

**GETBA - Greater East Tamaki Business Association Inc**  
**Financial Statements**  
**For the Year Ended 30th June 2013**

# GETBA - Greater East Tamaki Business Association Inc

## Directory

As at 30th June 2013

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<b>Incorporation</b>	Incorporated Societies Act 1908
<b>Date of Incorporation</b>	6 October 1994
<b>Location</b>	1 Sir William Ave East Tamaki AUCKLAND
<b>Executive Committee</b>	Richard Poole (Chairman) Henry Jansen (Secretary) Liz Groenewegen (Treasurer) Phil Clarke David Lindsay Malcolm Meacham (Resigned Sept 2012) Tony Coombe (Elected Sept 2012, Resigned Jan 2013) Brenda Hill (Elected Sept 2012) Kim Luxton (Appointed Mar 2013) <b>Unelected members</b> Jeremy Pellow, representing Auckland Council's Economic Development Wayne Huang, Howick Local Board Poutoa Papali'i, Otara Papatoetoe Local Board
<b>Executive</b>	Jane Tongatule (General Manager) Christine Goodman (Office Manager/Executive Assistant) Coralee Carr (Executive Officer, Crime Prevention) Fiona Kitchin (Office Administrator) Troy Greenfield (Project/Liaison Manager)
<b>Accountants</b>	RSM Prince Chartered Accountants Highbrook AUCKLAND
<b>Solicitors</b>	Wynyard Wood Barristers & Solicitors Highbrook AUCKLAND
<b>Bankers</b>	ASB Bank Limited
<b>Auditors</b>	CST Nexia Audit Manukau City AUCKLAND

## **Independent Auditors' Report**

### **To the members of Greater East Tamaki Business Association Incorporated**

We have audited the financial statements of Greater East Tamaki Business Association Incorporated on pages 5 to 13, which comprise the statement of financial position as at 30 June 2013, and the statement of financial performance and statement of movements in accumulated funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Executive Committee's Responsibility for the Financial Statements**

The Executive Committee is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Executive Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion.

Other than in our capacity as auditor we have no relationship with, or interest in, Greater East Tamaki Business Association Incorporated.

#### **CST Nexia Audit**

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## Independent Auditors' Report Continued

### Opinion

In our opinion, the financial statements on pages 5 to 13 present fairly, in all material respects, the financial position of Greater East Tamaki Business Association Incorporated as at 30 June 2013, and of its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.

*157 Nexia Audit*

**CST Nexia Audit  
Chartered Accountants  
Manukau City**

**5 September 2013**

### **Matters relating to the Electronic Presentation of the Audited Financial Statements**

This auditor's report relates to the financial statements of Greater East Tamaki Business Association Incorporated for the year ended 30 June 2013 included on Greater East Tamaki Business Association Incorporated's website. The Executive Committee is responsible for the maintenance and integrity of Greater East Tamaki Business Association Incorporated's website. We have not been engaged to report on the integrity of Greater East Tamaki Business Association Incorporated's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The auditor's report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related auditor's report dated 5 September 2013 to confirm the information included in the audited financial statements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**GETBA - Greater East Tamaki Business Association Inc**  
**Statement of Responsibility**  
**For the Year Ended 30th June 2013**

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**Statement of Responsibility**

The Executive Committee is responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The independent external auditors, CST Nexia Audit, have audited the financial statements and their report appears on pages 2 to 3.

The Executive Committee is also responsible for the systems of internal control. These are designed to provide reasonable but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements. Appropriate systems of internal control have been employed to ensure that all transactions are executed in accordance with authority and are correctly processed and accounted for in the financial records. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Executive Committee to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements are prepared on a going concern basis. Nothing has come to the attention of the Executive Committee to indicate that the Association will not remain a going concern in the foreseeable future.


