

BROWN ACRE VILLAGE BODY CORPORATE 431284
Annual Report
For the Year Ended 31 March 2023

<u>Contents</u>	<i>Page</i>
Chairperson’s Report.....	1
Body Corporate Managers Report.....	2
Statement of Financial Performance	4
Statement of Financial Position	5
Taxation Summary.....	6
Notes to the Accounts	7
Budget April 2023- March 2024.....	8

CHAIRPERSON'S REPORT
For Brown Acre Village Body Corporate 431284
For Year Ended 31 March 2023

We have had another interesting and challenging year, with varied weather from torrential rains, to high winds and now snow. Winter has certainly arrived.

Our social activities on the Village Green have been weather impacted unfortunately, hopefully we can look forward to a nice warm sunny summer, which will enable us to get back to socialising again on the Village Green.

In consultation with Village Management it appears that we have successfully solved our ongoing parking issues. A positive outcome.

Apart from a spate of garden and letter box ornaments, and pot plants being stolen, the village has had a quiet year. The Body Corporate had discussions and investigated Security Camera's which are very expensive to install and the need to be monitored. Having had discussions with Chris Herrick, a Neighbour Hood Support and Community Patrol member, he has confirmed their presence in the village.

Socially we managed to have our Housie afternoon and quiz afternoon which was very successful and requested as a repeat activity. If any Residents would like any other repeat activities, please contact a member so they can add it to their summer programme.

Our social Committee intend holding another Xmas Street Party and have penciled in The Motueka Country Music Club to entertain you. We would have to put a small charge on this of \$3 per head to cover costs. Please invite your family and friends to join in. We would ask for feedback on this as to interest and consider if affordable to hold again. Our Social Committee Bank Balance is \$258.30. If anyone has any activities they would like to see happen, please contact any one of us on the committee. I am stepping down as Body Corporate Chair, but happy to continue to help on the Social Committee.

At this point I would like to thank my committee; Pat McKean (Treasurer), Maurice Bain & Jean Bisley. Sincere thanks for your support and always being available to help. A special thank you to Maurice for always being available to set up Shelter, tables and chair for our events. You are very much appreciated. Unfortunately, Maurice is stepping down from the Body Corporate committee but is happy to help out at any social events if he is available.

Thank you everyone for your support over this past two years, very much appreciated.

Diane Fairhall
Body Corporate Chairperson

**Body Corporate Managers Report
For Brown Acre Village Body Corporate 431284
For Year Ended 31 March 2023**

I would like to begin my report by thanking all owners for their support at last years' AGM for the approval of a one off payment of \$150 per villa to be placed into the Contingency Fund. The amount of \$10,350 was added.

Revenue

Revenue included the normal weekly levies plus interest income earned. Investment income increased for the body corporate with more funds available to be invested in term deposits paying a higher rate of return.

Expenses

Expenses are lower than budgeted due to the shift of the insurance anniversary date resulting in a further 5 months at a lower premium. We also switched from high energy sodium gas bulbs to environmentally friendly LED, affording savings in excess of \$100 per month on Street lighting.

Insurance

Although a valuation wasn't required this year, with an inflationary provision to our sum insured, combined with general insurance premium increases, the key expenditure for the Body Corporate rose by approximately \$10,000. This is the main item of expenditure for the Body Corporate and is what drives the annual budget and subsequent Body Corporate levy fees.

Long Term Maintenance Plan

With the Strengthening of the Unit Titles Act having come into effect 9 May 2023, there is a significant change for the Village with regard to the Long Term Maintenance Plan (LTMP). The LTMP must now be produced for a period of 30 years rather than the previous 10, be updated by May 2024 and reviewed every 3 years thereafter.

The LTMP must identify future maintenance requirements with detailed costings for the first 10 years necessary. This requirement is in order to provide guidance to the Body Corporate with the setting of annual levies for the purpose of contributing monies to the Long Term Maintenance Fund (LTMF).

