

**NZ CAT FANCY INCORPORATED
FINANCIAL STATEMENTS
FOR THE YEAR-ENDED 31 DECEMBER 2010**

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**NZ CAT FANCY INCORPORATED
STATEMENT OF RESPONSIBILITY
FOR THE YEAR-ENDED 31 DECEMBER 2010**

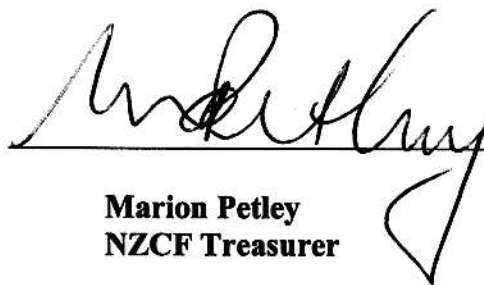
The Executive Council of the New Zealand Cat Fancy Incorporated (the NZ Cat Fancy Inc.) accept responsibility for the preparation of the annual financial statements and the judgements used in these statements.

In the opinion of the Executive Council, the annual financial statements for the financial year fairly reflect the financial position and operation of the NZ Cat Fancy Inc.



**Annette Dunn
Chairperson**

3 March 2011



**Marion Petley
NZCF Treasurer**

3 March 2011

**NZ CAT FANCY INCORPORATED
FOR THE YEAR-ENDED 31 DECEMBER 2010**

DIRECTORY

Objects and Powers

The objectives of the NZ Cat Fancy Inc. are and shall be:

- The registration of the pedigrees of all breeds of cats, the registration of breeders and the accreditation of breeding catteries with the NZCF.
- The promulgation of rules governing the management of the NZCF, and shows licensed to be held under the auspices of the NZCF.
- The establishment of comprehensive standards for all breeds of domesticated cats.
- The honouring of outstanding cats, their owners and breeders for their accomplishments.
- The dissemination of information to promote knowledge and the interest of breeders, owners, exhibitors, and the general public concerning the registration, breeding, and exhibition of cats through the NZCF.
- The improvement of breeds, the care and welfare of all cats and to provide materials and information regarding feline issues of regional, national or international importance.
- The promotion of friendly relations between breeders in this country and other countries around the world.
- May admit incorporated clubs as affiliate members. Clubs must have aims and objectives and rules consistent with those of the New Zealand Cat Fancy.

Office Holders:

Executive Council Chairman
Executive Council Secretary
Executive Council Treasurer

Annette Dunn (Invercargill)
Christine Lowe (Napier)
Marion Petley (Otaki)

Bankers:

TSB Bank, Waitara

Accountant:

Marion Petley, 259B Mill Road, Otaki 5512

**NZ CAT FANCY INCORPORATED
ACTIVITIES STATEMENT
FOR THE YEAR-ENDING 31 DECEMBER 2010**

	Actual Year-end 31/12/10 \$	Budget Year-end 31/12/10 \$	Actual Year-end 31/12/09 \$
ADMIN TRADING			
Income			
Trading Sales	764	600	619
Less Cost of Goods:			
Stock-on-hand at beginning of the period	3,377	3,380	3,072
Purchases	-	-	1,987
Less Stock-on-hand at end of the period	<u>2,897</u>	<u>3,080</u>	<u>3,377</u>
Cost of Sales	480	300	1,682
Stationery: Honorarium	1,100	1,100	1,100
Overheads (Postage/Sundry/Tolls Subsidy)	<u>426</u>	<u>430</u>	<u>346</u>
Total Cost of Sales	<u>2,006</u>	<u>1,830</u>	<u>3,128</u>
GROSS PROFIT TRANSFERRED TO REVENUE ACCOUNT	<u>-\$ 1,242</u>	<u>-\$ 1,230</u>	<u>-\$ 2,509</u>
BREED STANDARDS COUNCIL			
Income			
Breed Section Fees	84	1,000	1,022
SoP Folders & Contents	-	-	40
Sundry Income	<u>-</u>	<u>-</u>	<u>-</u>
	84	1,000	1,062
Less Expenditure			
BSC Meeting & Seminar Expenses	2,841	4,300	1,601
BSC Overheads (Post/Print/Stationery/Sundry)	436	150	304
SoP: Honorarium	1,450	1,450	1,450
SoP: Overheads (Post/Print/Stationery/Sundry)	<u>1,949</u>	<u>1,000</u>	<u>475</u>
	6,676	6,900	3,830
GROSS PROFIT TRANSFERRED TO REVENUE ACCOUNT	<u>-\$ 6,592</u>	<u>-\$ 5,900</u>	<u>-\$ 2,768</u>
INFORMATION TECHNOLOGY			
Income	-	-	-
Less Expenditure			
IT Consumables (total NZCF)	1,187	1,250	619
Email Reimbursements (all officials)	4,067	3,600	3,170
Equipment & Software (non-capital)	243	-	848
Honorarium	2,000	2,000	1,386
IT Repairs & Maintenance	58	500	-
IT Resource Development	8,407	20,000	-
IT Tolls Subsidy	133	130	133
Website Expenses (Hosting & Maintenance)	<u>786</u>	<u>300</u>	<u>1,239</u>
	16,881	27,780	7,395
GROSS PROFIT TRANSFERRED TO REVENUE ACCOUNT	<u>-\$ 16,881</u>	<u>-\$ 27,780</u>	<u>-\$ 7,395</u>

