

**New Zealand Railway &
Locomotive Society Incorporated**

Performance Report

For the year ended 30 June 2021

Unaudited

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Entity Information – “Who are we?”, “Why do we exist?”

For the year ended 30 June 2021

Legal name of entity:	New Zealand Railway & Locomotive Society Incorporated
Type of entity and legal basis:	Incorporate Society and Registered Charity
Registration number:	CC22947

Entity’s purpose or mission:

- To facilitate the interchange of information and comment concerning the design, construction, operation and development of New Zealand and other railways, their locomotives, facilities, plant, and equipment.
- To place on public record information related to the history and development of railway transport in New Zealand.
- To encourage and facilitate as far as possible, the preservation of railway literature, photographs, documents, tickets, models, and other items of railway interest that will help illustrate and preserve the history of railway transport in New Zealand.
- To foster an interest in railways and railway transport.
- To enter into agreements or to affiliate with such other organisations as the Board may see fit, provided that those other organisations have, in the opinion of the Board, objects that are in whole or in part similar to those of the Society.
- To encourage or advise the appropriate authorities on the marking of historic railway sites and objects, the establishment of walkways alongside abandoned railway formations, and to provide relevant historical information for these purposes.
- To promote the activities outlined in the Bylaws and such other activities as the Board consider beneficial to members.

Entity Structure:

Management Structure: The Society is governed by a Management Board, two executive committees, being the Administration Committee, and a Publications Committee, and other sub-committees such as the Archive and Preservation Committees, and New Zealand member groups. Management Board consists of seven members, including three executive officer positions of president, secretary, and treasurer. The board meets at least once every three months. The secretary and treasurer and other board members may also lead or be involved in the executive committees and branches as determined by the work plan and priorities.

Administration Committee: The committee meets at least six times a year. The committee is responsible to oversee the day-to-day operations of the society which include general administration, finance, membership, publicity, liaison with groups, publication of the Society's newsletter, operations of the magazine groups, archives, preservation work, and the maintenance of the Ava premises in Petone, and the premises at Silverstream.

Publications Committee: The committee meets at least three times a year. The committee is responsible for the production, publication, and overseas distribution and sales of “The New Zealand Railway Observer” magazine, calendars, books, and booklets.

Entity Information – continued

For the year ended 30 June 2021

Operational Structure: The Society is run predominantly by volunteers. The Society pays two Administration Officers and a Bookkeeper for the day to day running of the Society. Archive research, preservation, and storage of old records, and publications sales and dispatch is managed by volunteers at Ava. Volunteers undertake preservation work at our shed at Silverstream. Silverstream stores and displays our rolling stock under cover and provides space and facilities for the volunteers.

Main sources of the entity's cash and resources:

New Zealand Railway and Locomotive Society Inc.'s primary source of funding is through membership subscriptions and sales of magazines, calendars and other publications to members and the public.

Additional sources of funding include:

- Donations and Grants
- Archive Research
- Interest
- Other item sales

Main methods used by the entity to raise funds:

Annual membership subscription renewal drive, with new members gained through our website and magazine sales/advertising.

Sales of publications to individual members and non-members advertised in our magazine, flyers, website, and through retail stores.

Archive income earned from researching our archives for customers.

Entity's reliance on volunteers and donated goods or services:

The Society is mainly reliant on volunteers. The Society has at least 20 volunteers who commit various amounts of time to manage the operations and govern the Society.

The Society regularly receives donated archive materials for collation and storage from various sources. And sometimes receives donated rolling stock.

Additional Information:

Contact details

Physical Address: 1A North Street
Ava
Lower Hutt, 5012

Postal Address: Same as above

Phone/Fax: (04) 568 4938

Email/Website: <http://railsoc.org.nz/>

Facebook: <http://www.facebook.com/NewZealandRailwayandLocomotiveSociety>

Statement of Service Performance

For the year ended 30 June 2021

Description of the Entity's Outcomes:

The Society fosters an interest in railways and railway transport, and place on public record information related to the history and development of railway transport in New Zealand and to encourage and facilitate as far as possible, the preservation of railway literature, photographs, documents, tickets, models, and other items of railway interest that will help illustrate and preserve the history of railway transport in New Zealand.

