



## Financial Statements

For the Year Ended 31 December 2014

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### Directory as at 31 December 2014

Incorporation Number	224050
Charities Commission Number	CC38921
Core Purpose	Provide interaction with horses to develop increased ability, independence and self esteem for children and adults with physical, intellectual, emotional and social challenges.
NZRDA Board	Sarah Haydon - Chair Jayne Findlay - Vice Chair, RDA Member Cilla Bell - RDA Member (resigned May 2014) Belinda Jackson - RDA Member Fiona Wilson - RDA Member (appointed May 2014) Gavin Whiting - Co-opted Member Sally Wenley – Co-opted Member (appointed February 2014)
Board Secretary	Simon Cooper
Bankers	Bank of New Zealand Wellington
Honorary Solicitors	Minter Ellison Rudd Watts Wellington
Honorary Auditors	KPMG Wellington

## Statement of Financial Performance

For the Year Ended 31 December 2014

	Note	2014	2013
<b>INCOME</b>		\$	\$
Operating Income	7	588,697	598,727
Interest Received		14,574	15,679
<b>Total Income</b>		<b>\$603,271</b>	<b>\$614,406</b>
<b>EXPENDITURE</b>			
Audit Fees in Kind		3,000	3,000
Advertising		225	4,359
Advertising in Kind		35,227	36,105
Board Meetings		16,649	16,991
National Training Seminar and AGM		42,725	33,622
Depreciation		2,766	2,353
Fundraising Expenses		40,901	23,421
Fundraising Expenses in Kind		3,053	1,939
Insurance		8,779	8,408
Legal Expenses		-	13,599
Marketing and Brand Development		3,980	648
Member Group Training		33,195	16,879
National Training Team Expenses		7,382	16,620
Office Expenses		40,203	43,974
Rent		23,402	23,217
Research Project		19,239	-
Wages and Salaries		377,655	366,637
<b>Total Expenditure</b>		<b>\$658,381</b>	<b>\$611,772</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>(\$55,110)</b>	<b>\$2,634</b>

## Statement of Movements in Society Funds

For the Year Ended 31 December 2014

	2014	2013
	\$	\$
<b>Opening Society Funds</b>	594,713	592,079
Surplus/(Deficit) for the Year	(55,110)	2,634
<b>Closing Society Funds</b>	<b>\$539,603</b>	<b>\$594,713</b>

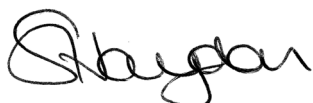
The accompanying notes form part of these financial statements.

## Statement of Financial Position

For the year ended 31 December 2014

	Note	2014	2013
		\$	\$
<b>CURRENT ASSETS</b>			
Cash		258,141	307,265
Short Term Deposits		363,470	354,637
Accounts Receivable	3	66,283	48,560
<b>Total Current Assets</b>		<b>687,894</b>	<b>710,462</b>
Fixed Assets	4	7,637	10,403
<b>TOTAL ASSETS</b>		<b>695,531</b>	<b>720,865</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	5	71,750	113,023
Unapplied Grants	6	84,178	13,129
<b>Total Current Liabilities</b>		<b>155,928</b>	<b>126,152</b>
<b>NET ASSETS</b>		<b>\$539,603</b>	<b>\$594,713</b>
Represented by:			
Society Funds		539,603	594,713
<b>TOTAL SOCIETY FUNDS</b>		<b>\$539,603</b>	<b>\$594,713</b>

For and on behalf of the Board



Sarah Haydon, Chair



Jayne Findlay, Vice Chair

23 March 2015

Date

## Notes to the Financial Statements

For the year ended 31 December 2014

### 1 REPORTING ENTITY

New Zealand Riding for the Disabled Association Incorporated (the Society) is incorporated under the Incorporated Societies Act 1908. The financial statements of the Society reflect the activities of the National Office only. The Riding for the Disabled Member Groups (the Member Groups), being autonomous organisations, publish their own financial statements as required. Details of transactions and balances related to the Member Groups is included in Note 12.