NZ CAT FANCY INCORPORATED
ACTIVITIES STATEMENT (continued)
FOR THE YEAR-ENDING 31 DECEMBER 2010

	Actual Year-end 31/12/10 \$	Budget Year-end 31/12/10 \$	Actual Year-end 31/12/09 \$
JUDGES			
Income			
Course Application Fees	-	-	946
Sundry Income	-	-	9
	<u>-</u>	<u>-</u>	<u>955</u>
Less Expenditure			
Honorarium	4,400	4,400	4,400
Overheads (Post/Print/Stat/Sundry/Tolls Sub)	576	730	651
Council/Refresher/Seminar/Courses	3,023	3,000	2,939
Peer Review	416	550	465
Supervision	1,081	2,000	1,998
Training	756	1,500	948
	<u>10,252</u>	<u>12,180</u>	<u>11,401</u>
GROSS PROFIT TRANSFERRED TO REVENUE ACCOUNT	<u>-\$ 10,252</u>	<u>-\$ 12,180</u>	<u>-\$ 10,446</u>
PUBLICATIONS			
Income			
FCQ: Advertising Sales	11,161	10,000	9,655
FCQ: Breeders Directory	607	1,000	591
FCQ: Folder Sales	-	50	10
FCQ: Sales	133	200	138
FCQ: Shop Sales	105	300	219
FCQ: T'fer from Membership Fees	8,606	10,400	10,493
	<u>20,612</u>	<u>21,950</u>	<u>21,106</u>
Less Expenditure			
FCQ: Honorarium	1,138	1,210	910
FCQ: Postage	2,877	4,000	3,498
FCQ: Printing	12,443	13,000	14,779
FCQ: Shop Expenses	135	250	237
FCQ: Sundry Expenses	178	200	95
Publications: Overheads (Post/Print/Stat'ery/Sdy)	133	380	133
	<u>16,904</u>	<u>19,040</u>	<u>19,652</u>
GROSS PROFIT TRANSFERRED TO REVENUE ACCOUNT	<u>\$ 3,708</u>	<u>\$ 2,910</u>	<u>\$ 1,454</u>
REGISTRATION			
Income			
Longhair:			
Registrations	12,106	13,500	12,393
Transfers	6,004	7,500	7,066
Other	3,734	3,000	2,991
	<u>21,844</u>	<u>24,000</u>	<u>22,450</u>
Shorthair:			
Registrations	13,848	13,000	12,649
Transfers	6,155	7,200	6,454
Other	2,481	2,000	2,477
	<u>22,484</u>	<u>22,200</u>	<u>21,580</u>
Provisional Registry:			
Registrations	3,329	4,500	4,616
Transfers	1,529	2,000	1,852
Other	700	500	388
	<u>5,558</u>	<u>7,000</u>	<u>6,856</u>
Other Income (incl Hon. Certs)	451	600	1,396
	<u>50,337</u>	<u>53,800</u>	<u>52,282</u>