**In the opinion of the Executive Committee:**

- The Statement of Financial Performance is drawn up so as to give a true and fair view of the surplus of the Association for the financial year ended 30 June 2013.
- The Statement of Financial Position is drawn up so as to give a true and fair view on the state of affairs of the Association as at 30 June 2013.
- There are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

For and on behalf of the Executive Committee:

Chairperson 

Date 5/9/2013

  
Secretary  
5/9/2013

# GETBA - Greater East Tamaki Business Association Inc

## Statement of Financial Performance

For the Year Ended 30th June 2013

	Note	2013 \$	2012 \$
<b>INCOME</b>			
<b>Rate/Grant Income</b>			
MOJ Grant		61,799	56,464
Target Rate/Grant		526,406	271,764
Local Board Grant - Annual		30,000	-
Local Board Grant (Transport)		15,000	10,000
<b>Total Rate/Grant Income</b>	4	633,205	338,228
<b>Other Income</b>			
Assoc Membership Subscriptions		19,229	11,452
Breakfast Fees		7,595	4,848
Seminar Fees		8,544	10,940
Other Events		2,750	750
Enhanced Listing		1,170	1,691
Keeping it Local		7,050	3,450
<b>Total Other Income</b>		46,338	33,131
<b>Sponsorship Income</b>			
Breakfast Sponsorship		6,400	5,600
Biz Owners Forum		1,000	2,500
<b>Total Sponsorship Income</b>		7,400	8,100
<b>Interest Income</b>			
Interest Received		8,003	5,261
<b>TOTAL INCOME</b>		694,946	384,720
<b>OPERATING EXPENSES</b>			
<b>MOJ Project Expenses</b>			
EO Salary Portion		18,468	23,762
CPTED Consultant		13,728	5,945
Translation Services		2,400	650
SMS Messaging		-	1,101
Design of Resources		7,634	-
Production of Resources		16,945	23,175
Rent, Phones, Equipment		-	10,700
Administration		1,200	-
<b>Total MOJ Project Expenses</b>		60,375	65,333

The accompanying notes form part of these financial statements.

# GETBA - Greater East Tamaki Business Association Inc

## Statement of Financial Performance

For the Year Ended 30th June 2013

	<i>Note</i>	<i>2013</i>	<i>2012</i>
		\$	\$
<b>Event Expenses</b>			
Breakfast Meetings		9,886	9,258
Management Bites/Seminars		5,996	5,707
Biz Owners Forum		546	-
<b>Total Event Expenses</b>		<u>16,428</u>	<u>14,965</u>
<b>Marketing Expenses</b>			
Design Expenses		19,648	8,286
Printing Expenses		15,838	6,466
Signage Expenses		16,701	296
Web/Online Expenses		-	300
Public Relations Expenses		5,220	4,285
Photography		5,528	-
Newsletter Delivery		3,899	-
Expos		5,462	-
Surveys		7,008	-
<b>Total Marketing Expenses</b>		<u>79,304</u>	<u>19,633</u>
<b>Infrastructure</b>			
Serviced Office Charge		18,800	17,531
Telephone/Mobile/Broadband		5,883	2,104
Computer & Printer Expenses		7,875	2,888
Insurance		2,202	2,138
Payroll Costs		295	340
Office Supplies		3,234	4,675
Staff Training		5,981	2,462
Web Hosting		1,327	960
Web Maintenance		3,049	1,525
CRM Hosting		2,845	1,859
CRM Maintenance		-	3,530
Data Update/AGM		4,764	5,808
<b>Total Infrastructure Expenses</b>		<u>56,255</u>	<u>45,820</u>
<b>Professional Fees</b>			
Accountancy Fees		21,509	24,489
Consultancy Fees		31,328	2,500
Audit Fees		4,000	3,500
Legal Fees		3,079	4,698
<b>Total Professional Fees</b>		<u>59,916</u>	<u>35,187</u>

The accompanying notes form part of these financial statements.

**GETBA - Greater East Tamaki Business Association Inc**  
**Statement of Financial Performance**  
**For the Year Ended 30th June 2013**

