

Business East Tamaki Incorporated
Performance Report
For the year ended
30th June 2022

Full name of organisation

Business East Tamaki Incorporated

For the year ended

30 June 2022

Business East Tamaki Incorporated

Performance Report

For the year ended
30 June 2022

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Business East Tamaki Incorporated

Entity Information

"Who are we?", "Why do we exist?"

For the year ended
30 June 2022

Legal Name of Entity:	Business East Tamaki Incorporated
Other Name of Entity (if any):	Business East Tamaki
Type of Entity and Legal Basis (if any):	Incorporated Society
Registration Number:	639532

Entity's Purpose or Mission:

The Association's purpose is to advocate for the commercial interests of business and property owners in the economic development of the area; to foster and promote generally the welfare of the business community by providing a conduit to business support and networking; to enhance the safety and security of East Tamaki to drive business attraction and employment growth; and to capitalise on the unique assets and profile of East Tamaki as a means of establishing an identity and positioning for the area as a great place to do business.

Entity Structure:

Business East Tamaki is governed by an Executive Committee of nine East Tamaki business/property owner representatives elected on an annual basis. The Committee meets 11 times a year (monthly except for January). The Howick Local Board and Otara-Papatoetoe Local Board each have a representative on the Committee but under Business East Tamaki's constitution they do not have a vote. Business East Tamaki operates with an executive staff consisting of a General Manager, Operations Manager, Marketing Communications and Events Manager and an Administrator. The latter three positions report to the General Manager.

Main Sources of the Entity's Cash and Resources:

The main source of funding (approximately 84%) is from a targeted rate levied upon property owners within the Association's geographic boundary. This is collected by Auckland Council and returned in full to the Association for an agreed programme of work. Other funding sources are grants, sponsorship, advertising, associate membership fees and event/seminar income.

Main Methods Used by the Entity to Raise Funds:

Not applicable.

Entity's Reliance on Volunteers and Donated Goods or Services:

The Committee is made up of volunteers. BNZ Partners also provides their venue on occasions as an in kind sponsorship contribution.

Business East Tamaki Incorporated

Entity Information

"Who are we?", "Why do we exist?"

For the year ended
30 June 2022

Additional Information:

Business East Tamaki (formerly Greater East Tamaki Business Association) was founded in 1994 and operated for 15 years as a voluntary subscription based organisation. In 2009 business and property owners in the area voted to invest in improvements to enhance the local business environment and economic growth of the area by adopting the Business Improvement District programme, funded by the targeted rate collected by Auckland Council. In addition to members paying the targeted rate, Business East Tamaki allows for businesses from outside the area to apply for associate membership for a fee and subject to certain criteria. Associate members are not eligible to stand for the committee and do not have voting rights.

Contact details

Physical Address:	Level 1, 1 Sir William Avenue, East Tamaki
Postal Address:	PO Box 58260 Botany 2163
Phone/Fax:	09 273 6274
Email/Website:	www.businesset.org.nz

Greater East Tamaki Business Association Incorporation

Statement of Service Performance

"What did we do?", When did we do it?"

For the year ended
30 June 2021

Description of the entity's outcomes

1. Members interests regarding economic development and infrastructure plans are represented to the local authority, and where relevant to central government.
2. Members are provided with a conduit to business support, education and networking.
3. East Tamaki is a safe place to do business and members are vigilant about crime prevention.
4. East Tamaki is positioned as a significant economic contributor and a great place to do business.
5. Business East Tamaki demonstrates accountability in administering the targeted rate income.

Description and quantification (to the extent practicable) of the entity's outputs.

1. Advocacy

Business East Tamaki monitored Auckland Council and Local Board plans and changes, informed members of the potential impact on our local business precinct and made submissions and/or lobbied local and central government on the following:

- Submission to the Water Supply and Wastewater Networking Bylaw
- Letter to Ministers on the impact of Level 4 lockdown on manufacturing and businesses

Business East Tamaki continues to work with associated stakeholders to advocate for the importance of investment in infrastructure improvements. Roading and transport continues to be a key focus and of particular note is the timely delivery of the Eastern Busway which once completed will stimulate the region's economic recovery.