The Society has financial members from New Zealand and overseas. Members pay an annual subscription and are entitled to a special price for Society publications and a copy of the bi-monthly "The New Zealand Railway Observer" magazine "Turntable" newsletter.

The Society also sells the Observer Magazine and Society publications to the general public through retailers.

The Society has 13 member groups throughout New Zealand. Members meet together regularly.

A team of volunteers collect, collate, and preserve archives of historical information, and then find information for members and the public on request.

The Society owns several pieces of locomotives and rolling stock. Some are waiting or in process of restoration.

Description and Quantification (to the extent practicable) of the Entity's Outputs:

	2020/21	2019/20
Number of members as at 30 June	731	769
Number of books sold for the year ended 30 June	1,359	1,969
New books published	2	3
Books reprinted	0	0

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2021

	Note	2020/21 (\$)	2019/20 (\$)
Revenue from exchange transactions			
Membership Fees	3a	57,373	54,249
Other Member Revenue		254	533
Archive and Library Charges		123	265
Observer Magazine - Sales & Advertising	3b	42,312	31,088
Other Publications and Sales	3c	44,193	48,154
Interest Received		2,812	4,405
Disposal of Assets		15	91
Total revenue from exchange transactions		147,082	138,785
Revenue from non-exchange transactions			
Bequests and Donations Received	3d	33,848	86,451
Grants Received		1,692	-
Total revenue from non-exchange transactions		35,540	86,451
Total Exchange and Non-exchange revenue		182,622	225,236
Expenses			
Expenses related to members and public fundraising	4a	50,684	59,384
Costs related to providing goods or services	4b	73,010	73,341
Grants and donations made	4c	1,500	-
Other expenses	4d	51,984	55,826
Total expenses		177,178	188,551
Net surplus for the year		5,444	36,685
Other comprehensive revenue and expense		79	85
Total comprehensive revenue and expense for the year		5,523	36,770

Statement of Movements in Equity

For the year ended 30 June 2021

	Note	2020/21 (\$)	2019/20 (\$)
Net equity at the beginning of the year		534,812	498,042
Total recognised comprehensive revenue and expense		5,523	36,770
Net equity at the end of the year		540,335	534,812

The Statement of Accounting Policies and Notes to the Financial Statements on pages 8 to 19 form part of the financial statements

Statement of Financial Position

As at 30 June 2021

	Note	30 June 2021 (\$)	30 June 2020 (\$)
Assets			
Current assets			
Cash and cash equivalents	5	34,183	25,552
Accounts receivable		11,179	2,762
GST refund		4,680	1,806
Other current assets		670	235
Publication stock on hand		20,215	17,716
Investments	6	147,349	183,962
Total current assets		218,276	232,033
Non-current assets			
	7		
Land		24,686	24,686
Premises		313,662	318,945
Furniture and equipment		33,225	16,140
Rolling stock		3	4
Total current assets		371,576	359,775
Total assets		589,852	591,808
Liabilities			
Current liabilities			
Accounts payable	8	10,328	5,659
Income in Advance	9	39,189	51,337
Total current liabilities		49,517	56,996
Non-current liabilities			
		-	-
Total liabilities		49,517	56,996
Net assets		540,335	534,812
Equity			
	12		
Accumulated comprehensive revenue and expense		417,542	410,935
Special reserves and funds		122,793	123,877
Total equity		540,335	534,812

On behalf of the Board

G T Carter
President
16 October 2021

K Lankshear
Treasurer
16 October 2021

The Statement of Accounting Policies and Notes to the Financial Statements on pages 8 to 19 form part of the financial statements

Statement of Cash Flows

For the year ended 30 June 2021

	2020/21 (\$)	2019/20 (\$)
Cash flows from operating activities		
Cash was received from:		
Fees and other receipts from members	45,479	67,192
Grants, bequests and donations received	35,540	86,451
Receipts from providing goods or services	77,776	84,806
Interest received	446	1,057
Other revenue received	15	91
Net GST received	-	2,782
	159,256	242,379
Cash was applied to:		
Payments to suppliers and employees	165,308	180,315
Net GST paid	2,874	-
	168,182	180,315
Net cash flows from / (used in) operating activities	(8,926)	62,064
Cash flows from investing activities		
Cash was received from:		
Receipts from maturity of investments	231,979	194,804
Receipts from the sale of property, plant and equipment	104	-
Exchange rate gains on UK account	79	85
	232,162	194,889
Cash was applied to:		
Purchase of investments	193,000	262,500
Purchase of property, plant and equipment	21,605	-
	214,605	262,500
Net cash flows from / (used in) investing activities	17,557	(67,611)
Net increase/(decrease) in cash and cash equivalents	8,631	(5,547)
Add cash and cash equivalents at the start of the year	25,552	31,099
Cash and cash equivalents at the end of the year	34,183	25,552

