

# Performance Report

The Mount Business Association Incorporated  
For the year ended 30 June 2023

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 2023

APPROVED

For and on behalf of the Board of Directors.



Chairperson

Date 11/10/2023



Board Member

Date 11/10/23

# Entity Information

## The Mount Business Association Incorporated For the year ended 30 June 2023

### 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  
Mauao Legal Chambers (Chairperson)

#### Retail:

Tim Plews  
Paper Plane  
Kate Evaroa  
Mount Longboards

#### Service:

Kelly Kingston  
SELF\_ (Previously Mount Skin & Body)  
Jo Veale  
Mount Backpackers

#### Landlord:

Paora Stanley  
Ngai Te Rangi Settlement Trust  
Gavin (Harry) Hill

#### Hospitality:

Mark Lucero  
Pizza Library  
Matt Saunders  
MSS Espresso (Mount Surf Shop)

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

Kendyl Sullivan  
City Partnerships Specialist

## The Mount Business Association Incorporated

Independent auditor's report to members

### Report on the Audit of the Special Purpose Financial Statements

#### Opinion

We have audited the special purpose financial statements of The Mount Business Association Incorporated (the Association), which comprise the statement of financial position as at 30 June 2023, 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 effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying special purpose financial statements of The Mount Business Association Incorporated are prepared, in all material respects, in accordance with the accounting policies outlined in the special purpose financial statements.

#### Basis for Qualified Opinion

Urban Market income is a significant source of income for the Association and is disclosed in the Statement of Financial Performance amounting to \$18,041. The Association has determined that it is impractical to establish controls over the collection of Urban Market income prior to the income being recorded in the Association's financial records. Accordingly, the evidence available to us regarding revenue from this source was limited to amounts already recorded in the Association'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 Association 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 Association 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 Association.

## Emphasis of Matter – Basis of Accounting

We draw attention to the accounting policies in the special purpose financial statements, which describes the basis of accounting. The financial statements have been prepared to enable the Association to report to its members.

## Board Members' Responsibilities

The Board Members are responsible on behalf of the Association for the preparation of the financial statements in accordance with the accounting policies disclosed in the special purpose 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 Association.

In preparing the special purpose financial statements, the Board Members are responsible for assessing the Association'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 Association 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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 Association 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 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 Association's Members, as a body. Our audit work has been undertaken so that we might state to the Association'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 Association and the Association's Members, as a body, for our audit work, for this report or for the opinions we have formed.



**William Buck Audit (NZ) Limited**

Tauranga  
11 October 2023



# Statement of Financial Performance

## The Mount Business Association Incorporated For the year ended 30 June 2023

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

	NOTES	2023	2022
<b>Revenue</b>			
Revenue from providing goods or services	1	218,775	224,501
Interest, dividends and other investment revenue	1	394	15
Other revenue	1	1,624	5,752
<b>Total Revenue</b>		<b>220,793</b>	<b>230,267</b>
<b>Expenses</b>			
Volunteer and employee related costs	2	101,188	111,056
Costs related to providing goods or service	2	125,759	85,286
Other expenses	2	44,754	38,112
<b>Total Expenses</b>		<b>271,701</b>	<b>234,454</b>
<b>Surplus/(Deficit) for the Year</b>		<b>(50,908)</b>	<b>(4,187)</b>

# Statement of Financial Position

## The Mount Business Association Incorporated As at 30 June 2023

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

	NOTES	30 JUN 2023	30 JUN 2022
<b>Assets</b>			
<b>Current Assets</b>			
<b>Bank accounts and cash</b>			
97 Business Transaction Account	3	977	1,071
Bonus Saver	3	32,686	12,712
Business Transaction Account	3	183,385	217,322
Online Bonus Saver	3	681	664
Prepaid Debit Card	3	76	-
<b>Total Bank accounts and cash</b>		<b>217,806</b>	<b>231,769</b>
<b>Debtors and prepayments</b>			
<b>Trade receivables</b>			
Accounts Receivable	3	4,121	1,146
GST		-	6,093
<b>Total Trade receivables</b>		<b>4,121</b>	<b>7,239</b>
<b>Total Debtors and prepayments</b>		<b>4,121</b>	<b>7,239</b>
<b>Total Current Assets</b>		<b>221,927</b>	<b>239,009</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	40,250	60,411
<b>Total Non-Current Assets</b>		<b>40,250</b>	<b>60,411</b>
<b>Total Assets</b>		<b>262,177</b>	<b>299,419</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Creditors and accrued expenses</b>			
Trade payables	4	10,067	2,464
PAYE	4	110	285
<b>Total Creditors and accrued expenses</b>		<b>10,177</b>	<b>2,749</b>
Goods and services tax	4	6,238	-
<b>Total Current Liabilities</b>		<b>16,415</b>	<b>2,749</b>
<b>Total Liabilities</b>		<b>16,415</b>	<b>2,749</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>245,762</b>	<b>296,670</b>
<b>Accumulated Funds</b>			
Accumulated Funds	6	245,762	296,670
<b>Total Accumulated Funds</b>		<b>245,762</b>	<b>296,670</b>