	<i>Note</i>	2013 \$	2012 \$
<b>General Expenses</b>			
Entertainment/Hospitality/Meetings		1,285	775
Subscriptions/Memberships		2,322	414
Honoraria		2,678	2,665
Mileage Reimbursement		1,893	2,131
Staff/Member Gifts		949	966
Bank Charges		204	280
Postage		283	327
Non Deductible Entertainment		1,477	892
General Expenses		3,941	-
Projects		22,804	-
<b>Total General Expenses</b>		<u>37,836</u>	<u>8,450</u>
<b>Salaries</b>			
Salaries		282,110	193,996
Salaries Casual		980	8,073
ACC		863	1,002
Salaries Backfill/adjustment		10,517	7,457
<b>Total Salary Expenses</b>		<u>294,470</u>	<u>210,528</u>
<b>TOTAL OPERATING EXPENSES</b>		<u>604,584</u>	<u>399,916</u>
<b>Less Depreciation (Non Cash)</b>			
Office Equipment	3	4,763	2,813
Software/Website	3	3,098	6,413
Office Equipment - Loss on Sale		-	905
Software/Website - Loss on Sale		695	58
Net Depreciation Adjustment		<u>8,556</u>	<u>10,189</u>
<b>SURPLUS BEFORE TAX</b>		81,806	(25,385)
Less Taxation Provision		19,787	-
<b>OPERATING SURPLUS AFTER TAX</b>		<u>62,019</u>	<u>(25,385)</u>
<b>NET SURPLUS/(DEFICIT)</b>		<u>\$62,019</u>	<u>(\$25,385)</u>

*The accompanying notes form part of these financial statements.*



# GETBA - Greater East Tamaki Business Association Inc

## Statement of Movements in Equity

For the Year ended 30th June 2013

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	2013	2012
	\$	\$
<b>EQUITY AT START OF PERIOD</b>	70,680	96,065
<b>SURPLUS &amp; REVALUATIONS</b>		
Net Surplus/(Deficit) for the Period	<u>62,019</u>	<u>(25,385)</u>
Total recognised revenues & expenses	62,019	(25,385)
<b>OTHER MOVEMENTS</b>		
<b>EQUITY AT END OF PERIOD</b>	<u><u>\$132,699</u></u>	<u><u>\$70,680</u></u>

*The accompanying notes form part of these financial statements.*

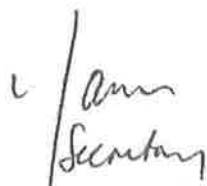
**GETBA - Greater East Tamaki Business Association Inc**  
**Statement of Financial Position**  
**As at 30th June 2013**

	<i>Note</i>	2013 \$	2012 \$
<b>CURRENT ASSETS</b>			
Bank Balances - ASB - Cheque Account		11,760	21,255
Bank Balances - ASB - Savings Account		68,421	11,242
ASB Term Deposit		77,058	74,325
GST Refund Due		17,340	7,421
Taxation		2,318	1,622
Accounts Receivable		4,787	6,882
Interest Receivable		2,131	1,147
Prepayments		-	1,917
Accrued Revenue		26,406	-
<b>Total Current Assets</b>		<u>210,221</u>	<u>125,811</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant & equipment	3	<u>39,436</u>	<u>18,036</u>
<b>TOTAL ASSETS</b>		<u>249,657</u>	<u>143,847</u>
<b>CURRENT LIABILITIES</b>			
Accounts Payable		83,896	35,592
Accrued Expenses		4,042	16,331
Sundry Creditors		-	2,166
Income Received in Advance - Local Board Grant		6,000	-
Income Received in Advance - Assoc Member Subs		6,208	4,038
Income Received in Advance - Events		-	110
Holiday Pay Provision		16,812	14,930
<b>Total Current Liabilities</b>		<u>116,958</u>	<u>73,167</u>
<b>TOTAL LIABILITIES</b>		<u>116,958</u>	<u>73,167</u>
<b>NET ASSETS</b>		<u>\$132,699</u>	<u>\$70,680</u>
Represented by;			
Retained Earnings		<u>132,699</u>	<u>70,680</u>
<b>TOTAL EQUITY</b>		<u>\$132,699</u>	<u>\$70,680</u>

For and on behalf of the Executive Committee ;

Chairman 

Date 5/9/2013

  
Secretary  
5/9/2013.

*The accompanying notes form part of these financial statements.*

# GETBA - Greater East Tamaki Business Association Inc

## Notes to the Financial Statements

For the period ended 30th June 2013

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### 1. STATEMENT OF ACCOUNTING POLICIES

#### Reporting Entity

The Financial Statements presented here are for the Greater East Tamaki Business Association. (GETBA) which is a business association incorporated under the Incorporated Societies Act 1908 on 6 October 1994.

Its purpose is to act in the best interest of all businesses in the East Tamaki area and to promote and facilitate the development of the area so as to attract new business. The Association enjoys non-profit organisation status.