These financial statements are general purpose financial statements and have been prepared in accordance with New Zealand generally accepted accounting practices.

From 1 April 2014, the new Financial Reporting Act 2013 ("FRA 2013") has come into force replacing the Financial Reporting Act 1993, this is effective for entities reporting under the Charities Act 2005 with reporting periods beginning on or after 1 April 2015. This will be effective for the Society's 31 December 2016 year end. It is expected that the change in legislation will have no material impact on the Society's obligation to prepare general purpose financial statements.

In addition to the change in legislation the External Reporting Board of New Zealand ("XRB") has released a new accounting standards framework which establishes the financial standards to be applied to entities with statutory financial reporting obligations. The Society is currently reporting under Old NZ GAAP. Under the new XRB framework Management expects that the Society will be reporting under the Simple Format (Accrual) standards as applicable for Tier 3 not for-profit entities. Management expects that this will materially impact the preparation and disclosures included in the financial statements. This will be applicable for the Society's 31 December 2016 year end.

These financial statements have been approved for issue by the Board on 23 March 2015.

### 2 STATEMENT OF ACCOUNTING POLICIES

#### General Accounting Policies

The financial statements are prepared on the historical cost basis. Reliance is placed on the fact that the Society is a going concern.

The Society is a qualifying entity within the New Zealand Institute of Chartered Accountant's Differential Reporting Framework, as it is not publicly accountable and the entity meets the relevant size criteria. The Society has taken advantage of all available differential reporting exemptions.

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

#### (a) Changes in Accounting Policies

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

#### (b) Fixed Assets

Fixed assets are recorded at cost less accumulated depreciation.

## Notes to the Financial Statements

### For the year ended 31 December 2014

(c) Goods & Services Tax

Amounts in the financial statements are recorded exclusive of GST except for Accounts Receivable and Accounts Payable which are shown inclusive of GST. Where GST is not recoverable it is recognised as part of the asset cost or expensed as appropriate.

(d) Income Tax

The Society is a registered charity and no income tax is payable.

(e) Receivables

Receivables are stated at their estimated realisable value.

(f) Revenue

Revenue is measured at the fair value of consideration received or receivable.

(g) Donation Income and Donations to Member Groups

Donation income is recorded when the receipts are banked into the Society's bank account other than national fundraising which is recorded in the month the donation is received by the national fundraiser. Some fundraising is shared with Member Groups, such allocations being determined on a case by case basis and in conjunction with the donor where relevant.

(h) Grants

Where grants have been received to cover expenses in future years, the unapplied portion is retained to cover the future expenses or capital expenditure and is credited to income over the relevant future period or refunded back to the provider of the grant if not required in respect to the conditions of the grant.

(i) Donated Assets

Where a physical asset is donated or vested in the Society for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in the Society are recognised as revenue when control through ownership over the asset is obtained.

(j) Depreciation

Depreciation has been charged on a straight line basis over the estimated economic lives of assets as follows; Fixtures and fittings 5-10 years, Office Equipment 2-6 years.

## Notes to the Financial Statements

For the year ended 31 December 2014

### 3 ACCOUNTS RECEIVABLE

	2014	2013
	\$	\$
National Fundraising	31,605	28,867
Trade Debtors	8,102	1,136
Sundry Debtors	15,677	5,890
GST	10,899	12,667
<b>Total Accounts Receivable</b>	<b>\$66,283</b>	<b>\$48,560</b>

### 4 FIXED ASSETS

	2014	2013
	\$	\$
Fixtures & Fittings		
At cost	8,103	8,103
Less Accumulated Depreciation	7,320	6,633
	783	1,470
Office Equipment		
At cost	56,072	56,072
Less Accumulated Depreciation	49,218	47,139
	6,854	8,933
<b>Total Fixed Assets</b>	<b>\$7,637</b>	<b>\$10,403</b>