This statement should be read in conjunction with the attached Notes

# Statement of Accounting Policies

## The Mount Business Association Incorporated For the year ended 30 June 2023

### '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

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 2023

	2023	2022
<b>1. Analysis of Revenue</b>		
<b>Revenue from providing goods or services</b>		
Cleaning Contract	-	20,509
Events/Funding	12,185	3,043
Urban Market stallholder fees	18,041	12,399
Targeted Rate	188,550	188,550
<b>Total Revenue from providing goods or services</b>	<b>218,775</b>	<b>224,501</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Income	394	15
<b>Total Interest, dividends and other investment revenue</b>	<b>394</b>	<b>15</b>
<b>Other revenue</b>		
Other Revenue	1,624	5,752
<b>Total Other revenue</b>	<b>1,624</b>	<b>5,752</b>
	2023	2022

## 2. Analysis of Expenses

<b>Volunteer and employee related costs</b>		
Consulting	3,092	3,103
Contractor - Destination Marketing Manager	76,264	58,659
Contractor - non GST	-	450
Contractor - governance/operations	11,985	25,671
Events - Urban market site manager	8,946	6,470
KiwiSaver Employer Contributions	26	526
Salaries & Wages	875	2,486
Salaries & Wages - Cleaning	-	13,691
<b>Total Volunteer and employee related costs</b>	<b>101,188</b>	<b>111,056</b>
<b>Costs related to providing goods or services</b>		
Advertising - generic	672	4,457
Advertising/Marketing - Visitor guide	1,398	-
Advertising/Marketing Targeted campaign	5,579	5,590
Advertising - Social Media	5,395	2,691
Built up Funds: Flavours of Plenty	12,205	-
Built up Funds: Advertising & Promotions	5,000	-
Built up Funds: Christmas Decorations	3,881	-
Built up Funds: Christmas Festival	1,200	-
Built up Funds: H&S + Street Safety	14,642	-
Built up Funds: Member Upskilling	2,628	-
Built up Funds: Strategic Plan	7,994	-
Christmas Decorations	5,179	9,443
Cleaning/event expenses	-	358

	2023	2022
Entertainment	8	1,577
Events - Christmas Festival	-	4,726
Events - Cinema	6,735	9,223
Events - Urban Market - Marketing	-	2,574
Events - Urban Market Musicians	4,080	1,662
Events - Urban Market Site Rental	4,322	3,826
Events - Urban Market waste	-	3,004
Events - Jazz Festival	10,000	-
Events - Member Events	2,103	1,363
Events - micro-activations	12,340	7,871
Events - Music	-	10,924
Events - school holiday activations	15,075	7,769
Events/Promotions - other	739	2,917
General Expenses	-	336
Health and Safety	-	1,762
Loss on sale/disposal of fixed assets	1,496	-
Non Deductible Expenses	216	791
Office Expenses	140	272
Printing & Stationery	315	448
Software & Subscriptions	2,417	1,700
<b>Total Costs related to providing goods or services</b>	<b>125,759</b>	<b>85,286</b>
<b>Other expenses</b>		
Accounting	4,924	1,292
Audit Fees	9,400	-
Bank Fees	256	228
Computer & Office Equipment Expenses	109	2,314
Depreciation	14,767	14,299
Interest Expense	-	5
Insurance	1,831	2,205
Legal expenses	-	3,869
Rent	6,783	8,021
Repairs and Maintenance	60	635
Storage Containers	6,313	4,806
Telephone & Internet	311	438
<b>Total Other expenses</b>	<b>44,754</b>	<b>38,112</b>
	2023	2022

### 3. Analysis of Assets

#### Bank accounts and cash

97 Business Transaction Account	977	1,071
Bonus Saver	32,686	12,712
Business Transaction Account	183,385	217,322
Online Bonus Saver	681	664