As part of this project, the Business East Tamaki team met regularly with the Eastern Busway Alliance for stakeholder briefings and worked with the alliance to coordinate the relevant information events, communications and forums to ensure our property and business owners were represented.

Business East Tamaki continues to collaborate with a core group of the larger Business Associations to provide consistency of message and leverage the collective strength of all 48 Business Associations operating BID programmes across Auckland, to Auckland Council and Council Controlled Organisations (CCOs). Progress has been made towards improved engagement and more efficient communications with Council and its CCOs, agreed on by the Council and CCO CEO's in the previous year. This is especially true of Auckland Transport and ATEED.

We responded to requests from local business owners seeking help with regulatory and infrastructure supply issues with Auckland Council. Common issues have included parking/business access issues, rubbish/tyre dumping, lighting outages, and graffiti.

2. Leadership

Our strong partnership with the Police has continued at both the operational and strategic level, including regular meetings with the Counties Manukau East Area Commander. The Security Managers Network, comprised of Police, security company managers, community patrols, and loss prevention managers from local businesses, met monthly for the sharing of intelligence. Business East Tamaki also sent a number of email security alerts to members about crime and suspicious behaviour spotted in the area. Some were reported by local businesses and others came from the Police seeking assistance from our vigilant members. Matrix Security also provided educational emails prior to significant holiday periods.

Business East Tamaki produced three FOCUS magazine issues during the year. The Autumn 2022 issue themed on People and Culture was impacted by COVID-19 and made available as a digital version only.

Business East Tamaki is committed to providing engagement and collaboration with organisations dedicated to tackling NZ's climate change emergency. Positive efforts Business ET has participated in include changing our magazine packaging from plastic to paper that is 100% recyclable. The Business East Tamaki magazine that is published 4 x annually dedicates a number of pages per issue to recognising East Tamaki's sustainability champions and promoting best practice and news e.g. waste levy increases, advocacy and opportunities for funding initiatives via the waste management innovation fund etc. In addition Business East Tamaki coordinated one E-waste collection and a pallet collection outside of the lockdown periods.

Wellbeing initiatives have included dedicated pages in our East Tamaki magazine to highlight health and wellbeing, 4 x wellbeing posts via our social media channels, our "lockdown lite" emails and webinars presented by experts such as John Kirwan and Jacqui Maguire.

3. East Tamaki –Member Value

Business East Tamaki's subsidised events and seminar programme provided opportunities for education and networking despite the restrictions for in-person events as a result of the pandemic. We countered this by offering a variety of webinars on time sensitive changes (Immigration, Workplace H & S and Covid related updates) as well as focusing on ensuring our members' mental wellbeing was prioritised. With the support of the Howick Local Board, we were able to engage expert presenters to provide support on issues such as effective leadership and building mentally resilient organisations. The attendance numbers were encouraging and feedback was that these webinars provided immediate tangible value.

The Howick Local Board added an additional \$10,000 of funding through their Connected Communities Programme to support local business and a prosperous economy. This funding was used to offer a series of heavily subsidised skills training courses, seminars and workshops on business support topics and H&S short courses. In addition, we created a weekly "Lockdown Lite" series of e-news that focused not on gloom and doom but an opportunity for members to share stories of encouragement and good news.

Our communication channels include our website, 4 x issues of the Business East Tamaki magazine which is distributed to all business and property owners and highlights local businesses, a feature article highlighting the magazine theme, advocacy, crime prevention, sustainability, transport and other topical features. A public Facebook group as well as private members group and LinkedIn are the social media channels we regularly update. Additionally, we send a monthly e-newsletter and other dedicated member emails when the need arises (transport, security updates etc).

Business East Tamaki Incorporated

Statement of Financial Performance

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

For the year ended

30 June 2022

	Note	Actual This Year \$	Actual Last Year \$
Revenue			
Fees, subscriptions and other revenue from members	1	14,227	20,470
Revenue from providing goods or services	1	608,500	611,962
Interest, dividends and other investment revenue	1	2,255	3,251
Total Revenue		624,982	635,683
Expenses			
Volunteer and employee related costs	2	327,393	352,452
Costs related to providing goods or services	2	259,481	235,129
Other expenses	2	25,757	25,179
Total Expenses		612,631	612,761
Surplus/(Deficit) for the Year		12,351	22,922

Business East Tamaki Incorporated

Statement of Financial Position

"What the entity owns?" and "What the entity owes?"