NZ CAT FANCY INCORPORATED
ACTIVITIES STATEMENT (continued)
FOR THE YEAR-ENDING 31 DECEMBER 2010

	Actual Year-end 31/12/10 \$	Budget Year-end 31/12/10 \$	Actual Year-end 31/12/09 \$
REGISTRATION (continued)			
Less Expenditure			
Honoraria	18,440	18,440	18,440
Registrars Meeting	542	1,500	-
Overheads (Post/Print/Stationery/Sundry/Tolls)	2,593	2,850	2,828
Registration Certificates & Forms	2,466	1,300	2,268
	<u>24,041</u>	<u>24,090</u>	<u>23,536</u>
GROSS PROFIT TRANSFERRED TO REVENUE ACCOUNT	<u>\$ 26,296</u>	<u>\$ 29,710</u>	<u>\$ 28,746</u>
SHOWS			
Income			
Benching Fees	27,097	33,000	32,924
Show Application Fees (Current Year)	6,243	7,000	7,021
	<u>33,340</u>	<u>40,000</u>	<u>39,945</u>
Less Expenditure			
Club Liability Insurance	3,852	4,250	3,672
Overheads (Post/Print/Stationery/Sundry)	1,019	850	1,277
Ribbons	1,195	1,200	1,008
Trial IT Expenses	-	5,000	88
	<u>6,066</u>	<u>11,300</u>	<u>6,045</u>
GROSS PROFIT TRANSFERRED TO REVENUE ACCOUNT	<u>\$ 27,274</u>	<u>\$ 28,700</u>	<u>\$ 33,900</u>
NATIONAL SHOW ACCOUNT			
Income			
Interest on National Show Bank A/c	-	-	32
National Ring Entry Fees	14,016	-	-
Catalogue Sales	983	-	-
Door Sales	7,198	-	-
Raffle Sales	940	-	-
Stall Fees	338	-	-
Sponsorship - NZCF	-	-	-
Sponsorship - Host Club (incl Discounts & Gifts)	-	-	-
	<u>3,579</u>	<u>-</u>	<u>-</u>
Sundry Income	170	-	-
	<u>27,624</u>	<u>-</u>	<u>32</u>
Less Expenditure			
Administration (incl. Bank Charges)	12	-	-
Advertising/Publicity	1,053	-	-
Catalogue	864	-	-
Exhibitors Gifts	-	-	-
Exhibitors Prizes	-	-	-
Exhibitors Ribbons	3,078	-	-
Host Management Fee	7,000	-	-
Judges Expenses	11,888	-	2,121
Officials Expenses	791	-	-
Other Expenses	-	-	-
Pre-Show Expenses	483	-	-
Schedule Expenses	1,859	-	-
Show Day Expenses (incl Catering & Data)	-	-	-
Venue-related Expenses	7,371	-	-
Host Club Surplus	-	-	-
	<u>34,399</u>	<u>-</u>	<u>2,121</u>
GROSS PROFIT TRANSFERRED TO REVENUE ACCOUNT	<u>-\$ 6,775</u>	<u>\$ -</u>	<u>-\$ 2,089</u>

NZ CAT FANCY INCORPORATED
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR-ENDING 31 DECEMBER 2010

	Actual Year-end 31/12/10 \$	Budget Year-end 31/12/10 \$	Actual Year-end 31/12/09 \$
REVENUE			
GROSS PROFITS/(LOSSES) TRANSFERRED FROM ACTIVITIES ACCOUNTS:			
Admin Trading	- 1,242	- 1,230	- 2,509
Breed Standards Council	- 6,592	- 5,900	- 2,768
Information Technology	- 16,881	- 27,780	- 7,395
Judges	- 10,252	- 12,180	- 10,446
Publications	3,708	2,910	1,454
Registration	26,296	29,710	28,746
Shows	27,274	28,700	33,900
National Show Account	- 6,775	-	- 2,089
	<u>\$ 15,536</u>	<u>\$ 14,230</u>	<u>\$ 38,893</u>
OTHER REVENUE			
AGM Receipts	177	-	311
Awards Dinner	1,386	4,270	-
Cattery Accreditation Fees	80	160	80
Donations	2	-	54
Fines & Complaints Fees	62	90	133
Forms, Minutes/Agendas & Rules/Bylaws	249	480	533
Insurance Claims (Travel)	277	-	379
Interest Received	5,947	6,500	7,654
Marketing Sales	415	6,000	-
Membership:			
Affiliate	1,467	1,550	1,555
Associate	1,298	1,600	1,627
Family	6,458	8,700	7,667
Full	14,243	17,800	15,303
Junior	13	40	26
Late Penalty Fee	223	-	-
	<u>23,702</u>	<u>29,690</u>	<u>26,178</u>
Less Transfers to FCQ Sales	<u>- 8,606</u>	<u>- 10,400</u>	<u>- 10,493</u>
	15,096	19,290	15,685
Prefix Application Fees	1,644	1,800	2,160
Seminar Fees	1,378	-	-
Sundry Income (incl WCC Meeting Reimb)	706	-	49
	<u>\$ 27,419</u>	<u>\$ 38,590</u>	<u>\$ 27,038</u>
TOTAL REVENUE	<u>\$ 42,955</u>	<u>\$ 52,820</u>	<u>\$ 65,931</u>