	2023	2022
Prepaid Debit Card	76	-
<b>Total Bank accounts and cash</b>	<b>217,806</b>	<b>231,769</b>
<b>Debtors and prepayments</b>		
Accounts Receivable	4,121	1,146
<b>Total Debtors and prepayments</b>	<b>4,121</b>	<b>1,146</b>
	2023	2022

#### 4. Analysis of Liabilities

<b>Creditors and accrued expenses</b>		
Accounts Payable	10,067	2,464
GST	6,238	(6,093)
Paye Payable	110	285
<b>Total Creditors and accrued expenses</b>	<b>16,415</b>	<b>(3,343)</b>
	2023	2022

#### 5. Property, Plant and Equipment

<b>Plant and Equipment</b>		
Plant and machinery owned	53,977	125,612
Accumulated depreciation - plant and machinery owned	(23,662)	(85,070)
<b>Total Plant and Equipment</b>	<b>30,316</b>	<b>40,542</b>
<b>Website - asset</b>		
Website - asset	26,848	26,848
Accumulated depreciation - Website - asset	(16,913)	(6,979)
<b>Total Website - asset</b>	<b>9,934</b>	<b>19,869</b>
<b>Total Property, Plant and Equipment</b>	<b>40,250</b>	<b>60,411</b>
	2023	2022

#### 6. Accumulated Funds

<b>Accumulated Funds</b>		
Opening Balance	296,670	300,857
Accumulated surpluses or (deficits)	(50,908)	(4,187)
<b>Total Accumulated Funds</b>	<b>245,762</b>	<b>296,670</b>
<b>Total Accumulated Funds</b>	<b>245,762</b>	<b>296,670</b>

## 7. Commitments

### Capital Commitments

There are no commitments as at 30 June 2023 (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 2023 (Last year - nil).

## 9. Related Parties

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

	2023	2022
<b>Related Parties</b>		
Mount Backpackers - Voucher for Easer Marketing Campaign	50	-
The Pizza Library - Food for AGM	73	-
Mount Longboards - Shirt for giveaway	69	-
Mandy Gillgren- Manager Salary & Board Member	-	2,486
<b>Total Related Parties</b>	<b>192</b>	<b>2,486</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).

# Depreciation Schedule

## The Mount Business Association Incorporated For the year ended 30 June 2023

NAME	RATE	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE	PRIVATE USE AMOUNT
<b>Plant &amp; Equipment</b>								
Amplifier / Mixer	39.60%	1,063	-	-	-	-	-	-
Brava Sweeper Excellent (Cleaning Equipment)	25.00%	6,399	345	-	345	-	-	-
Computer - HP Envy 23-C023A	50.00%	2,077	4	-	-	2	2	-
Decor Light	40.00%	5,190	3,979	-	-	1,592	2,387	-
Inv-4551 - skate pump track	25.00%	15,000	10,547	-	-	2,637	7,910	-
Office Desk & Chairs	15.00%	300	6	-	-	1	5	-
Petrol Blower Vac	18.00%	346	9	-	-	2	7	-
Statue	2.00%	30,000	20,604	-	-	600	20,004	-
Strathnaver Trailer	25.00%	10,582	4,464	-	4,464	-	-	-
Xmas Decorations	39.60%	10,606	396	-	396	-	-	-
Xmas Decorations	39.60%	964	1	-	1	-	-	-
Xmas Decorations	39.60%	15,917	96	-	96	-	-	-
Xmas Decorations	39.60%	27,167	92	-	92	-	-	-
<b>Total Plant &amp; Equipment</b>		<b>125,611</b>	<b>40,542</b>	<b>-</b>	<b>5,394</b>	<b>4,833</b>	<b>30,315</b>	<b>-</b>
<b>Website - asset</b>								
Website	50.00%	3,225	2,553	-	-	1,277	1,277	-
Website	50.00%	1,000	833	-	-	417	417	-
Website	50.00%	4,300	3,225	-	-	1,613	1,613	-
Website	50.00%	4,348	3,986	-	-	1,993	1,993	-
Website	50.00%	4,300	3,046	-	-	1,523	1,523	-
Website	50.00%	5,375	3,359	-	-	1,680	1,680	-
Website	50.00%	4,300	2,867	-	-	1,433	1,433	-
<b>Total Website - asset</b>		<b>26,848</b>	<b>19,869</b>	<b>-</b>	<b>-</b>	<b>9,934</b>	<b>9,934</b>	<b>-</b>

This statement should be read in conjunction with the attached Notes





NAME	RATE	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE	PRIVATE USE AMOUNT
Total		152,459	60,411	-	5,394	14,767	40,250	-

This statement should be read in conjunction with the attached Notes

