

# Performance Report 2022

The Mount Business Association Incorporated  
For the year ended 30 June 2022

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 2022

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 2022

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 2022.

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.



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SRN Partners Chartered Accountants Ltd

Chartered Accountants

Dated: 25 October 2022

# Entity Information

## The Mount Business Association Incorporated For the year ended 30 June 2022

### 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

- Kate Barry - Piceno (Chairperson)
- Amy Smith (Secretary)
- Paora Stanley
- Tim Plews
- Mathew Saunders
- Kelly Kingston
- Mark Lucero
- Matthew Yardley
- Anna Mellalieu

## 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 2022, 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 matter 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 \$12,399. 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.

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 2022

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

	NOTES	2022	2021
<b>Revenue</b>			
Revenue from providing goods or services	1	224,501	249,011
Interest, dividends and other investment revenue	1	15	1,517
Other revenue	1	5,752	-
<b>Total Revenue</b>		<b>230,267</b>	<b>250,528</b>
<b>Expenses</b>			
Volunteer and employee related costs	2	17,153	65,369
Costs related to providing goods or service	2	196,438	164,667
Other expenses	2	20,864	21,637
<b>Total Expenses</b>		<b>234,454</b>	<b>251,672</b>
<b>Surplus/(Deficit) for the Year</b>		<b>(4,187)</b>	<b>(1,144)</b>

# Statement of Financial Position

## The Mount Business Association Incorporated As at 30 June 2022

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

	NOTES	30 JUN 2022	30 JUN 2021
<b>Assets</b>			
<b>Current Assets</b>			
<b>Bank accounts and cash</b>			
97 Business Transaction Account		1,071	170
Business Transaction Account		217,322	232,532
Bonus Saver		12,712	517
Online Bonus Saver		664	655
<b>Total Bank accounts and cash</b>		<b>231,769</b>	<b>233,874</b>
<b>Debtors and prepayments</b>			
<b>Trade receivables</b>			
Accounts Receivable	3	1,146	47,100
Goods and services tax		6,093	11,005
<b>Total Trade receivables</b>		<b>7,239</b>	<b>58,105</b>
<b>Total Debtors and prepayments</b>		<b>7,239</b>	<b>58,105</b>
<b>Total Current Assets</b>		<b>239,009</b>	<b>291,979</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	60,411	42,672
<b>Total Non-Current Assets</b>		<b>60,411</b>	<b>42,672</b>
<b>Total Assets</b>		<b>299,419</b>	<b>334,650</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Creditors and accrued expenses</b>			
Trade payables	4	2,464	31,851
Trade and other payables	4	-	1,362
PAYE	4	285	580
<b>Total Creditors and accrued expenses</b>		<b>2,749</b>	<b>33,794</b>
<b>Total Current Liabilities</b>		<b>2,749</b>	<b>33,794</b>
<b>Total Liabilities</b>		<b>2,749</b>	<b>33,794</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>296,670</b>	<b>300,857</b>
<b>Accumulated Funds</b>			
Accumulated Funds	6	296,670	300,857
<b>Total Accumulated Funds</b>		<b>296,670</b>	<b>300,857</b>

# Statement of Accounting Policies

## The Mount Business Association Incorporated For the year ended 30 June 2022

### '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 2022

	2022	2021
<b>1. Analysis of Revenue</b>		
<b>Revenue from providing goods or services</b>		
Cleaning Contract	20,509	56,828
Events/Funding	3,043	-
Farmers Market stallholder fees	12,399	11,539
Targeted Rate	188,550	180,643
<b>Total Revenue from providing goods or services</b>	<b>224,501</b>	<b>249,011</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Income	15	1,517
<b>Total Interest, dividends and other investment revenue</b>	<b>15</b>	<b>1,517</b>
<b>Other revenue</b>		
Other Revenue	5,752	-
<b>Total Other revenue</b>	<b>5,752</b>	<b>-</b>
	2022	2021

## 2. Analysis of Expenses

<b>Volunteer and employee related costs</b>		
Contractor - non GST	450	500
KiwiSaver Employer Contributions	526	-
Salaries & Wages	2,486	34,929
Salaries & Wages - Cleaning	13,691	29,940
<b>Total Volunteer and employee related costs</b>	<b>17,153</b>	<b>65,369</b>
<b>Costs related to providing goods or services</b>		
Accounting	1,292	1,200
Advertising - generic	4,457	64,741
Advertising/Marketing Targeted campaign	5,590	-
Bank Fees	228	201
Christmas Decorations	9,443	-
Cleaning/event expenses	358	580
Computer & Office Equipment Expenses	2,314	78
Consulting	3,103	7,911
Contractor - Destination Marketing Manager	58,659	5,415
Contractor - governance/operations	25,671	-
Entertainment	1,577	-
Events - Christmas Festival	4,726	1,104
Events - Cinema	9,223	7,344
Events - Farmers Market - Marketing	2,574	-
Events - Farmers Market Musicians	1,662	-
Events - Farmers market site manager	6,470	-
Events - Farmers Market Site Rental	3,826	4,385

