents at end of period	12,204	4,075
Net change in cash for period	8,128	305



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These accounts have been audited and should be read in conjunction with the attached notes as they form an integral part of these accounts.

Statement of Accounting Policies

Alliance Mutual Benefit Society For the year ended 30 September 2017

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 not registered for GST. Therefore all amounts are stated inclusive of GST (if any).

Income Tax

Alliance Mutual Benefit Society 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

All accounting policies were applied consistently during the year.

Revenue

Revenue is accounted for as follows:

Membership revenue received in exchange for potential claims and benefits as outlined in the society's rules is recognised when received.

Interest revenue is recognised on an accrual basis.

Investments

Investments have been valued at current market value. All interest due is recorded as owing to the entity. Term investments represent funds invested with a maturity exceeding 12 months.



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Notes to the Performance Report

Alliance Mutual Benefit Society For the year ended 30 September 2017

	2017	2016
1. Analysis of Revenue		
Fees, subscriptions and other revenue from members		
Contributions	73,483	76,978
Total Fees, subscriptions and other revenue from members	73,483	76,978
Interest, dividends and other investment revenue		
Interest Received	4,803	4,980
Total Interest, dividends and other investment revenue	4,803	4,980
	2017	2016
2. Analysis of Expenses		
Benefits & Grants		
Compassionate Leave	2,580	1,995
Funeral Grants	5,000	6,000
Off Work Accident Payments	1,150	2,160
Sickness Benefit Grants	42,630	51,640
Special Grants	-	900
Travel Grants	10,830	11,520
Total Benefits & Grants	62,190	74,215
Other expenses		
Audit Fees	-	2,174
Bank Charges & Fees	235	224
General Expenses	200	60
Professional Fees	2,730	-
Total Other expenses	3,164	2,458
	2017	2016
3. Analysis of Assets		
Bank accounts and cash		
Westpac 00	12,204	4,075
Total Bank accounts and cash	12,204	4,075
Other current assets		
Accrued Interest	2,329	-
SBS 36-6-011786	34,932	-
SBS 44-6-011786	21,253	-
SBS 45-4-011786	20,342	-
SBS 46-2-011786	49,332	-
Total Other current assets	128,188	-

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Non-Current Investments

SBS 36-6-011786	-	33,803
SBS 44-6-011786	-	20,566
SBS 45-4-011786	-	19,685
SBS 46-2-011786	-	49,332
Total Non-Current Investments	-	123,385

	2017	2016
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4. Accumulated Funds**Accumulated Funds**

Opening Balance	127,460	122,175
Accumulated surpluses or (deficits)	12,931	5,285
Total Accumulated Funds	140,392	127,460
Total Accumulated Funds	140,392	127,460

5. Commitments

There are no commitments as at 30 September 2017 (Last year - nil).

6. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 September 2017 (Last year - nil).

7. Related Parties

There were no transactions involving related parties during the financial year. Contributions are received from members and grants as disclosed in the financial statements are paid to members at rates set at the Annual General Meeting.

The rules of the society allows for the provision of an honorarium payment to the Chairman and Secretary annually. This year nil honorarium was paid (Last year: nil).

8. 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).

9. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.


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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLIANCE MUTUAL BENEFIT SOCIETY

Report on the Performance Report

Opinion

We have audited the performance report of Alliance Mutual Benefit Society ("the Society"), which comprises the entity information, the statement of financial performance and statement of cash flows for the year ended 30 September 2017, the statement of financial position as at 30 September 2017, and the statement of accounting policies and other explanatory information.

In our opinion:

- a) the accompanying performance report presents fairly, in all material respects:
- the entity information for the year ended 30 September 2017; and
 - the financial position of the Society as at 30 September 2017, and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"), and the audit of the entity information in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ("ISAE (NZ) 3000 (Revised)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Society.

Other Information

The Trustees are responsible for the other information. The other information obtained at the date of this auditor's report is the statement of service performance which is included on page 5 in the performance report.

Our opinion on the performance report does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.



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In connection with our audit of the performance report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustees for the Performance Report

The Trustees are responsible for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b) the preparation and fair presentation of the performance report on behalf of the abbreviation which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board; and

- c) such internal control as the trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of the Society for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report exclusive of the statement of service performance, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for



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one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report exclusive of the statement of service performance or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, exclusive of the statement of service performance, including the disclosures, and whether the performance report exclusive of the statement of service performance represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Society's members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Who we Report to

This report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members, as a body, for our audit work, for this report or for the opinions we have formed.



BDO Invercargill
Invercargill
New Zealand
21 November 2017