Notes to the Financial Statements

For the year ended 30 June 2021

1 Reporting entity

The Society was formed in 1944 by enthusiasts interested in the then New Zealand Railways. Membership is open to all with an interest in the New Zealand Railway system both old and new. Members can join a magazine and photo distribution group. Member groups meet in most cities where talks, films and other activities can be enjoyed. We are active in restoring locomotives and rolling stock which we own.

2 Summary of Significant Accounting Policies

Basis of preparation

These financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). For the purposes of complying with NZ GAAP, the Society is a public benefit entity (PBE). In the case of the Society, NZ GAAP means Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime (PBE IPSAS RDR). Under the Accounting Standards Framework issued by the External Reporting Board, the Society is eligible to apply PBE IPSAS RDR because it is not publicly accountable and has total expenses less than or equal to \$30 million. The Society has elected to apply all RDR concessions available.

The financial statements have been prepared in New Zealand dollars, which is the Society's functional currency. All financial information has been rounded to the nearest dollar.

The financial statements have been prepared in accordance with historical cost concepts.

Specific Accounting Policies

The following specific accounting policies that materially affect the measurement of the financial performance, financial position and cash flows have been applied.

Donated services

The work of the Society is dependent on the voluntary services of many members. Due to the difficulty in determining the value of the donated services with sufficient reliability, donated services are not recognised in the Statement of Comprehensive Revenue and Expense.

Taxation

The Society was registered under the Charities Act 2005 on 14 April 2008 and therefore is not subject to income tax from that date.

The Statement of Comprehensive Revenue and Expense has been prepared so that all components are stated exclusive of Goods and Services Tax (GST). All items in the Statement of Financial Position are stated net of GST, except for accounts receivable and accounts payable. All items in the Statement of Cash Flows are stated exclusive of GST. The net GST received or paid during the year for operating, investing, and financing activities is included as part of operating cash flows.

Significant management judgements

There were no significant judgements that require disclosure other than those already made in this report.

Notes to the Financial Statements - continued

For the year ended 30 June 2021

3 Revenue

Revenue is recognised when it is probable that the economic benefits associated with a transaction will flow to the Society and when the amount of revenue can be reliably measured. Revenue is measured at the fair value of the consideration receivable. The following specific recognition criteria are used:

a) Membership fees

The Society's annual membership year is 1 July to 30 June. Fees are due 1 July. Membership income is recognised on a monthly basis throughout the year in line with services provided.

	2020/21 (\$)	2019/20 (\$)
New Zealand	47,315	45,356
Overseas	10,058	8,893
Total	57,373	54,249

b) Observer Magazine - Sales & Advertising

	2020/21 (\$)	2019/20 (\$)
Sales	40,675	30,078
Advertising Income	1,637	1,010
Total	42,312	31,088

c) Other Publications and Sales

	2020/21 (\$)	2019/20 (\$)
Book Sales	42,058	38,891
Calendar Sales	-	7,192
Badge Sales	99	107
Miscellaneous Income	2,036	1,964
Total	44,193	48,154

d) Bequests and Donations

	2020/21 (\$)	2019/20 (\$)
Bequests	19,098	65,000
General donations	6,474	4,925
Donations – archives and library	7,300	4,441
Donations – locomotive and rolling stock preservation	776	11,233
Donations - premises	200	10,215
Total	33,848	86,451

Notes to the Financial Statements - continued

For the year ended 30 June 2021

4 Expenses

All expenditure is recognised when billed or an obligation arises on an accrual basis, except for donated services.

