

# Annual Report

Avondale Business Association - BID Incorporated  
For the year ended 30 June 2024

Prepared by SBA Reporting

## INDEPENDENT AUDITOR'S REPORT

### To the Board of Avondale Business Association Inc

#### Opinion

We have audited the special purpose financial statements of Avondale Business Association Inc which comprise the statement of financial position as at 30 June 2024 and the statement of financial performance for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose financial statements present fairly, in all material respects, the financial position of Avondale Business Association Inc as at 30 June 2024, and its financial performance for the year then ended in accordance the policies set out in Note 2 of the special purpose financial statements.

#### Basis for Opinion

We conducted our audit of the statement of financial position, the statement of financial performance and notes to the financial statements 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 Avondale Business Association Inc, 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 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 Avondale Association Business Inc.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 5 to the special purpose financial statements, which describe the uncertainty related to the going concern assumption. The special purpose financial statements have been prepared on a going concern basis, the validity of which depends on continued grant funding from Auckland Council. Should that continued grant funding not be forthcoming, the going concern concept maybe invalid and provisions would have to be made for any loss on the realisation of the society's assets. Our opinion is not modified in respect of this matter.

#### Emphasis of matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 to the special purpose financial statements, which describe the basis of accounting. The special purpose financial statements are prepared for the board of the society to assist them to assess the financial position and results of the operation. As a result, the special purpose financial statements may not be suitable for another purpose.

### **Board's Responsibilities for the Financial Statements**

The Board is responsible on behalf of the Society for the preparation and fair presentation of the special purpose financial statements in accordance with taxation principles contained in the Income Tax Act 2007 and disclosure requirements contained in the Tax Administration (Financial Statements) Order 2014, and for such internal control as the board determine is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, the board is responsible on behalf of the Society 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements**

Our objectives are to obtain reasonable assurance about whether the special purpose 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 special purpose financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at

[https://xrb.govt.nz/Site/Auditing\\_Assurance\\_Standards/Current\\_Standards/Description\\_Auditors\\_responsibilities.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Description_Auditors_responsibilities.aspx).

This description forms part of our auditor's report.

This report is made solely to the Society's board, as a body. Our audit work has been undertaken so that we might state those matters which 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 board, as a body, for our audit work, for this report or for the opinions we have formed.

A handwritten signature in blue ink, appearing to read 'HLB Mann Judd'.

**HLB Mann Judd  
Chartered Accountants  
Auckland, New Zealand**

**16 September 2024**

# Directory

## Avondale Business Association - BID Incorporated For the year ended 30 June 2024

### Registered Office

1855 Great North Road, Avondale, Auckland

### Nature of Business

The Avondale Business Association was incorporated to look after the best interests of local businesses and to improve local economic development in the area.

### Incorporation Number

906929

### New Zealand Business Number

429042943389

### IRD Number

069-947-875

### Management

Marcus Amosa (Chairperson)

Pirie Brown (Treasurer)

### Auditors

HLB Mann Judd

### Bankers

Westpac

### Accountants

SBA Avondale

# Statement of Financial Performance

## Avondale Business Association - BID Incorporated For the year ended 30 June 2024

	NOTES	2024	2023
<b>Trading Income</b>			
Advertising Income		2,738	6,235
Grant - Mid-Town Lights		55,356	-
Grant/Umbrella - Christmas Parade 2023		103,043	3,250
Grant/Umbrella - Various		3,574	435
Grant/Umbrella - Waka Kotahi		4,000	7,600
Grants - Auckland Council BID targeted rate grant		154,000	154,000
Grants - Other		38,725	18,302
<b>Total Trading Income</b>		<b>361,436</b>	<b>189,822</b>
<b>Gross Profit</b>		<b>361,436</b>	<b>189,822</b>
<b>Gross Profit %</b>		<b>100</b>	<b>100</b>
<b>Other Income</b>			
AECT Dividend		524	303
Interest Income		7,438	1,853
Other Revenue		1,706	1,190
<b>Total Other Income</b>		<b>9,667</b>	<b>3,346</b>
<b>Expenses</b>			
AGM		4,106	1,697
Audit & Accounting		7,856	6,500
Bank Fees		83	116
Committee Meeting costs		662	518
Depreciation		37,423	3,127
General Expenses		869	265
Gifts of Appreciation		-	217
Graphic Design		50	150
Honorarium		8,000	8,000
Insurance		4,426	2,962
Management/Administration		62,738	55,008
Networking and Workshops		53	435
Office Expenses		694	143
Phone & Data		937	714
Power - Street Lighting		6,224	6,381
Printing & Stationery		583	571
Professional Advice & training		9,342	-
Projects - Street Pride Fund		17,468	6,025
Promotions / Promotional Events		35,674	33,892
Publications - Mags/Newsletters		16,395	17,294
R/M CCTV		2,880	200
R/M Street Lighting		6,450	594