### 5 ACCOUNTS PAYABLE

	2014	2013
	\$	\$
Trade Creditors and Accrued Expenses	5,703	40,245
Member Groups	35,858	42,267
Employee Entitlements	20,806	21,877
PAYE	9,383	8,634
<b>Total Accounts Payable</b>	<b>\$71,750</b>	<b>\$113,023</b>

Note 12

## Notes to the Financial Statements

For the year ended 31 December 2014

### 6 GRANTS

	2014	2013
	\$	\$
<b>Unapplied Grants</b>		
Brought Forward	13,129	33,798
Grants Received	118,313	68,823
Grants Applied to Agreed Purposes	Note 7 (46,664)	(89,492)
Grants Repaid	(600)	-
Carried Forward	<b>\$84,178</b>	<b>\$13,129</b>
<b>Grants Received</b>		
Four Winds Foundation	7,000	5,000
Infinity Foundation	5,000	5,000
Joan Beca Memorial Training Fund	500	-
NZ Community Trust	30,000	30,000
NZ Lottery Grants Board	54,813	-
NZRDA Perpetual Members Fund	500	500
Pelorus Trust	8,000	6,500
Pub Charity	-	4,823
Sargood Bequest	2,500	-
Southern Trust	10,000	5,000
T G Macarthy Trust	-	7,000
YouthTown	-	5,000
Total Grants Received	<b>\$118,313</b>	<b>\$68,823</b>

### 7 OPERATING INCOME

	2014	2013
	\$	\$
Ministry of Health	21,060	20,851
Total Government Grants	21,060	20,851
Other Grants Applied to Agreed Purposes	Note 6 46,664	89,492
Donations	Note 8 338,375	331,754
Donations in Kind	Note 9 41,280	41,044
Sponsorship	13,043	3,478
Fundraising Campaigns	28,721	-
Training Fees including National Training Seminar	Note 12 72,054	84,608
Affiliation Fees	Note 12 27,500	27,500
Total Operating Income	<b>\$588,697</b>	<b>\$598,727</b>

## Notes to the Financial Statements

For the year ended 31 December 2014

### 8 DONATIONS

	2014	2013
	\$	\$
Donations Received by National Fundraiser	1,585,094	1,566,923
National Fundraiser Costs	(1,030,311)	(1,018,500)
National Fundraising	55,779	39,017
Total National Fundraising to be shared with Member Groups	610,562	587,440
Distributed to Member Groups	(303,314)	(291,251)
Other Donations	31,127	35,565
<b>Total Donations</b>	<b>\$338,375</b>	<b>\$331,754</b>

### 9 DONATIONS IN KIND

	2014	2013
	\$	\$
KPMG – Audit of Financial Statements	3,000	3,000
MediaWorks - Advertising	35,227	36,105
Peter Shakes Jeweller - Gingerbread Horse Campaign Prize	287	1,000
Other	2,766	939
<b>Total Donations in Kind</b>	<b>\$41,280</b>	<b>\$41,044</b>

### 10 OPERATING LEASE COMMITMENTS

	2014	2013
	\$	\$
Photocopier rental future commitments at 31 December	<b>\$3,438</b>	<b>\$5,730</b>
Office rental future commitments at 31 December	<b>\$32,780</b>	<b>\$54,633</b>

The photocopier rental annual payment is \$2,294 and the lease expires in June 2016.

The office rent annual payment is \$21,852 and the agreement expires in June 2016 with rights of renewal for one term of three years.

### 11 CONTINGENT LIABILITIES

No contingent liabilities exist at 31 December 2014 (2013: Nil).



## Notes to the Financial Statements

For the year ended 31 December 2014

### 12 RELATED PARTY INFORMATION

The Member Groups are treated as related parties for the purposes of this note.

#### Affiliation

The Member Groups were charged an affiliation fee of \$500 each with a total of \$27,500 received in 2014 (2013: \$27,500).

