



# Performance Report

The Mount Business Association Incorporated  
For the year ended 30 June 2024

Prepared by SRN Partners Chartered Accountants Limited



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# Approval of Financial Report

## The Mount Business Association Incorporated For the year ended 30 June 2024

The Board of Directors are pleased to present the approved financial report including the historical financial statements of The Mount Business Association Incorporated for year ended 30 June 2024.

APPROVED

For and on behalf of the Board of Directors.

Kate Barry-Piceno

Chairperson

Date 04 October 2024

Board Member

Date 4th October



# Entity Information

## The Mount Business Association Incorporated For the year ended 30 June 2024

### Nature of Business

Promotional & Advocacy Functions for the Mount Maunganui CBD

### Legal Name of Entity

The Mount Business Association Incorporated

### Place of Business

Mount Maunganui

### Bankers

Westpac

### IRD Number

062-191-244

### Board Members

#### Professional Service:

Kate Barry-Piceno (Chairperson)  
Karen Flowerday

#### Retail:

Kate Evaroa  
Jo Veal

#### Service:

Julie Paama-Pengelly  
Kelly Kingston

#### Hospitality:

Mark Lucero  
Matt (Timmy) Saunders

#### Landlord:

Gavin (Harry) Hill

#### TCC Rep:

Kendyll Sullivan

#### IWI Rep:

Dr Riri Ellis



**Treasurer:**

Nicola Compton

**Tauranga City Council Representative (Non-voting member)**

Kendyl Sullivan  
City Partnerships Specialist



# Statement of Financial Performance

The Mount Business Association Incorporated  
For the year ended 30 June 2024

'How was it funded?' and 'What did it cost?'

	NOTES	2024	2023
<b>Revenue</b>			
Revenue from providing goods or services	1	202,381	218,775
Interest, dividends and other investment revenue	1	2,651	394
Other revenue	1	5,643	1,624
<b>Total Revenue</b>		<b>210,675</b>	<b>220,793</b>
<b>Expenses</b>			
Volunteer and employee related costs	2	96,577	101,188
Costs related to providing goods or service	2	111,549	125,759
Grants and donations made	2	361	-
Other expenses	2	29,106	44,754
<b>Total Expenses</b>		<b>237,592</b>	<b>271,701</b>
<b>Surplus/(Deficit) for the Year</b>		<b>(26,917)</b>	<b>(50,908)</b>

This statement has been prepared and an audit conducted, and should be read in conjunction with the attached Audit Report.





# Statement of Financial Position

The Mount Business Association Incorporated  
As at 30 June 2024

'What the entity owns?' and 'What the entity owes?'

	NOTES	30 JUN 2024	30 JUN 2023
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	3	144,391	217,806
Debtors and prepayments	3	7,513	4,121
Other Current Assets	3	51,541	-
<b>Total Current Assets</b>		<b>203,445</b>	<b>221,927</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	31,747	40,250
<b>Total Non-Current Assets</b>		<b>31,747</b>	<b>40,250</b>
<b>Total Assets</b>		<b>235,193</b>	<b>262,177</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	4	16,347	16,415
<b>Total Current Liabilities</b>		<b>16,347</b>	<b>16,415</b>
<b>Total Liabilities</b>		<b>16,347</b>	<b>16,415</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>218,846</b>	<b>245,762</b>
<b>Accumulated Funds</b>			
Accumulated Funds		218,846	245,762
<b>Total Accumulated Funds</b>		<b>218,846</b>	<b>245,762</b>

This statement has been prepared and an audit conducted, and should be read in conjunction with the attached Audit Report.





# Statement of Accounting Policies

## The Mount Business Association Incorporated For the year ended 30 June 2024

### 'How did we do our accounting?'

The following specific accounting policies which materially affect the measurement of the financial:

1. Fixed assets are stated at cost less Accumulated Depreciation
2. Depreciation has been calculated to allocate the cost of assets over their estimated useful lives. Rates applied are recorded in the Fixed Asset report.
3. The financial statements have been prepared on a GST exclusive basis, apart from accounts receivable + accounts payable which are inclusive of GST.
4. The society is exempt from Income Tax under Section CW40(1) of the Income Tax Act 2007.