Statement of Financial Performance

	NOTES	2024	2023
Safety & Security		14,434	4,093
Social Media Platforms		4,977	7,493
Subscriptions & software licences		3,467	2,407
Treasurer Remuneration		2,000	-
Umbrella Project - Christmas 2023		101,624	7,175
Umbrella Project - RSA		-	435
Umbrella Project - Waka Kotahi		4,000	7,600
Website Ongoing development		706	1,480
<b>Total Expenses</b>		<b>354,122</b>	<b>175,494</b>
<b>Net Profit (Loss) Before Taxation</b>		<b>16,982</b>	<b>17,673</b>
<b>Taxation and Adjustments</b>			
Income Tax Expense		1,992	-
<b>Total Taxation and Adjustments</b>		<b>1,992</b>	<b>-</b>
<b>Net Profit (Loss) for the Year</b>		<b>14,990</b>	<b>17,673</b>

# Statement of Financial Position

Avondale Business Association - BID Incorporated  
As at 30 June 2024

	NOTES	30 JUN 2024	30 JUN 2023
<b>Assets</b>			
<b>Current Assets</b>			
<b>Cash &amp; Bank</b>			
Westpac Current Account		67,682	186,796
Manager expenses account		1,877	1,762
Asset replacement fund		19,834	-
Savings account		154,117	-
<b>Total Cash &amp; Bank</b>		<b>243,510</b>	<b>188,558</b>
<b>Trade and Other Receivables</b>			
Trade receivables		276	8,940
Prepayments		2,008	3,659
<b>Total Trade and Other Receivables</b>		<b>2,284</b>	<b>12,599</b>
GST Receivable		4,907	12,922
<b>Total Current Assets</b>		<b>250,701</b>	<b>214,078</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment		61,853	86,271
<b>Other Non-Current Assets</b>			
Capital Work in Progress		42,904	-
<b>Total Other Non-Current Assets</b>		<b>42,904</b>	<b>-</b>
<b>Total Non-Current Assets</b>		<b>104,757</b>	<b>86,271</b>
<b>Total Assets</b>		<b>355,459</b>	<b>300,349</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Trade and Other Payables</b>			
Trade and other payables		14,962	7,050
<b>Unearned income</b>			
Grants Received in Advance/Unused		30,376	-
<b>Total Unearned income</b>		<b>30,376</b>	<b>-</b>
<b>Total Trade and Other Payables</b>		<b>45,338</b>	<b>7,050</b>
Income Tax Payable		1,832	-
<b>Total Current Liabilities</b>		<b>47,170</b>	<b>7,050</b>
<b>Total Liabilities</b>		<b>47,170</b>	<b>7,050</b>
<b>Net Assets</b>		<b>308,289</b>	<b>293,299</b>
<b>Equity</b>			
Retained Earnings		308,289	293,299
<b>Total Equity</b>		<b>308,289</b>	<b>293,299</b>

Chairperson:  Treasurer:  Date: 16/09/2024

## Depreciation Schedule

Avondale Business Association - BID Incorporated  
For the year ended 30 June 2024

