



# **PARNELL INCORPORATED**

## **Special Purpose Report Financial Statements For The Year Ended 30 June 2011**

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# PARNELL INCORPORATED

## Special Purpose Report Statement of Income and Expenditure For The Year Ended 30 June 2011

	<u>Note</u>	<u>2011</u> \$	<u>2010</u> \$
<b>INCOME</b>			
Grant – Auckland City		281,416	281,416
Specific Grants – Auckland City		21,665	-
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<b>TOTAL OPERATING REVENUE</b>		303,081	281,416
Other Income	3	9,450	8,675
		<hr/>	<hr/>
<b>TOTAL REVENUE</b>		312,531	290,091
		<hr/>	<hr/>
<b>Less EXPENSES</b>			
Advertising		29,093	64,243
Parnell Rebranding		-	31,251
Marketing and Research		14,788	-
Administration		175,711	141,762
Promotions		60,584	48,245
Mainstreet Services		20,946	27,435
Website Development Expenses		1,819	7,121
Sundry		11,856	2,596
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<b>TOTAL EXPENSES</b>		314,797	322,653
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<b>SURPLUS (DEFICIT) OF INCOME OVER EXPENSES</b>		(2,266)	(32,562)
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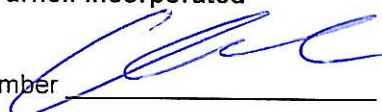
# PARNELL INCORPORATED

## Special Purpose Report Balance Sheet As At Year Ended 30 June 2011

	<u>Note</u>	<u>2011</u> \$	<u>2010</u> \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash at bank - Current Account		8,648	1,515
- Term Deposit/Savings		36,922	49,486
Debtors receivable		-	59
GST receivable		6,913	6,362
Other current Assets		4,348	10,114
<b>Total Current Assets</b>		<u>56,831</u>	<u>67,536</u>
<b>Non-Current Assets</b>			
Fixed Assets at cost		43,328	50,414
Less accumulated depreciation		(34,292)	(40,278)
<b>Total Non-Current Assets</b>		<u>9,036</u>	<u>10,136</u>
<b>Total Assets</b>		<u>65,867</u>	<u>77,672</u>
<b>LIABILITIES</b>			
BNZ Visa		-	171
Creditors		9,690	19,058
<b>Total Liabilities</b>		<u>9,690</u>	<u>19,229</u>
<b>Net Assets</b>		<u>\$56,177</u>	<u>\$58,443</u>
<b>ACCUMULATED FUNDS</b>			
Funds brought forward		58,443	91,005
Surplus (Deficit) of Income over Expenditure		(2,266)	(32,562)
<b>Total Accumulated Funds</b>		<u>\$56,177</u>	<u>\$58,443</u>

On behalf of Parnell Incorporated

Committee Member



Committee Member



Date

22 September 2011

22/09/2011

# PARNELL INCORPORATED

## Special Purpose Report Notes To The Financial Statements For The Year Ended 30 June 2011

### 1. STATEMENT OF ACCOUNTING POLICIES:

#### Reporting Entity

Parnell Incorporated is an Incorporated Society under the Incorporated Societies Act 1908, formed and domiciled in New Zealand under terms of rules dated 22 September 2009.

The Financial Statements of Parnell Incorporated has been prepared as special purpose reports authorised by the committee to report on the grants received from Auckland Council and the related expenditure in accordance with the agreement the society has with Auckland Council.

#### Measurement Base

The accounting principles recognised as appropriate for measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Society.

#### Specific Accounting Policies

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

#### **Goods and Services Tax**

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable or payable. The net amount of GST payable or refund due at 30 June 2011 is shown in the statement of financial position as a current liability or current asset as the case may be.

#### **Taxation**

Parnell Incorporated meets the criteria for exemption from Income Tax. No provision for Income tax has been made.

#### **Accounts Receivable**

Debtors are stated at their expected realisable value. Bad debts are written off in the period during which they are identified.

#### **Fixed Assets**

All owned items of property, plant and equipment are initially recorded at cost and depreciated as outlined below. Initial cost includes the purchase consideration, and those costs directly attributable to bringing the asset to the location and condition necessary for its intended use.

#### **Depreciation**

Depreciation is charged at the same rate as is allowed by the Income Tax Act 2007. The following rates have been used:

▪ Office Equipment	-
▪ Office Furniture & Fittings	15.6% - 39.6% diminishing value
▪ Computer Equipment & software	50% & 60% diminishing value
▪ Mainstreet Assets	40% - 60% diminishing value

#### **Grants**

Grants received are recognised in operating revenue, unless specific conditions are attached to a grant and repayment of the grant is required where these conditions are not met. In these cases, the grant is treated as a liability until the conditions are met.

#### **Changes in Accounting Policies**

There have been no changes in accounting policies in the 2011 year.

# PARNELL MAINSTREET INCORPORATED

## Special Purpose Report Notes To The Financial Statements For The Year Ended 30 June 2011

	<u>June 2011</u> \$	<u>June 2010</u> \$
2. <b>OPERATING SURPLUS</b> reported is after deducting the following disclosed expenses:		
Auditors remuneration	2,200	2,000
Rental expense	13,067	12,552
Depreciation of fixed assets	4,648	6,171
3. <b>OTHER INCOME:</b>		
Interest on investments	2,440	1,814
RWT refund from IRD	-	6,290
Advertising revenue	5,730	-
Miscellaneous	1,280	571
<b>TOTAL</b>	<u>\$9,450</u>	<u>\$8,675</u>

4. **RELATED PARTY TRANSACTIONS:**  
There were no related party transactions during the period.

5. **COMMITMENTS/CONTINGENT LIABILITIES:**  
A new lease agreement for premises at 327 Parnell Road has been entered into commencing 01/07/2011 for a period of 8 years. The annual rent is \$17,436 plus Opex for the period 01/07/2011 to 30/06/2013 and \$22,718 plus Opex for the period 01/07/2013 to 30/06/2015, thereafter subject to negotiation (2010: Nil).

6. **ACCOUNTING FOR EVENTS AFTER BALANCE DATE:**  
No significant events have occurred since balance date that would require a change to the financial statements.