

Annual Report

Avondale Business Association
For the year ended 30 June 2023

Prepared by SBA Reporting

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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 2023 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 2023, 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.

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.



HLB Mann Judd
Chartered Accountants
Auckland, New Zealand

06 September 2023

Directory

Avondale Business Association For the year ended 30 June 2023

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 For the year ended 30 June 2023

	NOTES	2023	2022
Trading Income			
Advertising Income		6,235	5,919
Grants - Auckland Council BID targeted rate grant		154,000	154,000
Grants - Other		18,302	33,884
Umbrella - Auckland Transport		3,250	-
Umbrella - RSA		435	3,043
Umbrella - Waka Kotahi		7,600	-
Total Trading Income		189,822	196,846
Gross Profit		189,822	196,846
Gross Profit %		100	100
Other Income			
AECT Dividend		303	303
Interest Income		1,853	132
Other Revenue		1,190	3,043
Total Other Income		3,346	3,479
Expenses			
AGM		1,697	2,606
Audit & Accounting		6,500	9,585
Bank Fees		116	31
Committee Meeting costs		518	143
Depreciation		3,127	267
Entertainment		-	23
General Expenses		265	501
Gifts of Appreciation		217	339
Graphic Design		150	1,354
Honorarium		8,000	-
Insurance		2,962	1,823
Low Value Assets		-	35
Management/Administration		55,008	45,292
Networking and Workshops		435	735
Office Expenses		143	-
Phone & Data		714	874
Power - Street Lighting		6,381	10,274
Printing & Stationery		571	647
Professional Advice & training		-	1,165
Projects - Street Lighting		-	1,190
Projects - Street Pride Fund		6,025	20,755
Promotions / Promotional Events		33,892	48,456
Publications - Mags/Newsletters		17,294	9,756

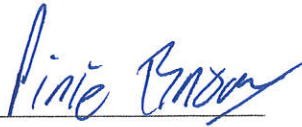
	NOTES	2023	2022
R/M CCTV		200	-
R/M Street Lighting		594	1,407
Safety & Security		4,093	971
Social Media Platforms		7,493	11,633
Subscriptions & software licences		2,407	2,569
Umbrella Project - Auckland Transport		7,175	-
Umbrella Project - RSA		435	-
Umbrella Project - Waka Kotahi		7,600	-
Website Ongoing development		1,480	711
Total Expenses		175,494	173,143
Net Profit (Loss) Before Taxation		17,673	27,182
Net Profit (Loss) for the Year		17,673	27,182

Statement of Financial Position

Avondale Business Association
As at 30 June 2023

	NOTES	30 JUN 2023	30 JUN 2022
Assets			
Current Assets			
Cash & Bank			
Westpac Current Account		186,796	256,815
Manager expenses account		1,762	1,728
Total Cash & Bank		188,558	258,543
Trade and Other Receivables			
Trade receivables		8,940	1,520
Prepayments		3,659	2,654
Total Trade and Other Receivables		12,599	4,174
GST Receivable		12,922	13,471
Total Current Assets		214,078	276,189
Non-Current Assets			
Property, Plant and Equipment		86,271	401
Other Non-Current Assets			
Capital Work in Progress		-	46,986
Total Other Non-Current Assets		-	46,986
Total Non-Current Assets		86,271	47,386
Total Assets		300,349	323,575
Liabilities			
Current Liabilities			
Trade and Other Payables			
Trade and other payables		7,050	9,449
Unearned income			
Auckland Council Grants Received in Advance		-	38,500
Total Unearned income		-	38,500
Total Trade and Other Payables		7,050	47,949
Total Current Liabilities		7,050	47,949
Total Liabilities		7,050	47,949
Net Assets		293,299	275,626
Equity			
Retained Earnings		293,299	275,626
Total Equity		293,299	275,626

Chairperson: 

Treasurer: 

Date: 6th September 2023

Depreciation Schedule

Avondale Business Association
 For the year ended 30 June 2023

NAME	RATE	METHOD	PURCHASED	DISPOSED	COST	OPENING VALUE	PURCHASES	SALE PRICE	DISPOSALS	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
Computer Equipment												
Laptop	40.00%	DV	10 Feb 2020		1,336	401	-	-	-	160	1,096	240
Total Computer Equipment					1,336	401	-	-	-	160	1,096	240
Project - CCTV												
Project CCTV	40.00%	DV	19 Jun 2023		64,637	-	64,637	-	-	2,155	2,155	62,482
Total Project - CCTV					64,637	-	64,637	-	-	2,155	2,155	62,482
Project - Street Lighting												
Project - Street Lighting	40.00%	DV	26 Jun 2023		24,360	-	24,360	-	-	812	812	23,548
Total Project - Street Lighting					24,360	-	24,360	-	-	812	812	23,548
Total					90,333	401	88,997	-	-	3,127	4,062	86,271

Notes to the Financial Statements

Avondale Business Association For the year ended 30 June 2023

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.