#### Training

The Member Groups were charged \$72,054 for costs in relation to training and the National Training Seminar in 2014 (2013: \$84,608).

#### Paid Direct to Member Groups

During 2014 donations of \$6,315 were received and paid directly to Member Groups (2013: \$6,759).

During 2014 Fundraising Campaign funds of \$766 were received and paid directly to Member Groups (2013: Nil).

#### Donations in Kind to Member Groups

Sabella glitter products valued at \$3,724 and Training for You valued at \$22,500 were distributed directly to Groups in 2014 (2013: \$2,500).

#### National Fundraising

National Fundraising is undertaken under direction of the Society and a proportion of the net proceeds are distributed to the Member Groups as grants. Specific grants have been made to support Member Groups with training and re-branding costs. Other funding distributed to Groups may be used for any Member Group cost relating to the provision of core programmes.

Summary of National Fundraising Distributed to Member Groups

	2014	2013
	\$	\$
<b>Grants For Training</b>		
Brought forward	10,747	14,260
Payments made during year	(643)	(3,513)
Carried forward	<b>\$10,104</b>	<b>\$10,747</b>
<b>Grants for Brand Change</b>		
Brought forward	8,230	13,000
Payments made during year	(4,893)	(4,770)
Carried forward	<b>\$3,337</b>	<b>\$8,230</b>
<b>Distributions for other Core Programme Costs</b>		
Brought forward	23,290	70,730
Proceeds allocated	303,314	291,251
Payments made during year	(304,187)	(338,691)
Carried forward	<b>\$22,417</b>	<b>\$23,290</b>
Total due to Member Groups at year end	<b>\$35,858</b>	<b>\$42,267</b>

## Notes to the Financial Statements

For the year ended 31 December 2014

### 12 RELATED PARTY INFORMATION (continued)

The NZRDA Perpetual Members Fund (NZRDA PMF) is deemed a related party due to a member of the Society's Board acting in the capacity of a Trustee for the NZRDA PMF.

The NZRDA PMF provides grants to Member Groups and the Society. During the year the Society applied for and has been granted a grant of \$500 to improve Rider outcomes.

The Society also provided an advance for \$8,027 (as at 31 December 2014) to NZRDA PMF which post year end has been repaid.

**Independent Auditor's Report**  
For the year ended 31 December 2014



## Independent auditor's report

### **To the Members of New Zealand Riding for the Disabled Association Incorporated**

We have audited the accompanying financial statements of New Zealand Riding for the Disabled Association Incorporated ("the Society") on pages 2 to 10. The financial statements comprise the statement of financial position as at 31 December 2014, the statements of financial performance and movements in society funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### ***Board's responsibility for the financial statements***

The Board is responsible for the preparation and fair presentation of financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Board determines 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 these 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 Society'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 Society'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 presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion on the financial position and our qualified opinion on financial performance.

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

**Independent Auditor's Report (continued)**

**For the year ended 31 December 2014**



***Basis for qualified opinion on financial performance***

The Society's recorded revenue includes donations of \$641,689 (2013: \$623,005). Control over such revenues prior to being recorded is limited and there were no practical audit procedures that we could perform to confirm independently that all donations were properly recorded. Accordingly, we were not able to determine whether any adjustments might be necessary to the amounts shown in the financial statements for revenue, and net profit. Our audit opinion for the year ended 31 December 2013 was also qualified in this respect.

***Qualified opinion on financial performance***

In our opinion, except for the possible effects on the current and corresponding figures of the matter described in the Basis for qualified opinion paragraph, the financial statements on pages 2 to 10 present fairly, in all material respects, the financial performance of the Society for the year ended 31 December 2014, in accordance with generally accepted accounting practice in New Zealand.

***Opinion on financial position***

In our opinion the financial statements on pages 2 to 10 present fairly, in all material respects, the financial position of the Society as at 31 December 2014.

*KPMG*

23 March 2015  
KPMG Wellington