a) Expenses related to members and public fundraising

	2020/21 (\$)	2019/20 (\$)
Observer Magazine Print Costs (50% + 100% of index)	34,484	34,398
Observer Magazine Postage & Packaging	11,200	7,772
Turntable Newsletter	2,335	3,066
Members Advertising and Renewals	-	1,776
Magazine Group Costs	372	444
WMR Car Expenses	2,293	11,928
Total	50,684	59,384

b) Costs related to providing goods and services

	2020/21 (\$)	2019/20 (\$)
Archives and Library Costs	175	222
Other Publications Costs	1,020	7,952
Observer Magazine Print Costs (50%)	34,239	34,015
Value of Stock Sold	15,723	19,574
Change in Provision for Slow Moving Stock	11,364	(712)
Publications Postage & Packaging	9,573	9,344
Royalties	232	482
Miscellaneous Production Costs	684	2,464
Total	73,010	73,341

c) Grants and donations made

	2020/21 (\$)	2019/20 (\$)
Thomas McGavin Research Fund	1,500	-
Total	1,500	-

Notes to the Financial Statements - continued

For the year ended 30 June 2021

d) Other Expenses

	2020/21	2019/20
	(\$)	(\$)
Audit Fee	950	950
Administration Costs	20,409	21,935
Bad Debts	-	247
Bank Fees	1,766	2,062
Computer Expenses	310	1,514
Depreciation	9,700	10,674
Governance	788	2,166
Insurance	4,305	4,138
Postage, Telephones, & Website	1,140	1,189
Premises Costs	7,373	7,386
Printing & Stationery	3,135	1,500
Relationship with other Organisations	419	715
Repairs & Maintenance - Equipment	1,689	-
Valuations - Property	-	1,350
Total	51,984	55,826

Accounting Policies**Income in advance**

Only income that is attributable to the current financial period is recognised in the Statement of Comprehensive Revenue and Expense. The remaining income and any membership fees paid in advance of the due date of 1 July is recognised in the Statement of Financial Position as Income in Advance.

5 Cash and cash equivalents

	30 June 2021	31 June 2020
	(\$)	(\$)
BNZ Bank accounts	31,040	23,074
UK Bank account	2,743	2,078
Cash sales float / petty cash	400	400
Total investments	34,183	25,552

Notes to the Financial Statements - continued

For the year ended 30 June 2021

6 Investments

	30 June 2021 (\$)	31 June 2020 (\$)
Term deposits	147,349	183,962
Total investments	147,349	183,962
<i>Total investments comprise:</i>		
Accrued interest	55	197
Investments maturing within 3 months	91,223	60,773
Investments maturing within 3 to 6 months	36,071	35,159
Investments maturing after 6 months	20,000	87,833
Total investments	147,349	183,962

7 Property, plant and equipment

	Land	Premises	Furniture and Equipment	Rolling Stock	Total
2021					
Cost	24,686	373,683	148,723	2,568	549,660
Accumulated Depreciation	-	60,021	115,498	2,565	178,084
Net Book Value	24,686	313,662	33,225	3	371,576
2020					
Cost	24,686	430,487	128,902	2,568	586,643
Accumulated Depreciation	-	111,542	112,762	2,564	226,868
Net Book Value	24,686	318,945	16,140	4	359,775

	Land	Premises	Furniture and Equipment	Rolling Stock	Total
2021					
Opening Balance	24,686	318,945	16,140	4	359,775
Additions	-	1,306	20,299	-	21,605
Disposals - Cost	-	-	(478)	-	(478)
Disposals - Accumulated Depreciation	-	-	376	-	376
Depreciation Expense	-	(6,588)	(3,111)	(1)	(9,700)
Reconciliation Adjustment	-	(1)	(1)	-	(2)
	24,686	313,662	33,225	3	371,576

Accounting Policies

Items of property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. Cost includes those expenses that are directly attributable to the purchase of the asset. Subsequent expenditure that extends or increases an asset's service potential is capitalised.

Depreciation is provided on a mix of straight-line and diminishing value basis on all property, plant and equipment to allocate the cost or value of the asset (less any residual value) over its useful life. The estimated useful lives of the major classes of property, plant and equipment are as follows:

Office equipment	3 - 5 years	Furniture and fittings	5 - 10 years
Computer equipment	3 - 4 years	Leasehold improvements	6 - 15 years

Notes to the Financial Statements - continued

For the year ended 30 June 2021

Property, plant and equipment (continued)

The useful lives, depreciation methods and residual values are reviewed at each balance date and adjusted to reflect any change in the expected pattern of the consumption of the future economic benefits or service potential embodied in the asset.