### Basis of Preparation

In all areas other than the Statements of Service Performance and Cash Flows, the entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000.

### Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Society and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received.

### Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

### Income Tax

The Mount Business Association Incorporated T/A Mount Mainstreet is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

### Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.





# Notes to the Performance Report

## The Mount Business Association Incorporated For the year ended 30 June 2024

	2024	2023
<b>1. Analysis of Revenue</b>		
<b>Revenue from providing goods or services</b>		
Events/Funding	-	12,185
Targeted Rate	188,550	188,550
Urban Market stallholder fees	13,831	18,041
<b>Total Revenue from providing goods or services</b>	<b>202,381</b>	<b>218,775</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Income	2,651	394
<b>Total Interest, dividends and other investment revenue</b>	<b>2,651</b>	<b>394</b>
<b>Other revenue</b>		
Other Revenue	5,643	1,624
<b>Total Other revenue</b>	<b>5,643</b>	<b>1,624</b>
	2024	2023

## 2. Analysis of Expenses

<b>Volunteer and employee related costs</b>		
Consulting	2,210	3,092
Contractor - Destination Marketing Manager	69,438	76,264
Contractor - governance/operations	9,899	11,985
Events - Urban market site manager	10,380	8,946
KiwiSaver Employer Contributions	-	26
Salaries & Wages	4,650	875
<b>Total Volunteer and employee related costs</b>	<b>96,577</b>	<b>101,188</b>
<b>Costs related to providing goods or services</b>		
Advertising - generic	240	672
Advertising - Social Media	2,515	5,395
Advertising: Winter Campaign	3,424	-
Advertising/Marketing - Visitor guide	-	1,398
Advertising/Marketing Targeted campaign	6,724	5,579
Built up Funds: Flavours of Plenty	-	12,205
Built up Funds: Advertising & Promotions	-	5,000
Built up Funds: Christmas Decorations	10,425	3,881
Built up Funds: Christmas Festival	811	1,200
Built up Funds: H&S + Street Safety	21	14,642
Built up Funds: Member Upskilling	-	2,628
Built up Funds: Policy Review (H&S, HR)	875	-
Built up Funds: Strategic Plan	-	7,994
Built up funds: Website	2,170	-
Christmas Decorations	-	5,179
Contractor: Social Media	14,454	-





	2024	2023
Design Collateral	3,089	-
Entertainment	15	8
Events - Cinema	3,500	6,735
Events - Jazz Festival	10,000	10,000
Events - Member Events	5,606	2,103
Events - micro-activations	7,120	12,340
Events - school holiday activations	14,203	15,075
Events - Urban Market Musicians	1,527	4,080
Events - Urban Market Site Rental	4,583	4,322
Events/Promotions - other	2,804	739
Health and Safety	8,911	-
IT Support & Webhosting	175	-
Loss on sale/disposal of fixed assets	-	1,496
Non Deductible Expenses	427	216
Office Expenses	2,116	140
Printing & Stationery	234	315
Software & Subscriptions	5,321	2,417
Staff & Board Training	260	-
<b>Total Costs related to providing goods or services</b>	<b>111,549</b>	<b>125,759</b>
<b>Grants and donations made</b>		
Donations	361	-
<b>Total Grants and donations made</b>	<b>361</b>	<b>-</b>
<b>Other expenses</b>		
Accounting	3,215	4,924
Audit Fees (Note 11)	9,502	9,400
Bank Fees	259	256
Computer & Office Equipment Expenses	-	109
Depreciation	8,503	14,767
Entertainment - Non deductible	17	-
Insurance	1,201	1,831
Interest Expense	61	-
Rent	2,390	6,783
Repairs and Maintenance	411	60
Storage Containers	3,349	6,313
Telephone & Internet	198	311
<b>Total Other expenses</b>	<b>29,106</b>	<b>44,754</b>
	2024	2023

