

Performance Report 2021

The Mount Business Association Incorporated
For the year ended 30 June 2021

Prepared by SRN Partners Chartered Accountants Limited

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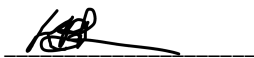
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Approval of Financial Report

The Mount Business Association Incorporated
For the year ended 30 June 2021


APPROVED

For and on behalf of the Board Members.



Chairperson

Date 26 October 2022



Board Member

Date 26 Oct 2022

Compilation Report

The Mount Business Association Incorporated For the year ended 30 June 2021

Compilation Report to the Directors of The Mount Business Association Incorporated.

Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of The Mount Business Association Incorporated for the year ended 30 June 2021.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

Responsibilities

The Board members are solely responsible for the information contained in this financial report and have determined that the accounting policies used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

Independence

We have no involvement with The Mount Business Association Incorporated other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

Disclaimer

We have compiled these financial statements based on information provided. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on this financial report.



SRN Partners Chartered Accountants Ltd

Chartered Accountants

Dated: 19 October 2022

Entity Information

The Mount Business Association Incorporated For the year ended 30 June 2021

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

Bankers

IRD Number

062-191-244

Board Members

- Kim Renshaw (Chairperson)
- Mandy Gillgren (Secretary)
- Rex Harding (Treasurer)
- Malika Ganley
- Paora Stanley
- Matthew Yardley
- Dion Dragicevich
- Tori Taylor
- Scott Brundell

The Mount Business Association Incorporated

Independent auditor's report to the Members

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Mount Business Association Incorporated, which comprise the statement of financial position as at 30 June 2021, and the statement of financial performance and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying special purpose financial statements of the Society are prepared, in all material respects, in accordance with the accounting policies outlined in "Basis of Preparation" in the financial statements.

Basis for Qualified Opinion

Urban Market income is a significant source of income for the entity and is disclosed in the Statement of Financial Performance amounting to \$11,539. The entity has determined that it is impractical to establish controls over the collection of Urban Market income prior to the income being recorded in the entity's financial records. Accordingly, the evidence available to us regarding revenue from this source was limited to amounts already recorded in the entity's financial records, and our audit procedures with respect to Urban Market income were restricted to this amount. We are therefore unable to express an opinion as to whether the Urban Market income recognised by the entity is complete.

Rent was a significant expense for the entity and is disclosed in the Statement of Financial Performance amounting to \$11,615. We were unable to obtain sufficient appropriate audit evidence regarding this balance. Consequently, we were unable to determine whether any adjustments to this amount was necessary.

We conducted our audit 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 Financial Statements section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that 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 Society.

Information Other than the Financial Statements and Auditor's Report Thereon

The Board Members are responsible for the other information. The other information comprises the entity information and the depreciation schedule but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Emphasis of Matter – Basis of Accounting

We draw attention to the policy "Basis of Preparation" in the financial statements, which describes the basis of accounting. The financial statements have been prepared based on the PBE SFR-A (NFP) standard to enable the Society to report to its members, but do not comply with all aspects of that standard. Our opinion is not modified in respect of this matter.

Responsibilities of the Board Members

The Board Members are responsible on behalf of the entity for the preparation of financial statements in accordance with the accounting policies disclosed in the "Basis of Preparation" in the financial statements, and for such internal control as the Board Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board Members are also responsible for the selection of accounting policies that are appropriate for the entity.

In preparing the financial statements, the Board Members are responsible for assessing the Society'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 Members either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 financial statements.

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 financial statements, 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 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 The Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board Members.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board Members and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the The Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 The Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events.

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

The engagement director on the audit resulting in this independent auditor's report is Richard Dey.