Significant Donated Assets - Not Recorded

The Society receives collections of archival material relating to New Zealand Railways. The Society does not fair value the collections as they cannot be reliably measured or replaced.

Heritage Rolling Stock – not included in Statement of Financial Position

The Society owns the following items of Heritage Rolling Stock. Current market values are not readily obtainable, so they are therefore not included as assets in the Statement of Financial Position.

Ex New Zealand Government Railways Rolling Stock Carriages

Original Class & No.	Description	Current Status	Condition
Ab 608	Mixed traffic 4-6-2 steam locomotive "Passchendaale"	Leased to Steam Incorporated, Paekakariki	Operational
Wab 794	Mixed traffic 4-6-4T steam tank locomotive	Leased to Feilding and District Steam Rail Society	Being overhauled
X 442	Mixed traffic 4-8-2 steam locomotive	Leased to Feilding and District Steam Rail Society	Awaiting restoration
Q 7057	4-wheel coal hopper wagon	At the Society's premises, Silverstream North End	Good; on display.
Kp 1728	Covered 4-wheel goods wagon	Loaned to Steam Incorporated, Paekakariki	Used for-storage
Kp 1916	Covered 4-wheel goods wagon	At the Society's premises, Silverstream North End	Good; Used for storage

Ex Wellington & Manawatu Railway Carriages

Original No.	Description	Current Status	Condition
42	Carriage	At the Society's premises, Silverstream North End	Awaiting restoration
48	Carriage	At the Society's premises, Silverstream North End	Being restored
52	Carriage	At the Society's premises, Silverstream North End	Awaiting restoration

Ex railway motor trollies 6864, 6880, 6977, 7002 and 7463 in varying condition, are stored at the Society's premises, Silverstream, Upper Hutt. Ownership of No. 7002 is being checked.

Heritage Rolling Stock leased to the Society:

Bogie open wagon Rb 403 is held by the Society under a proposed lease from the Rail Heritage Trust and is currently with the Feilding and District Steam Rail Society. Also, 4-wheel coal hopper wagon Q 4498 is at the Society's premises, Silverstream North End under a lease from the Rail Heritage Trust of New Zealand.

Notes to the Financial Statements - continued

For the year ended 30 June 2021

8 Accounts payable

	30 June 2021	31 June 2020
	(\$)	(\$)
Aged payables	9,256	4,320
Accrued expenses	1,072	1,339
Total investments	10,328	5,659

9 Income in advance

	30 June 2021	31 June 2020
	(\$)	(\$)
Member Fees 2020/21 year	-	42,827
Member Fees 2021/22 year	36,375	7,204
Member Fees 2022/23 year	1,323	1,043
Member Fees 2023/24 year	335	78
Cash sales float / petty cash	1,156	185
Total investments	39,189	51,337

10 Financial Instruments**Financial assets**

Under PBE IPSAS 29 *Financial Instruments: Recognition and Measurement*, financial assets can be classified into one of four categories. The classification is determined on initial recognition and specifies how assets are subsequently measured and where any gains or losses are recognised.

The Society's financial assets have been classified as Loans and Receivables, being non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. These assets comprise cash and cash equivalents, receivables and accrued income, and investments in term deposits.

Loans and Receivables are initially recognised at fair value plus transaction costs directly attributable to the acquisition of the asset. Subsequent measurement is at amortised cost using the effective interest method. Gains or losses arising when the asset is derecognised or impaired are recognised in surplus or deficit. If an asset has been impaired, the carrying amount is reduced through the use of an allowance account and the amount of the loss is recognised in surplus or deficit. Loans and Receivables are derecognised when the contractual rights to receive the cash flows are waived or expire.

Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. For the Society, these assets are bank accounts and on call deposits.

Investments in term deposits

These are term deposits with registered banks.