### 3. Analysis of Assets

#### Bank accounts and cash

97 Business Transaction Account	879	977
Bonus Saver	49,455	32,686
Business Transaction Account	92,967	183,385



	2024	2023
Online Bonus Saver	700	681
Prepaid Card	390	76
<b>Total Bank accounts and cash</b>	<b>144,391</b>	<b>217,806</b>
<b>Debtors and prepayments</b>		
Accounts Receivable	480	4,121
GST	5,601	-
Prepayments	1,432	-
<b>Total Debtors and prepayments</b>	<b>7,513</b>	<b>4,121</b>
<b>Investments</b>		
Term Investment	51,541	-
<b>Total Investments</b>	<b>51,541</b>	<b>-</b>

	2024	2023
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#### 4. Analysis of Liabilities

<b>Creditors and accrued expenses</b>		
Accounts Payable	12,116	10,067
Accrued Expenses	4,000	-
GST	-	6,238
PAYE Payable	231	110
<b>Total Creditors and accrued expenses</b>	<b>16,347</b>	<b>16,415</b>

	2024	2023
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#### 5. Property, Plant and Equipment

<b>Plant and Equipment</b>		
Plant and machinery owned	53,977	53,977
Accumulated depreciation - plant and machinery owned	(27,197)	(23,662)
<b>Total Plant and Equipment</b>	<b>26,780</b>	<b>30,316</b>
<b>Website</b>		
Website	26,848	26,848
Accumulated depreciation - Website	(21,881)	(16,913)
<b>Total Website</b>	<b>4,967</b>	<b>9,934</b>
<b>Total Property, Plant and Equipment</b>	<b>31,747</b>	<b>40,250</b>

#### 6. Accumulated Funds

<b>Accumulated Funds</b>		
Opening Balance	245,762	296,670
Accumulated surpluses or (deficits)	(26,917)	(50,908)
<b>Total Accumulated Funds</b>	<b>218,846</b>	<b>245,762</b>
<b>Total Accumulated Funds</b>	<b>218,846</b>	<b>245,762</b>



## 7. Commitments

### Capital Commitments

There are no commitments as at 30 June 2024 (Last year - nil).

### Operating Lease Commitment

There was no operating lease commitment at balance date.  
Rent has been paid in advance which is included in prepayments.

## 8. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2024 (Last year - nil).

## 9. Related Parties

The following payments were made to businesses who are on the board of The Mount Business Association Incorporated.

	2024	2023
<b>Related Parties</b>		
Mount Backpackers - Voucher for Easer Marketing Campaign	-	50
The Pizza Library - Food for AGM	70	73
Mount Longboards - Shirt for giveaway	-	69
<b>Total Related Parties</b>	<b>70</b>	<b>192</b>

All payments were done as arms length transactions with market value paid for the items.

## 10. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

## 11. Provision for Audit Fees

In the preparation of this Performance Report, a provision for the audit fee to be charged in respect of the Performance Report has been made. In prior years, no such provision was made. As a result, the 2024 fee reflects two years' audit fees being the fee paid for the prior year audit and the current year's fee owing. The expense in 2023 relates to the 2021 and 2022 Audits.

	2024	2023
<b>Audit Fee</b>		
William Buck	5,502	9,400
Absolute Auditing Ltd	4,000	-
<b>Total Audit Fee</b>	<b>9,502</b>	<b>9,400</b>