Restriction on Distribution and Use

This report is made solely to the Society's Members, as a body. Our audit work has been undertaken so that we might state to the Society's Members those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's Members, as a body, for our audit work, for this report or for the opinions we have formed. Our opinion is not modified in respect of this matter



William Buck Audit (NZ) Limited

Tauranga

26 October 2022

Statement of Financial Performance

The Mount Business Association Incorporated For the year ended 30 June 2021

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

	NOTES	2021	2020
Revenue			
Revenue from providing goods or services	1	249,011	250,256
Interest, dividends and other investment revenue	1	1,517	2,330
Other revenue	1	-	3,833
Total Revenue		250,528	256,419
Expenses			
Volunteer and employee related costs	2	65,369	69,079
Costs related to providing goods or service	2	164,667	122,065
Other expenses	2	21,637	14,907
Total Expenses		251,672	206,051
Surplus/(Deficit) for the Year		(1,144)	50,368

Statement of Financial Position

The Mount Business Association Incorporated As at 30 June 2021

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

	NOTES	30 JUN 2021	30 JUN 2020
Assets			
Current Assets			
Bank accounts and cash			
97 Business Transaction Account		170	50
Business Transaction Account		232,532	3,643
Bonus Saver		517	46,103
Online Bonus Saver		655	36,631
Total Bank accounts and cash		233,874	86,426
Debtors and prepayments			
Trade receivables			
Accounts Receivable		47,100	107,911
Goods and services tax		11,005	(9,322)
Total Trade receivables		58,105	98,588
Prepayments		-	16,475
Total Debtors and prepayments		58,105	115,063
Investments			
Term Investment		-	78,557
Total Investments		-	78,557
Total Current Assets		291,979	280,047
Non-Current Assets			
Property, Plant and Equipment		42,672	33,755
Total Non-Current Assets		42,672	33,755
Total Assets		334,650	313,802
Liabilities			
Current Liabilities			
Creditors and accrued expenses			
Trade payables		31,851	7,771
Trade and other payables		1,362	2,595
PAYE		580	1,435
Total Creditors and accrued expenses		33,794	11,801
Total Current Liabilities		33,794	11,801
Total Liabilities		33,794	11,801
Total Assets less Total Liabilities (Net Assets)		300,857	302,001



NOTES 30 JUN 2021 30 JUN 2020

Accumulated Funds

Accumulated Funds	6	300,857	302,001
Total Accumulated Funds		300,857	302,001



Statement of Accounting Policies

The Mount Business Association Incorporated For the year ended 30 June 2021

'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

Goods and Services Tax

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 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 2021

	2021	2020
1. Analysis of Revenue		
Revenue from providing goods or services		
Cleaning Contract	56,828	57,884
Farmers Market stallholder fees	11,539	12,800
Targeted Rate	180,643	179,572
Total Revenue from providing goods or services	249,011	250,256
Interest, dividends and other investment revenue		
Interest Income	1,517	2,330
Total Interest, dividends and other investment revenue	1,517	2,330
Other revenue		
Other Revenue	-	3,833
Total Other revenue	-	3,833
	2021	2020

2. Analysis of Expenses

Volunteer and employee related costs

Contractor - non GST	500	-
Payroll Expenses	-	279
Salaries & Wages	34,929	38,468
Salaries & Wages - Cleaning	29,940	30,332
Total Volunteer and employee related costs	65,369	69,079

Costs related to providing goods or services

Accounting	1,200	-
Advertising - generic	64,741	72,841
Bank Fees	201	151
Christmas Decorations	-	2,143
Cleaning/event expenses	580	1,845
Computer & Office Equipment Expenses	78	582
Consulting	7,911	-
Contractor - Destination Marketing Manager	5,415	-
Events - Christmas Festival	1,104	1,290
Events - Cinema	7,344	-
Events - Family event	-	14,799
Events - Farmers Market Site Rental	4,385	3,500
Events - Member Events	4,996	2,164
Events - Music	21,714	-
Events - school holiday activations	12,200	-
Events/Promotions - other	5,080	1,705
General Expenses	1,094	-
Insurance	1,576	1,475