Notes to the Financial Statements - continued

For the year ended 30 June 2021

Financial instruments (continued)

Carrying amount of loans and receivables	30 June 2021	31 June 2020
	(\$)	(\$)
Cash and cash equivalents	34,183	25,552
Accounts receivable	11,179	2,762
GST refund	4,680	1,806
Other current assets	670	235
Investments	147,349	183,962
Total	198,061	214,317

Financial liabilities

The Society's financial liabilities comprise trade and sundry creditors, and accrued expenditure. Financial liabilities are initially recorded at fair value plus transaction costs directly attributable to the acquisition of the liability. Subsequent measurement is at amortised cost using the effective interest method. The liabilities are derecognised when the liability is extinguished. Gains or losses arising when the liability is derecognised are recorded in surplus or deficit.

The following table shows the carrying amounts of financial assets and financial liabilities as at 30 June 2021

Financial assets not measured at fair value – 30 June 2021	Held to Maturity	Loans and receivables	Available for sale	Financial liabilities	Total
	(\$)	(\$)	(\$)	(\$)	(\$)
Cash and cash equivalents	34,183	-	-	-	34,183
Receivables and accrued income	16,529	-	-	-	16,529
Investments	147,349	-	-	-	147,359
Total	198,061	-	-	-	198,061

Financial liabilities not measured at fair value – 30 June 2021	Held to Maturity	Loans and receivables	Available for sale	Financial liabilities	Total
	(\$)	(\$)	(\$)	(\$)	(\$)
Payables and accruals	-	-	-	49,517	49,517
Total	-	-	-	49,517	49,517

Financial assets not measured at fair value – 30 June 2020	Held to Maturity	Loans and receivables	Available for sale	Financial liabilities	Total
	(\$)	(\$)	(\$)	(\$)	(\$)
Cash and cash equivalents	25,552	-	-	-	25,552
Receivables and accrued income	4,803	-	-	-	4,803
Investments	183,962	-	-	-	183,962
Total	214,317	-	-	-	214,317

Financial liabilities not measured at fair value – 30 June 2020	Held to Maturity	Loans and receivables	Available for sale	Financial liabilities	Total
	(\$)	(\$)	(\$)	(\$)	(\$)
Payables and accruals	-	-	-	56,996	56,996
Total	-	-	-	56,996	56,996

Notes to the Financial Statements - continued

For the year ended 30 June 2021

11 Segment Report

This report covers the operations of the individual component groups and services of the Society.

2021	Observer	Turntable	Publications	Calendars	Archives	WMR Car Restoration	Ava	North End Workshop	Operations	Total
Revenue										
Membership fees	-	-	-	-	-	-	-	-	57,627	57,627
Sales	42,278	-	42,601	1,310	340	-	-	-	99	86,628
Donations	-	-	-	-	7,301	775	200	-	27,264	35,540
Other revenue	-	-	-	-	-	-	-	-	2,827	2,827
Total revenue	42,278	-	42,601	1,310	7,641	775	200	-	87,817	182,622
Expenses										
Printing & production	34,187	2,335	29,586	861	-	-	-	-	34,534	101,503
Repairs & maintenance	-	-	-	-	-	2,028	718	3,324	34	6,104
Rates	-	-	-	-	-	-	1,280	412	-	1,692
Electricity	-	-	-	-	-	-	1,256	1,048	-	2,304
Security	-	-	-	-	-	-	437	513	-	950
Valuation	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	8,177	482	1,041	9,700
Administration	-	-	570	-	247	-	50	8	32,575	33,450
Other expenses	854	-	3,840	20	1,192	-	349	-	15,141	21,396
Total expenses	35,041	2,335	33,996	881	1,439	2,028	12,267	5,787	83,325	177,099
Net contribution	7,237	(2,335)	8,605	429	6,202	(1,253)	(12,067)	(5,787)	4,492	5,523