# Depreciation Schedule

The Mount Business Association Incorporated  
For the year ended 30 June 2024

NAME	COST	OPENING VALUE	PURCHASED	PURCHASES	RATE	METHOD	DISPOSALS	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
<b>Plant &amp; Equipment</b>										
Amplifier / Mixer	1,063	-	1 Jul 2019	-	39.60%	DV	-	-	1,063	-
Computer - HP Envy 23-C023A	2,077	2	1 Jul 2019	-	50.00%	DV	-	1	2,076	1
Decor Light	5,190	2,387	17 Dec 2021	-	40.00%	DV	-	955	3,758	1,432
Inv-4551 - skate pump track	15,000	7,910	13 Apr 2021	-	25.00%	DV	-	1,978	9,067	5,933
Office Desk & Chairs	300	5	1 Jul 2019	-	15.00%	DV	-	1	296	4
Petrol Blower Vac	346	7	1 Jul 2019	-	18.00%	DV	-	1	340	6
Statue	30,000	20,004	1 Jul 2019	-	2.00%	SL	-	600	10,596	19,404
<b>Total Plant &amp; Equipment</b>	<b>53,976</b>	<b>30,315</b>		<b>-</b>			<b>-</b>	<b>3,535</b>	<b>27,196</b>	<b>26,780</b>
<b>Website - asset</b>										
Website	4,348	1,993	18 May 2022	-	50.00%	DV	-	996	3,351	996
Website	4,300	1,433	30 Nov 2021	-	50.00%	DV	-	717	3,583	717
Website	4,300	1,523	30 Dec 2021	-	50.00%	DV	-	761	3,539	761
Website	5,375	1,680	1 Oct 2021	-	50.00%	DV	-	840	4,535	840
Website	3,225	1,277	28 Feb 2022	-	50.00%	DV	-	638	2,587	638
Website	1,000	417	31 Mar 2022	-	50.00%	DV	-	208	792	208
Website	4,300	1,613	28 Jan 2022	-	50.00%	DV	-	806	3,494	806
<b>Total Website - asset</b>	<b>26,848</b>	<b>9,934</b>		<b>-</b>			<b>-</b>	<b>4,967</b>	<b>21,881</b>	<b>4,967</b>
<b>Total</b>	<b>80,824</b>	<b>40,250</b>		<b>-</b>			<b>-</b>	<b>8,503</b>	<b>49,077</b>	<b>31,747</b>



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## INDEPENDENT AUDITOR'S REPORT

To the Members of The Mount Business Association Incorporated

### Qualified Opinion

We have audited the accompanying Performance Report of The Mount Business Association Incorporated on pages 6 to 13, which comprises of the Statement of Financial Performance for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, and Notes to the Performance Report which have been prepared using the Public Benefit Entity Simply Format Reporting – Accrual (Not-For-Profit) Framework. The Entity Information is excluded from the opinion.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, pages 6 to 13 of the accompanying Performance Report, gives a true and fair view of the financial position of The Mount Business Association Incorporated as at 30 June 2024, and its financial performance for the year then ended, in accordance with the Accounting Policies.

### *Basis of Qualified Opinion*

#### **Audit Report Qualification – Urban Market Income**

The Urban Market income is a significant source of income for the Association and is disclosed in the Statement of Financial Performance amounting to \$13,831. Control over this cash income such as the Urban Market income prior to being recorded in the financial books is limited and there are no practical audit procedures to determine the effects of this limited control. Subsequent to balance date the Urban Market has ceased to operate.

#### **Audit Report Qualification – Non-Compliance with Reporting Standards**

Currently, the Performance Report does not fully comply with the Public Benefit Entity Simply Format Reporting – Accrual (Not-For-Profit) Standards. The most significant deviation from the standards is they are missing two key Statements required by the Standards (the Statement of Service Performance and the Statement of Cashflow). The Board will address this in the 2024/2025 financial year and the 30 June 2025 Performance Report will be fully compliant with the Reporting Standards.

We conducted our audit of the Statement of Financial Performance, Statement of Financial Position, Statement of Movements in Equity, and the Notes to the Performance Report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of The Mount Business Association Incorporated in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand

Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as Auditor, we have no relationship with, or interests in, The Mount Business Association Incorporated.

### **Other Matter**

The Performance Report of The Mount Business Association Incorporated for the year ended 30 June 2023, was audited by William Buck who expressed an qualified opinion on those statements on 11 October 2023.

### **Board Responsibilities for the Performance Report**

The Board is responsible on behalf of the Entity for determining the Tier 3 (NFP) Standard is acceptable in the preparation and fair presentation of the Performance Report and for such internal control as the Board determine is necessary to enable the preparation of Performance Report that is free from material misstatement, whether due to fraud or error.

In preparing the Performance Report, the Board is responsible on behalf of the Entity for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Performance Report**

Our objectives are to obtain reasonable assurance about whether the Performance Report as a whole, is free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Performance Report.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Performance Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit, to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Performance Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Performance Report, including the disclosures, and whether the Performance Report represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control we identify during our audit.

*Absolute Auditing Ltd*

Sarah Dillon  
Absolute Auditing Ltd  
New Zealand  
4 October 2024