	2021	2020
Loss on sale/disposal of fixed assets	1,763	-
Motor Vehicle Expenses	31	-
Non Deductible Expenses	896	-
Office Expenses	293	170
Printing & Stationery	1,894	1,629
Rent	11,615	11,628
Repairs and Maintenance	75	-
Software & Subscriptions	2,654	697
Storage Containers	4,945	4,143
Telephone & Internet	879	1,302
Total Costs related to providing goods or services	164,667	122,065
Other expenses		
Advertising - Social Media	1,660	3,478
Audit Fees	8,402	6,777
Depreciation	4,320	4,651
Interest Expense	110	-
Legal expenses	7,143	-
Total Other expenses	21,637	14,907

2021 2020

3. Analysis of Assets

Debtors and prepayments

Accounts Receivable	47,100	107,911
Prepayments	-	16,475
Total Debtors and prepayments	47,100	124,385

2021 2020

4. Analysis of Liabilities

Creditors and accrued expenses

Accounts Payable	31,851	7,771
GST	(11,005)	9,322
Holiday Accrual	1,362	2,595
PAYE Payable	580	1,435
Total Creditors and accrued expenses	22,789	21,123

2021 2020

5. Property, Plant and Equipment

Plant and Equipment

Plant and machinery owned	120,422	118,970
Accumulated depreciation - plant and machinery owned	(77,750)	(85,215)
Total Plant and Equipment	42,672	33,755
Total Property, Plant and Equipment	42,672	33,755

	2021	2020
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6. Accumulated Funds

Accumulated Funds

Opening Balance	302,001	251,633
Accumulated surpluses or (deficits)	(1,144)	50,368
Total Accumulated Funds	300,857	302,001
Total Accumulated Funds	300,857	302,001

7. Commitments

Capital Commitments

There are no commitments as at 30 June 2021 (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 2021 (Last year - nil).

	2021	2020
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9. Related Parties

Mandy Gillgren-Manager salary and board member	34,929	24,412
Zeytins at the Mount-Purchased from entity owned by board membe	-	621
Rent payments were made to Mandy Gilgren - Manager	10,050	-

There were no other transactions with related parties during the year.

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).

Depreciation Schedule

The Mount Business Association Incorporated For the year ended 30 June 2021

NAME	RATE	METHOD	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
Plant & Equipment								
Amplifier / Mixer	39.60%	DV	1,063	-	-	-	-	-
Brava Sweeper Excellent (Cleaning Equipment)	25.00%	DV	6,399	613	-	-	153	460
Canopies	12.00%	DV	4,004	842	-	842	-	-
Computer - HP Envy 23-C023A	50.00%	DV	2,077	14	-	-	7	7
Copier/Printer Sharp AR-M256	48.00%	DV	700	3	-	3	-	-
Corflute Signs	9.50%	DV	50	5	-	5	-	-
Gazebo (8)	18.00%	DV	1,083	52	-	52	-	-
Inv-4551 - skate pump track	25.00%	DV	15,000	-	15,000	-	938	14,063
Noticeboard	15.60%	DV	575	52	-	52	-	-
Office Desk & Chairs	15.00%	DV	300	8	-	-	1	7
Petrol Blower Vac	18.00%	DV	346	13	-	-	2	11
Shade Sail	18.00%	DV	3,745	225	-	225	-	-
Signboard	9.50%	DV	2,324	538	-	538	-	-
Signboards	9.50%	DV	400	45	-	45	-	-
Statue	2.00%	SL	30,000	21,804	-	-	600	21,204
Strathnaver Trailer	25.00%	DV	10,582	7,936	-	-	1,984	5,952
Wheelchair	39.00%	DV	667	1	-	1	-	-
Xmas Decorations	39.60%	DV	10,606	1,085	-	-	430	655
Xmas Decorations	39.60%	DV	27,167	252	-	-	100	152
Xmas Decorations	39.60%	DV	15,917	263	-	-	104	159
Xmas Decorations	39.60%	DV	964	4	-	-	2	2
Total Plant & Equipment			133,969	33,755	15,000	1,763	4,320	42,672
Total			133,969	33,755	15,000	1,763	4,320	42,672