In 2012 the AGM resolved that rather than setting up a LTMF, a Contingency Fund would be set up. The fund to provide for the replacement of items contained in the LTMP including fences, the pergola structure in village green, underground services, roading, driveways, footpaths, street lighting, kerbs and channels, whilst also allowing some flexibility to meet other unforeseen expenses that may not be noted in the LTMP.

We must now motion and vote each year not to establish and maintain a Long Term Maintenance Fund, electing instead to continue with our current Contingency Fund.

Contingency Fund

The total fund balance now stands at approximately \$52,000 with the one off contingency amount of \$10,350 along with the budgeted year end 31 March 2023 amount of \$11,150 – a much healthier situation than a year ago.

It is very important that we keep contributing to this account annually. I will be recommending at the AGM that future budgets show the contingency fund as a line-item expense so that the village contribution is clearly noted rather than a year end profit figure, which may, or may not, be transferred to the fund.

At the forthcoming AGM I will be updating people on a couple of capital expenditure items that would be worthy of village consideration; 1. an additional water valve so that when there is a water leak, the village can be shut down in more sections so as to isolate where the leak is occurring as quickly as possible and 2. a replacement propellor for the village pumping station.

The Body Corporate has just recently incurred the expense of a burst water pipe outside Villa 53. The bill was a little over \$4111 with Andy undertaking some of the repair work saving the body corporate further expense. This repair bill highlights how important it is to be maintaining a healthy repairs and maintenance budget whilst also contributing to the contingency fund.

And finally, I would like to sincerely thank the Body Corporate committee for all their dedicated contributions towards ensuring the village's continued well-being over the last year, with a special thank you to Diane Fairhall who steps down from the Chair position after two years, and Maurice Bain who steps down from the committee after three years.

It is becoming more difficult each year to get volunteers onto the committee. It is not an onerous task and I would encourage anyone with a little free time on their hands, and a willingness to assist the village, to consider putting themselves forward for the committee in future.

Deb O'Rourke
Body Corporate Manager

BROWN ACRE VILLAS BODY CORPORATE 431284
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2023

	Actual <u>2023</u>	Actual <u>2022</u>
<u>Revenue</u>		
Body Corporate Levies	\$ 94,892.20	\$ 75,809.40
One-Off Payments -Contingency	\$ 10,350.00	
Insurance Claims Paid		
Insurance Refund	\$ 684.96	
Interest Received	\$ 1,346.94	\$ 122.54
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<u>Total Revenue</u>	\$ 107,274.10	\$ 75,931.94
<u>Less Expenses</u>		
Meeting Expenses	\$ -	-
Accountant/Legal Fees	\$ 494.50	
Bank Fees	\$ 27.00	\$ 73.50
Insurance	\$ 36,397.49	\$ 73,878.28
Insurance Claims Paid	\$ (6.28)	\$ -
Repairs & Maintenance	\$ 252.68	\$ 5,482.98
General Expenses	\$ -	\$ -
Water	\$ 475.02	\$ 139.20
Printing & Stationery	\$ 88.14	\$ 55.30
Power - Street Lighting	\$ 919.30	\$ 1,888.36
Insurance Valuation	\$ -	\$ 1,725.00
Entrance/Common area Improvement	-	\$ 139.91
Interest	\$ -	\$ -
<u>Total Expenses</u>	\$ 38,647.85	\$ 83,382.53
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<u>Surplus/Loss Before Tax</u>	\$ 68,626.25	\$ (7,450.59)
Less Income Tax	\$ 377.14	\$ 34.31
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<u>Net Surplus/Loss After Tax</u>	\$ 68,249.11	\$ (7,484.90)
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BROWN ACRE VILLAS BODY CORPORATE 431284
STATEMENT OF MOVEMENT IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Movement in Equity
for Year ended 31 March 2023

	<u>2023</u>	<u>2022</u>
Equity at 31/3/22	\$ 57,378.91	\$ 64,863.81
Net Surplus/Loss for Period 31/3/23	\$ 68,249.11	\$ (7,484.90)
Equity at 31/3/23	\$ 125,628.02	\$ 57,378.91