Note 2

NZ CAT FANCY INCORPORATED
STATEMENT OF FINANCIAL PERFORMANCE (continued)
FOR THE YEAR-ENDING 31 DECEMBER 2010

	Actual Year-end 31/12/10 \$	Budget Year-end 31/12/10 \$	Actual Year-end 31/12/09 \$
LESS EXPENDITURE			
ADMINISTRATION EXPENSES			
ACC Levies	-	35	148
Advertising/Publicity	198	-	-
AGM Expenses:			
Accommodation	2,132	2,500	2,018
Conference Expenses	1,076	1,800	1,414
Copy/Print/Postage	1,871	2,500	2,378
Travel	<u>2,391</u>	<u>3,000</u>	<u>3,185</u>
	7,470	9,800	8,995
Annual Plan Items:			
Constitution Working Party	533	3,500	156
Membership - Growth	796	5,000	-
National Show Contract	-	1,000	-
Officials Positions Back-up	<u>-</u>	<u>2,500</u>	<u>-</u>
	1,329		156
Audit Fees	1,350	1,000	1,256
Awards Dinner/Trophies	2,820	6,020	1,473
Bad Debts Written Off	1,622		1,847
Bank Charges	575	750	595
Discipline & Disputes	2,250	1,500	2,000
EC Expenses:			
Accommodation & Meals	5,808		4,951
Conference Expenses	1,849		2,058
Printing & Postage	251		109
Reimburse Expenses	2,196		1,968
Teleconference Expenses	-		1,766
Travel Expenses	<u>6,386</u>		<u>6,408</u>
	16,490	19,600	17,260
Election Costs	250	250	250
Freight & Storage	682	750	582
Governance Documents	1,043	500	492
Honoraria (Sec/Treas/Mship/Prefix)	25,000	25,000	25,000
Insurance	1,419	1,500	1,468
Legal Fees	-	500	6,726
Liaison:			
Aiset	897		709
CAC	620		855
WCC	<u>1,392</u>		<u>2,508</u>
	2,909	3,850	4,072
Marketing Expenses	525	2,500	
Membership/Prefix Expenses	247	200	886
Photocopying & Printing	90	100	35
Postage & Courier	899	800	764
Presentation Expenses	257	-	-
Research Grant	Note 3 3,750	-	-
Seminar Expenses	Note 2 2,629	-	-
Stationery	449	200	224
Sundry Expenses	354	100	217
Telephone (incl Reimb Officials Tolls Subsidy)	980	800	840
Training Expenses	Note 4 1,095	-	-
Welfare Fund	-	2,000	-
TOTAL ADMINISTRATION EXPENSES	<u>\$ 76,647</u>	<u>\$ 89,720</u>	<u>\$ 75,286</u>
Plus Non-Cash items:		89,720	
Depreciation	Note 8 1,613	3,100	2,980
Written-off Assets	<u>-</u>	<u>-</u>	<u>220</u>
	1,613	3,100	3,200
TOTAL EXPENSES	<u>\$ 78,260</u>	<u>\$ 92,820</u>	<u>\$ 78,486</u>
NET OPERATING PROFIT/(LOSS)	<u>-\$ 35,305</u>	<u>-\$ 40,000</u>	<u>-\$ 12,555</u>
TRANSFERRED TO EQUITY			

**NZ CAT FANCY INCORPORATED
STATEMENT OF MOVEMENT IN EQUITY
FOR THE YEAR-ENDING 31 DECEMBER 2010**

	Actual Year-end 31/12/10 \$	Budget Year-end 31/12/10 \$	Actual Year-end 31/12/09 \$
EQUITY AT 1 JANUARY 2010			
RETAINED EARNINGS AT THE BEGINNING OF THE YEAR	\$ 146,250	\$ 146,250	\$ 158,805
Plus Prior Period Adjustment	-	-	-
ADJUSTED RETAINED EARNINGS AT THE BEGINNING OF THE YEAR	<u>\$ 146,250</u>	<u>\$ 146,250</u>	<u>\$ 158,805</u>
Net Profit/(loss) for the period	-\$ 35,305	-\$ 40,000	-\$ 12,555
RETAINED EARNINGS AT THE END OF THE YEAR	<u>\$ 110,945</u>	<u>\$ 106,250</u>	<u>\$ 146,250</u>
PLUS RESERVES: Show Fund	<u>5,470</u> \$ 5,470	<u>5,470</u> \$ 5,470	<u>5,470</u> \$ 5,470
EQUITY AT 31 DECEMBER 2010	<u>\$ 116,415</u>	<u>\$ 111,720</u>	<u>\$ 151,720</u>