Notes to the Financial Statements - continued

For the year ended 30 June 2021

Segment Report - Continued

2020

	Observer	Turntable	Publications	Calendars	Archives	WMR Car Restoration	Ava	North End Workshop	Operations	Total
Revenue										
Membership fees	-	-	-	-	-	-	-	-	54,249	54,249
Sales	31,089	-	40,807	7,192	314	-	-	-	202	79,604
Donations	-	-	1,000	-	4,441	10,215	5,852	-	64,943	86,451
Other revenue	-	-	-	-	-	-	-	-	4,933	4,933
Total revenue	31,089	-	41,807	7,192	4,755	10,215	5,852	-	124,327	225,237
Expenses										
Printing & production	34,016	3,689	16,473	7,276	-	-	-	-	35,012	96,466
Repairs & maintenance	-	-	-	-	-	11,862	805	1,577	-	14,244
Rates	-	-	-	-	-	-	1,177	438	-	1,615
Electricity	-	-	-	-	-	-	1,209	1,011	-	2,220
Security	-	-	-	-	-	-	491	459	-	950
Valuation	-	-	-	-	-	-	675	675	-	1,350
Depreciation	-	-	-	-	-	-	8,316	531	1,827	10,674
Administration	-	-	-	-	-	-	-	-	27,097	27,097
Other expenses	9,344	-	7,817	1,821	270	230	218	66	14,085	33,851
Total expenses	43,360	3,689	24,290	9,097	270	12,092	12,891	4,757	78,021	188,467
Net contribution	(12,271)	(3,689)	17,517	(1,905)	4,485	(1,877)	(7,039)	(4,757)	46,306	36,770

Note: 2020 segment expenses for the Observer and Operations have been restated to better reflect the member/retail volume mix.

Notes to the Financial Statements - continued

For the year ended 30 June 2021

12 Equity

Equity is the members' interest in the Society and is measured as the difference between total assets and total liabilities.

Equity is disaggregated and classified into components to enable clearer identification of the specified uses that the Society makes of its accumulated surpluses. The components of equity are accumulated comprehensive revenue and expense, and special funds.

	30 June 2021	31 June 2020
	(\$)	(\$)
Accumulated funds as at 1 July	410,935	436,497
Total comprehensive income	5,523	36,770
Transfers to reserves	(329)	(79,569)
Transfers from reserves	1,413	17,237
Accumulated funds as at 30 June	417,542	410,935
Reserves at 1 July	123,877	61,545
Transfers from accumulated funds	329	79,569
Transfers to accumulated funds	(1,413)	(17,237)
Total reserves	122,793	123,877
Total equity	540,335	534,812

Breakdown of Reserves

	30 June 2021	31 June 2020
	(\$)	(\$)
Building Fund		
Funds reserved for future Society accommodation needs	111,459	111,259
WMR Car Preservation Fund		
Funds allocated and donated to be used to preserve the WMR Cars owned by the Society	6,488	7,901
Locomotive & Rolling Stock Preservation Fund		
Funds allocated and donated to be used to preserve the various Locomotives and Rolling Stock owned by the Society	4,878	4,828
Exchange Rate Adjustments		
Unrealised Gain/(Loss) of UK Bank at 30 June	(32)	(111)
Total reserves	122,793	123,877

Notes to the Financial Statements - continued

For the year ended 30 June 2021

13 Goods or Services Provided to the Entity in Kind:

The Society does not employ staff and therefore is wholly reliant on the generosity of in excess of 20 volunteers throughout New Zealand and the UK. These volunteers commit their time to administration, publications, preservation, and governance of the Society. The Society does not fair value volunteer time in The Statement of Financial Performance as the value of the hours of services cannot be reliably measured.

14 Related party transactions

Key management personnel

Key management personnel, as defined by PBE IPSAS 20 *Related Party Disclosures*, are all directors or members of the governing body (the Board) and other persons having the authority and responsibility for planning, directing, and controlling the activities of the reporting entity.

The Society made related party payments to, and earned related party receipts from, certain Board members. All payments and receipts to all parties were made at arm's length commercial terms and conditions.

		2020/21	2019/20
		(\$)	(\$)
G T Carter (Chair)	Contract services - Editor of the Observer	17,791	17,791
K J Lankshear (Treasurer)	Contract services - Bookkeeper	4,488	4,794
Total		22,279	22,585

15 Capital commitments

The Society has capital commitments of nil as at 30 June 2021 (30 June 2020: nil).

16 Contingencies

There are no contingent assets or contingent liabilities as at balance date (2020 - nil).

17 Events subsequent to balance date

There are no events subsequent to balance date that would materially affect these financial statements.

18 Going Concern Assumption

In approving these financial statements, the Board considers the going concern assumption appropriate. The Board believes the Society will have sufficient cash flows to meet its financial obligations as they fall due. This assumption is based on consideration of the 30 June 2021 financial position and forecast financial performance for the 12 months following approval of the financial statements. The Board has a reasonable belief that this forecast will be met.