As at
30 June 2022

	Note	Actual This Year \$	Actual Last Year \$
Assets			
Current Assets			
Bank accounts and cash	3	418,410	400,785
Debtors and prepayments	3	29,517	14,474
Total Current Assets		447,927	415,259
Non-Current Assets			
Property, plant and equipment	4	56,819	29,306
Total Non-Current Assets		56,819	29,306
Total Assets		504,746	444,564
Liabilities			
Current Liabilities			
Creditors and accrued expenses	3	86,474	55,326
Employee costs payable	3	19,265	19,960
Unused donations and grants with conditions	3	153,822	136,250
Other current liabilities	3	548	741
Total Current Liabilities		260,109	212,277
Non-Current Liabilities			
Loans	3	-	-
Total Non-Current liabilities		-	-
Total Liabilities		260,109	212,277
Total Assets less Total Liabilities (Net Assets)		244,637	232,287
Accumulated Funds			
Capital contributed by owners or members		-	-
Accumulated surpluses or (deficits)		244,637	232,287
Reserves		-	-
Total Accumulated Funds	5	244,637	232,287

For and on behalf of the Executive Committee

Chairperson: _____

Date: _____

Business East Tamaki Incorporated

Statement of Cash Flows

"How the entity has received and used cash"

For the year ended
30 June 2022

	Actual This Year \$	Actual Last Year \$
Cash Flows from Operating Activities		
Cash was received from:		
Fees, subscriptions and other receipts from members	14,227	20,470
Receipts from providing goods or services	626,061	620,367
Interest, dividends and other investment receipts	2,034	3,374
Net GST		
Cash was applied to:		
Payments to suppliers and employees	563,130	578,373
Income Tax Paid/Refund	3,502	(294)
Net GST	5,924	3,250
Net Cash Flows from Operating Activities	69,766	62,882
Cash flows from Investing and Financing Activities		
Cash was received from:		
Receipts from the sale of property, plant and equipment		
Receipts from the sale of investments		
Proceeds from loans borrowed from other parties		
Capital contributed from owners or members		
Cash was applied to:		
Payments to acquire property, plant and equipment	52,141	-
Payments to purchase investments	-	-
Repayments of loans borrowed from other parties	-	99
Capital repaid to owners or members		
Net Cash Flows from Investing and Financing Activities	(52,141)	(99)
Net Increase / (Decrease) in Cash	17,625	62,783
Opening Cash	400,785	338,002
Closing Cash	418,410	400,785
This is represented by:		
Bank Accounts and Cash	418,410	400,785
	-	-

Business East Tamaki Incorporated

Statement of Accounting Policies

"How did we do our accounting?"

For the year ended
30 June 2022

Basis of Preparation

Business East Tamaki Incorporated 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 of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Income Tax

Business East Tamaki is liable for tax only on income earned from the Entities or activities outside the Association and its members. The Association also received an exemption of \$1,000 on income earned outside entities or activities

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including term deposits).

General Accounting Policies

The general accounting policies appropriate for the measurement and reporting of profit under the historical cost method have been adopted. Accrual accounting has been used to match income and expenditure. Reliance is placed on the fact that the Association is a going concern. This is dependent on the continued funding from Auckland Council.

Particular Accounting Policies

The following particular accounting policies which materially affected the measurement of earning and position have been applied:

Property Plant and Equipment

Property plant and equipment are valued at cost less accumulated depreciation.

Business East Tamaki Incorporated

Statement of Accounting Policies

"How did we do our accounting?"

For the year ended
30 June 2022

Depreciation

Depreciation is calculated using the Diminishing Value Method at rates set by the Association as Follows:

Office Equipment	10% to 60%
Software & Website	33% to 60%
Plant & Equipment	40%

Accounts Receivable

Accounts receivable are stated at their estimated realisable value after providing against debts where collection is doubtful.