NZ CAT FANCY INCORPORATED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR-ENDING 31 DECEMBER 2010

	Actual Year-end 31/12/10 \$	Budget Year-end 31/12/10 \$	Actual Year-end 31/12/09 \$
REPRESENTED BY:			
CURRENT ASSETS			
TSB: Current Account (General Expenses)	18,254	13,430	20,321
TSB: National Show Account	4,997	5,000	4,500
TSB Call Account	-	10,000	37
TSB: Term Deposits	94,170	95,000	135,820
Cash-on-hand	700	850	850
Stationery Stock	2,897	3,080	3,377
Debtors Control	12,481	1,000	8,613
Interest Accrued	3,095	3,000	3,570
Sundry Debtors & Accruals	264	250	-
Prepayments - General Account	8,074	7,000	7,236
Prepayments - National Show	658	600	444
GST Receivable	348	-	605
TOTAL CURRENT ASSETS	\$ 145,938	\$ 139,210	\$ 185,373
NON-CURRENT ASSETS:			
FIXED ASSETS:			
Computer Equipment	5,404	12,000	8,614
Computer Software	-	1,530	1,530
Office Equipment	1,114	1,110	1,114
	6,518	14,640	11,258
Less Accumulated Depreciation	5,007	11,230	8,134
TOTAL NON-CURRENT ASSETS	\$ 1,511	\$ 3,410	\$ 3,124
	<small>Note 8</small>		
TOTAL ASSETS	\$ 147,449	\$ 142,620	\$ 188,497
LESS CURRENT LIABILITIES			
Creditors Control	14,113	10,000	18,063
Sundry Creditors & Accruals	2,353	2,000	2,331
Fees Received-in-Advance:			
Flash Cats Fees	10	250	62
Membership Fees	4,875	5,000	4,689
Other Fees	135	150	111
Show Application Fees for 2010	-	6,500	6,250
Show Application Fees for 2011	6,197	6,500	5,271
Show Application Fees for 2012	3,351		
GST Payable	-	500	-
TOTAL CURRENT LIABILITIES	\$ 31,034	\$ 30,900	\$ 36,777
TOTAL NET ASSETS	\$ 116,415	\$ 111,720	\$ 151,720

**NZ CAT FANCY INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR-ENDED 31 DECEMBER 2010**

1. Statement of Accounting Policies

Reporting Entity

The New Zealand Cat Fancy Inc. is an Incorporated Society registered under the Incorporated Societies Act 1908.

The Financial Statements have been prepared in accordance with generally accepted accounting principles.

Measurement Base

The accounting principles recognised as appropriate for the 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 then financial position have been applied:

- a. **Fixed Assets and Depreciation:** Fixed assets are incorporated in the Statement of Financial Position at cost, plus all additions since at cost less total depreciation charged to date. Depreciation is calculated using rates as allowed by the Inland Revenue Department. Office furniture and equipment depreciation rates are 26% - 48% DV.
- b. **Debtors:** Debtors are stated at their estimated realisable value.
- c. **GST:** The financial statements have been prepared on a GST exclusive basis.
- d. **Inventories:** Inventories are stated at the lower cost, determined on a first-in-first-out basis, and net realisable value.
- e. **Differential Reporting:** The Society qualifies for differential reporting as it is not publicly accountable and it is not large as defined in the Framework for Differential Reporting. The Society has taken advantage of all available differential reporting exemptions.
- f. **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.

NZ CAT FANCY INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR-ENDED 31 DECEMBER 2010

2. Seminar

A seminar conducted by Dr Leslie Lyons, Associate Professor of Genetics, University of California, Davis School of Veterinary Medicine, was held in Napier on 05/06/10 in conjunction with the 2010 National Show. The financial result was a loss of (\$1,251).

3. Research Grant for HCM in Oriental Cats in New Zealand

A grant of \$3,750 was made to Professor Boyd Jones of Massey University in July 2010 to assist with the budgeted cost for the study of analysis of Candidate gene for Hypertrophic Cardiomyopathy (HCM) involving the collection of samples, DNA extraction and transport costs of samples to Massey and DNA to California. The objective of the study was to evaluate a subset of Oriental cats in New Zealand with HCM for a causative gene mutation.