NAME	RATE	METHOD	PURCHASED	DISPOSED	COST	OPENING VALUE	PURCHASES	SALE PRICE	DISPOSALS	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
<b>Computer Equipment</b>												
Laptop	40.00%	DV	10 Feb 2020		1,336	240	-	-	-	96	1,192	144
<b>Total Computer Equipment</b>					<b>1,336</b>	<b>240</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96</b>	<b>1,192</b>	<b>144</b>
<b>Project - CCTV</b>												
Project CCTV	40.00%	DV	19 Jun 2023		64,637	62,482	-	-	-	24,993	27,148	37,489
Project CCTV - FY 2024	40.00%	DV	22 Jan 2024		10,654	-	10,654	-	-	2,131	2,131	8,523
<b>Total Project - CCTV</b>					<b>75,291</b>	<b>62,482</b>	<b>10,654</b>	<b>-</b>	<b>-</b>	<b>27,124</b>	<b>29,278</b>	<b>46,012</b>
<b>Project - Street Lighting</b>												
Project - Street Lighting	40.00%	DV	26 Jun 2023		24,360	23,548	-	-	-	9,419	10,231	14,129
Project - Street Lighting - FY 2024	40.00%	DV	6 Sept 2023		2,352	-	2,352	-	-	784	784	1,568
<b>Total Project - Street Lighting</b>					<b>26,711</b>	<b>23,548</b>	<b>2,352</b>	<b>-</b>	<b>-</b>	<b>10,203</b>	<b>11,015</b>	<b>15,696</b>
<b>Total</b>					<b>103,338</b>	<b>86,271</b>	<b>13,005</b>	<b>-</b>	<b>-</b>	<b>37,423</b>	<b>41,485</b>	<b>61,853</b>



# Notes to the Financial Statements

## Avondale Business Association - BID Incorporated

### For the year ended 30 June 2024

#### 1. Reporting Entity

AVONDALE BUSINESS ASSOCIATION - BID INCORPORATED is a incorporated Society under the Incorporated Societies Act 1908. The financial statements of the Avondale Business Association Incorporated are a special purpose report which has been prepared for the purpose of the Association.

#### 2. Statement of Accounting Policies

##### Basis of Preparation

The following general accounting policies have been adopted in the preparation of these financial statements. These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

##### 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.

##### Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent it is probable that the economic benefits will flow to the society and revenue can be reliably measured.

##### Unearned Revenue - Grant

Typically grants are paid in four installments during the year. Revenue is recognised in the period the grant relates to. Amounts of revenue deemed to have been not yet earned are recognised as a liability on the balance sheet.

##### Accounts Receivable

Accounts receivables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less an allowance for any noncollectable amounts. Individual debts that are known to be noncollectable are written off in the period that they are identified

##### Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

## Depreciation

Account	Method	Rate
Computer Equipment	Diminishing Value (100%)	40%
Office Equipment	Diminishing Value (100%)	12% - 40%
Project CCTV	Diminishing Value (100%)	40%
Project - Street Lighting	Diminishing Value (100%)	40%

## Income Tax

Income Tax is accounted for using the taxes payable method. The income tax expense in the Profit and Loss represents the estimated current obligation payable to the Inland Revenue in respect of each reporting period adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

The Society is liable for taxation on all interest and other non-member income in excess of \$1,000.

## Goods and Services Tax

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

## 3. Contingent Liabilities

There are no contingent liabilities at year end.

## 4. Related Party

There are no material related party transactions during the year outside normal course of business.

Statement of Financial Performance - refer Management/Administration and Honorarium.

## 5. Going Concern

The Going Concern assumption is dependent upon the continuing grant funding from Auckland Council. Whilst we are confident in the Society's ability to continue as a going concern, if the funding was not forthcoming, there would be uncertainty as to whether the Society would be able to continue as a going concern, and therefore whether it would be able to pay its debts as and when they fall due and payable.

If the Society was unable to continue in operational existence and pay its debts as and when they became due and payable, adjustments may have to be made to reflect the situation that assets may need to be realized and liabilities extinguished, other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the Balance Sheet. These Financial Statements do not include any adjustments relating to the recoverability and classification of liabilities that maybe necessary should the Society be unable to continue as a going concern.