Statement of Financial Position
for Year ended 31 March 2023

	<u>2023</u>	<u>2022</u>
Current Account	\$785.06	\$ 464.89
Accounts Receivable	\$ -	\$ -
Savings Account	\$56,323.44	\$ 28,863.74
Income Tax Refund	\$67.57	\$ 43.74
Contingency Fund	\$10,316.91	\$ 29,701.83
Term Deposit	\$60,371.35	-
Net Assets	\$ 127,864.33	\$ 59,074.20
Less Liabilities		
Accounts Payable	\$ 2,236.31	\$ 1,695.29
Fees in advance		
Fees prepaid		
Total Liabilities	\$ 2,236.31	\$ 1,695.29
	<u>\$ 125,628.02</u>	<u>\$ 57,378.91</u>

BROWN ACRE VILLAGE BODY CORPORATE 431284

Notes to the Accounts

For the Year Ended 31 March 2023

BODY CORPORATE

Brown Acre Village Body Corporate a Body Corporate as defined in the Unit Titles Act 2010.

The financial statements have been prepared according to generally accepted accounting practice.

MEASUREMENT BASE

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical basis have been followed by the entity, except where revaluations of assets are incorporated.

SPECIFIC ACCOUNTING POLICIES

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

Goods and Services Tax

These Financial Statements have been prepared on a GST inclusive basis, as the client is not registered for GST.

Accounts Receivable

Accounts Receivable are stated at their estimated realisable value.

Differential Reporting

The corporate qualifies for differential reporting as it is not publicly accountable and due to its size. The corporate has taken advantage of all differential reporting exemptions, except those relating to GST.

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.

CAPITAL COMMITMENTS

No capital commitments are known to exist at balance date.

CONTINGENT LIABILITIES

No contingent liabilities are known to exist at balance date.

TAXATION DUE

Tax on \$1346.94 @ 28%	\$377.14
Less RWT credit	\$421.82

Tax to pay (Refund)	(\$44.68)

INCOME TAX EXPENSE

Tax on \$1346.94 @ 28%	\$377.14
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Reviewed for the Body Corporate Committee by

Di Fairhall
For and on behalf of the Body Corporate Committee

**BROWN ACRE VILLAGE BODY CORPORATE
BUDGET FOR INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31MARCH 2024**

	Actual 2023	Budget 2024
<u>Revenue</u>		
Body Corporate Levies	\$ 94,892.20	\$ 101,943.40
One-Off Payments -Contingency	\$ 10,350.00	
Insurance Claims Paid		
Insurance Refund	\$ 684.96	
Interest Received	\$ 1,346.94	\$ 1,500.00
<u>Total Revenue</u>	\$107,274.10	\$ 103,443.40
<u>Less Expenses</u>		
Meeting Expenses	\$ -	\$ 100.00
Accountant/Legal Fees	\$ 494.50	
Bank Fees	\$ 27.00	\$ 30.00
Insurance	\$ 36,397.49	\$ 82,350.00
Insurance Claims Paid	-\$ 6.28	
Repairs & Maintenance	\$ 252.68	\$ 5,000.00
General Expenses	\$ -	-
Water	\$ 475.02	\$ 150.00
Printing & Stationery	\$ 88.14	\$ 100.00
Power - Street Lighting	\$ 919.30	\$ 950.00
Insurance Valuation	\$ -	\$ 1,725.00
Entrance/Common area Improvement	-	\$ 500.00
Interest	\$ -	
<u>Total Expenses</u>	\$ 38,647.85	\$ 90,905.00
<u>Surplus/Loss Before Tax</u>	\$ 68,626.25	\$ 12,538.40
Less Income Tax	\$ 377.14	\$ 420.00
<u>Net Surplus/Loss After Tax</u>	\$ 68,249.11	\$ 12,118.40

Revenue - Levy Calculation

6 units x \$26.65 x 52 weeks	\$8,314.80
62 units x \$28.20 x 52 weeks	\$90,916.80
Caretaker house \$52.15X 52 weeks	\$2,711.80
Total	\$101,943.40