4. Training Expenses

A Privacy Workshop conducted by Kathryn Dalziel of Taylor Shaw, Barristers & Solicitors, was held in Christchurch on 10/12/10 in conjunction with the EC December 2010 Meeting, and was attended by the Executive Council, including the Secretary, and Treasurer. The cost of the seminar was \$800.00 (excl GST).

5. Commitments

There were no commitments at 31 December 2010. (Nil for 2009).

6. Contingent Liabilities

There were no contingent liabilities at 31 December 2010. (Nil for 2009).

7. Related Party Transactions

During the year the society purchased printing and publication services under normal trading terms from PrintPro, a company owned by Executive Council member and Chairman, Gaynor Saxon. The purchases for 2010 up to 09/10/10, the date of the AGM when Ms Saxon ceased to be an EC member, were \$16,601.20 (incl GST). (2009 \$15,379.48 (incl. GST)).

NZ CAT FANCY INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR-ENDED 31 DECEMBER 2010

8. Depreciation Schedule for the Year-ended 31 December 2010

Asset #	Description	Date	Orig. Cost	Open WDV	Deprec Method	2010 Deprec	Accumm Deprec	Close WDV
	<u>Computing Equipment</u>							
200020	HP1020 Laser Printer (SH Reg)	01/08	Expensed	-		-	-	-
200021	HP1020 Laser Printer (PR Reg)	01/08	Expensed	-		-	-	-
200022	Dell Inspiron 530 PC (PR Reg)	03/08	1,152	311	48.00 D	149	990	162
200024	Compaq Notebook (Exec Sec)	01/09	1,909	993	48.00 D	477	1,393	516
200025	Laser Printer (LH Reg)	02/09	Expensed	-		-	-	-
200026	Compaq Notebook (LH Reg)	06/09	1,236	643	48.00 D	309	902	334
200027	Dragon PC (Hon/Prefix Reg)	06/09	1,107	576	48.00 D	276	807	300
			5,404	2,523		1,211	4,092	1,312
	<u>Computer Software</u>							
			-	-		-	-	-
								-
	<u>Office Equipment</u>							
200017	Filing Cabinet (PR Reg)	05/05	316	186	10.00 D	19	149	167
200028	Digital Dictaphone (Exec Sec)	09/09	798	415	48.00 C	383	766	32
			1,114	601		402	915	199
	TOTAL		\$6,518	\$3,124		\$1,613	\$ 5,007	\$1,511

**NEW ZEALAND CAT FANCY INC
AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010**

To the Members of the NZ Cat Fancy Inc

We have audited the Financial Statements from pages 4 to 13. The Financial Statements provide information about the past financial performance and financial position of the New Zealand Cat Fancy Inc as at 31 December 2010.

Committee's Responsibilities

The Committee is responsible for the preparation of Financial Statements which comply with generally accepted accounting practices and give a true and fair view of the financial position of the New Zealand Cat Fancy Inc as at 31 December 2010 and of the results of its operations for the year ended at that date.

Auditor's Responsibilities

It is our responsibility to express an independent opinion on the Financial Statements presented by the Committee and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the Financial Statements. It also includes assessing whether the accounting policies are appropriate to the Societies circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Report is free from material misstatements, whether caused by fraud or error.

In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

Other than in my capacity as Auditor, we have no relationship with, or financial interest in the New Zealand Cat Fancy Inc.

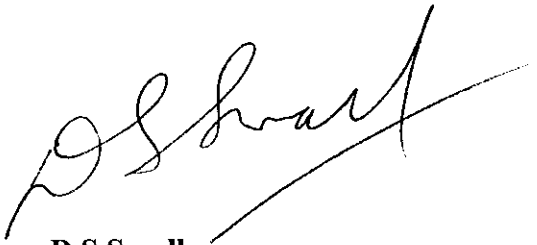
UNQUALIFIED OPINION

We have obtained all the information and explanations we have required.

In our opinion:

- proper accounting records have been kept by the Committee as far as appears from our examination of those records; and
- the Financial Statements comply with generally accepted accounting practices; and give a true and fair view of the financial position of the New Zealand Cat Fancy Inc as at 31 December 2010 and the results of its operations for the year ended on that date.

Our audit was completed on 3rd March 2011 and our unqualified opinion is expressed as at that date.

A handwritten signature in black ink, appearing to read 'D S Small', with a long horizontal stroke extending to the right.

D S Small
SMALL & CO