Operating Lease

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are recognised as an expense in equal installments of the lease term.

Investments

Investments are stated at the lower of cost or realisable value after providing against debts where collection is doubtful.

Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability.

The finance charge is allocated to each period during the lease term on an effective interest basis.

Income

Interest income is recognised using the effective interest method.

Dividend income is recognised when the shareholders' right to receive the payment is established

Government Grants

Government grants are reported at their fair value where there is reasonable certainty that the grant will be received and all attaching conditions will be met.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year. (last year: nil)

Business East Tamaki Incorporated

Notes to the Performance Report

For the year ended
30 June 2022

Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year \$	Last Year \$
Fees, subscriptions and other revenue from members	Associate Membership Subscription	8,400	10,100
	Breakfast Fees	4,305	9,366
	Seminar Fees	22	1,004
	Donations, fundraising and similar receipts	1,500	-
	Total	14,227	20,470

Revenue Item	Analysis	This Year \$	Last Year \$
Revenue from providing goods or services	Council Target Rate/Grant	545,000	545,000
	Local Council Grant	16,428	15,000
	Advertising Income	18,622	30,512
	Sponsorship Income	28,450	21,450
	Total	608,500	611,962

Revenue Item	Analysis	This Year \$	Last Year \$
Interest, dividends and other investment revenue	Interest	2,255	3,251
	Total	2,255	3,251

Business East Tamaki Incorporated

Notes to the Performance Report

For the year ended
30 June 2022

Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year	Last Year
		\$	\$
Volunteer and employee related costs	Salaries and Wages	326,563	351,694
	ACC Levies	830	758
	Total	327,393	352,452

Expense Item	Analysis	This Year	Last Year
		\$	\$
Costs related to providing goods or services	Event Expenses	40,150	35,103
	Marketing Expenses	78,764	58,869
	Infrastructure Expenses	38,575	26,727
	Professional Fees	30,811	35,453
	General Expenses	70,464	76,602
	Seminar	717	2,375
	Total	259,481	235,129

Expense Item	Analysis	This Year	Last Year
		\$	\$
Other expenses	Depreciation	24,628	21,286
	Taxation	1,129	3,893
	Total	25,757	25,179

Business East Tamaki Incorporated

Notes to the Performance Report

For the year ended
30 June 2022

Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This Year \$	Last Year \$
Bank accounts and cash	Cheque Account Balance	146,925	20,463
	Savings Account Balance	91,486	200,322
	Term Deposit	180,000	180,000
	Total	418,410	400,785

Asset Item	Analysis	This Year \$	Last Year \$
Debtors and prepayments	Accounts Receivable	4,361	4,399
	Other Receivables	419	148
	GST Receivable	12,672	6,748
	Prepayment	12,065	3,179
	Total	29,517	14,474

Asset Item	Analysis	This Year \$	Last Year \$
Other non-current assets	Property, Plant & Equipment	56,819	29,306
	Total	56,819	29,306

Business East Tamaki Incorporated

Notes to the Performance Report

For the year ended
30 June 2022

Note 3 : Analysis of Assets and Liabilities

Liability Item	Analysis	This Year	Last Year
		\$	\$
Creditors and accrued expenses	Trade and Other Payables	80,766	43,566
	Accrued Expenses	5,200	8,880
	Taxation	508	2,880
	Total	86,474	55,326

Liability Item	Analysis	This Year	Last Year
		\$	\$
Employee costs payable	Holiday Pay Accrual	19,265	19,960
	Total	19,265	19,960

Liability Item	Analysis	This Year	Last Year
		\$	\$
Unused donations and grants with conditions	Target Rate Grants	136,250	136,250
	Local Board Grant	8,572	-
	Sponsorship (Other)	9,000	-
	Total	153,822	136,250

Liability Item	Analysis	This Year	Last Year
		\$	\$
Other current liabilities	Visa Card Balance	548	741
	Total	548	741