	2022	2021
Events - Farmers Market waste	3,004	-
Events - Member Events	1,363	4,996
Events - micro-activations	7,871	-
Events - Music	10,924	21,714
Events - school holiday activations	7,769	12,200
Events/Promotions - other	2,917	5,080
General Expenses	336	1,094
Health and Safety	1,762	-
Insurance	2,205	1,576
Loss on sale/disposal of fixed assets	-	1,763
Motor Vehicle Expenses	-	31
Non Deductible Expenses	791	896
Office Expenses	272	293
Printing & Stationery	448	1,894
Rent	8,021	11,615
Repairs and Maintenance	635	75
Software & Subscriptions	1,700	2,654
Storage Containers	4,806	4,945
Telephone & Internet	438	879
<b>Total Costs related to providing goods or services</b>	<b>196,438</b>	<b>164,667</b>

**Other expenses**

Advertising - Social Media	2,691	1,660
Audit Fees	-	8,402
Depreciation	14,299	4,320
Interest Expense	5	110
Legal expenses	3,869	7,143
<b>Total Other expenses</b>	<b>20,864</b>	<b>21,637</b>

2022 2021

**3. Analysis of Assets****Debtors and prepayments**

Accounts Receivable	1,146	47,100
<b>Total Debtors and prepayments</b>	<b>1,146</b>	<b>47,100</b>

2022 2021

**4. Analysis of Liabilities****Creditors and accrued expenses**

Accounts Payable	2,464	31,851
GST	(6,093)	(11,005)
Holiday Accrual	-	1,362
Paye Payable	285	580
<b>Total Creditors and accrued expenses</b>	<b>(3,343)</b>	<b>22,789</b>

2022 2021

## 5. Property, Plant and Equipment

### Plant and Equipment

Plant and Equipment owned	125,612	120,422
Accumulated depreciation - plant and equipment owned	(85,070)	(77,750)
<b>Total Plant and Equipment</b>	<b>40,542</b>	<b>42,672</b>

### Website - asset

Website - asset	26,848	-
Accumulated depreciation - Website - asset	(6,979)	-
<b>Total Website - asset</b>	<b>19,869</b>	<b>-</b>

<b>Total Property, Plant and Equipment</b>	<b>60,411</b>	<b>42,672</b>
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2022 2021

## 6. Accumulated Funds

### Accumulated Funds

Opening Balance	300,857	302,001
Accumulated surpluses or (deficits)	(4,187)	(1,144)
<b>Total Accumulated Funds</b>	<b>296,670</b>	<b>300,857</b>

<b>Total Accumulated Funds</b>	<b>296,670</b>	<b>300,857</b>
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## 7. Commitments

### Capital Commitments

There are no commitments as at 30 June 2022 (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 2022 (Last year - nil).

2022 2021

## 9. Related Parties

Mandy Gillgren-Manager salary and board member	2,486	34,929
Rent payments were made to Mandy Gilgren - Manager	-	10,050

## 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 2022

NAME	RATE	METHOD	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
<b>Plant &amp; Equipment</b>								
Amplifier / Mixer	39.60%	DV	1,063	-	-	-	-	-
Brava Sweeper Excellent (Cleaning Equipment)	25.00%	DV	6,399	460	-	-	115	345
Computer - HP Envy 23-C023A	50.00%	DV	2,077	7	-	-	4	4
Decor Light	40.00%	DV	5,190	-	5,190	-	1,211	3,979
Inv-4551 - skate pump track	25.00%	DV	15,000	14,063	-	-	3,516	10,547
Office Desk & Chairs	15.00%	DV	300	7	-	-	1	6
Petrol Blower Vac	18.00%	DV	346	11	-	-	2	9
Statue	2.00%	SL	30,000	21,204	-	-	600	20,604
Strathnaver Trailer	25.00%	DV	10,582	5,952	-	-	1,488	4,464
Xmas Decorations	39.60%	DV	10,606	655	-	-	260	396
Xmas Decorations	39.60%	DV	964	2	-	-	1	1
Xmas Decorations	39.60%	DV	15,917	159	-	-	63	96
Xmas Decorations	39.60%	DV	27,167	152	-	-	60	92
<b>Total Plant &amp; Equipment</b>			<b>125,611</b>	<b>42,672</b>	<b>5,190</b>	<b>-</b>	<b>7,320</b>	<b>40,542</b>
<b>Website - asset</b>								
Website	50.00%	DV	3,225	-	3,225	-	672	2,553
Website	50.00%	DV	1,000	-	1,000	-	167	833
Website	50.00%	DV	4,300	-	4,300	-	1,075	3,225
Website	50.00%	DV	4,348	-	4,348	-	362	3,986
Website	50.00%	DV	4,300	-	4,300	-	1,254	3,046
Website	50.00%	DV	5,375	-	5,375	-	2,016	3,359
Website	50.00%	DV	4,300	-	4,300	-	1,433	2,867
<b>Total Website - asset</b>			<b>26,848</b>	<b>-</b>	<b>26,848</b>	<b>-</b>	<b>6,979</b>	<b>19,869</b>

Depreciation Schedule



NAME	RATE	METHOD	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
<b>Total</b>			152,459	42,672	32,038	-	14,299	60,411