Business East Tamaki Incorporated

Notes to the Performance Report

For the year ended
30 June 2022

Note 4 : Property, Plant and Equipment

This Year						PPE7 - PPE8	
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount	Current Valuation	Source and Date of Valuation
Leasehold Improvements	-	5,991		120	5,871	5,871	Book Value
Office equipment	6,605	12,690	-	4,223	15,073	15,073	Book Value
Software/Website	11,766	9,000	-	8,871	11,895	11,895	Book Value
Plant & Equipment	10,935	24,458	-	11,413	23,980	23,980	New at cost less depreciation
Total	29,306	52,139	-	24,627	56,819		

Last Year					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Office equipment	8,872	-	-	2,267	6,605
Software/Website	23,495			11,729	11,766
Plant & Equipment	18,224			7,289	10,935
Total	50,591	-	-	21,285	29,306

Business East Tamaki Incorporated

Notes to the Performance Report

For the year ended
30 June 2022

Note 5: Accumulated Funds

This Year				
Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	-	232,287	-	232,287
Surplus/(Deficit)		12,350		12,350
Closing Balance	-	244,637	-	244,637

Last Year				
Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	-	209,364	-	209,364
Surplus/(Deficit)		22,923		22,923
Closing Balance	-	232,287	-	232,287

Business East Tamaki Incorporated

Notes to the Performance Report

For the year ended
30 June 2022

Note 6 : Commitments and Contingencies

Commitment	Explanation and Timing	At balance date	At balance date
		This Year	Last Year
		\$	\$
Commitments to lease or rent assets	Business East Tamaki has renewed the office lease for a further two years until 23/01/2023. This is a non-cancellable operating lease	27,210	20,610

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (Last Year - nil)

Business East Tamaki Incorporated

Notes to the Performance Report

For the year ended
30 June 2022

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Related Party Disclosures:

The Association had the following related party transactions during the year:

- (a) Disbursement expenses are paid to some members for mileage. The total value of all transactions was \$483.94 (Last Year: \$921.53).
- (b) Accountancy fees \$23,991.90 (Last Year: \$26,471.50) and Legal fees \$5,224.04 (Last Year: \$6,631.33) are paid to member entities.

These member entities have representatives who form part of the Executive Committee. Legal work done on behalf of Business East Tamaki members regarding employment contract, funding contract and lease renewal, variation and rent review.

- (c) IT Services and Office Rental are paid to members as approved by the Executive Committee.

- (d) Businesses that are a tenant of a commercially rated property within the Targeted Rating Area which engage in business transactions with the Association are related parties by virtue of being members of the Association.

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)

Prior Year Comparatives

Comparative figures included in the performance report relate to the financial year ended 30 June 2021. Where necessary these figures have been reclassified on a basis consistent with current disclosure for the year ended 30 June 2022.

INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF BUSINESS EAST TAMAKI INCORPORATED'S
PERFORMANCE REPORT FOR THE YEAR ENDED 30 JUNE 2022

Opinion

We have audited the performance report Business East Tamaki Incorporated, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2022, the statement of financial position as at 30 June 2022, and the statement of accounting policies and other explanatory information.

In our opinion:

- the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- the accompanying performance report presents fairly, in all material respects:
 - the financial position of Business East Tamaki Incorporated as at 30 June 2022, and its financial performance, and cash flows for the year then ended;
 - the entity information for the year ended; and
 - the service performance for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). 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 Business East Tamaki 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 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, Business East Tamaki Incorporated.

Responsibilities of the Executive Committee for the Performance Report

The Executive Committee is responsible for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) the preparation and fair presentation of the performance report on behalf of the entity which comprises:

- the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report
- in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For Profit) issued by the New Zealand Accounting Standards Board, and
- (c) such internal control as the Executive Committee determines is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Executive Committee is responsible on behalf of Business East Tamaki Incorporated 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 Executive Committee either intend to liquidate Business East Tamaki Incorporated 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 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) and ISAE (NZ) 3000 (Revised) 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 this performance report.

We did not evaluate the security and controls over the electronic publication of the performance report.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board website at <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-18/>. This description forms part of our independent auditor's report.



Pradeep Singh

JOLLY DUNCAN & WELLS

Ellerslie, Auckland

13 October 2022