#### Statutory Basis

These Financial statements have been prepared in accordance with "Old GAAP" in New Zealand. Old GAAP comprises New Zealand Financial Reporting Standards and statements of Standard Accounting Practice that existed prior to the introduction of New Zealand Equivalents to International Financial Reporting Standards. Greater East Tamaki Business Association has chosen to apply Old GAAP because it meets the criteria for doing so; that is, it was applying Old GAAP at 30 June 2012, and it is neither publicly accountable nor large as defined in the External Reporting Board's Standard A1: Application of Accounting Standards.

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, Greater East Tamaki Business Association is classified as a Tier 3 reporting entity and will be required to apply Public Benefit Entities Simple Format Reporting Standard - Accrual (PSFR - A). These standards are being developed by the XRB based on current International Public Sector Accounting Standards. The effective date for the new standards for not for profit entities is expected to be for reporting periods beginning on or after 1 April 2015. This means Greater East Tamaki Business Association expects to transition to the new standards in preparing its 30 June 2016 financial statements.

#### Differential Reporting

Greater East Tamaki Business Association is not publicly accountable and is not large. Accordingly it has taken advantage of all differential reporting exemptions allowed under the Framework for Differential Reporting, except that items in the Statement of Financial Performance have been recognised exclusive of Goods and Services Tax.

#### 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.

# GETBA - Greater East Tamaki Business Association Inc

## Notes to the Financial Statements

For the period ended 30th June 2013

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### Particular Accounting Policies

The following particular accounting policies which materially affect the measurement of earnings and financial position have been applied:

#### Grant Income

Grants and donations are recorded as revenue at the point they are received unless particular conditions are attached to the grant that would require it to be repaid if these conditions were not met, then the grant is recorded as a liability until the conditions are satisfied.

#### Property, Plant and Equipment

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

#### Depreciation

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

Office Equipment	3.0% to 80.4%
Software & Website	48.0% to 60.0%

#### Goods & Services Tax (GST)

Items of income and expenditure are stated exclusive of Goods and Services Tax. All items in the statement of financial position are net of GST, with the exceptions of receivables and payables, which include GST.

#### Accounts Receivable

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

#### Investments

Investments are stated at the lower of cost or 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.

#### Changes in Accounting Policies

There have been no changes in Accounting Policies. All policies have been applied on a basis consistent with those used in previous years.

## 2. INCOME TAX

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

# GETBA - Greater East Tamaki Business Association Inc

## Notes to the Financial Statements

For the period ended 30th June 2013

### 3. PROPERTY, PLANT & EQUIPMENT

	2013	2012
	\$	\$
<b>Office Equipment</b>		
At cost	18,906	14,449
Less accumulated depreciation	<u>(8,307)</u>	<u>(3,544)</u>
	<u>10,599</u>	<u>10,905</u>
Current year depreciation	<u>4,763</u>	<u>2,813</u>
	<u>4,763</u>	<u>2,813</u>
<b>Software &amp; Website</b>		
At cost	24,804	29,150
Less accumulated depreciation	<u>(21,467)</u>	<u>(22,019)</u>
	<u>3,337</u>	<u>7,131</u>
Current year depreciation	<u>3,098</u>	<u>6,413</u>
	<u>3,098</u>	<u>6,413</u>
<b>Work in progress - Website</b>		
At cost	<u>25,500</u>	-
	<u>25,500</u>	-
<b>Total Property, Plant &amp; Equipment</b>	<u>\$39,436</u>	<u>\$18,036</u>
<b>Total Depreciation for the year</b>	<u>\$7,861</u>	<u>\$9,226</u>

### 4. PUBLIC FUNDING

During the year, the Greater East Tamaki Business Association Inc received grants from the following:

	2013	2012
	\$	\$
Ministry of Justice	61,799	56,464
Target Rate	526,406	271,764
Local Board Grant - Annual	30,000	-
Local Board Grant - Transport	15,000	10,000
Total grants received	<u>\$633,205</u>	<u>\$338,228</u>

The Target Rate has a "wash up" calculation made by the Auckland Council once actual rating information has been collected. This may result in GETBA receiving further Target Rate income in the result of underpayment or GETBA may be required to refund overpayment of the Target Rate.

The "wash up" calculation has resulted in an underpayment by the Auckland Council of \$26,406. This amount has been included as accrued revenue.

# GETBA - Greater East Tamaki Business Association Inc

## Notes to the Financial Statements

For the period ended 30th June 2013

### 5. RELATED PARTIES

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

- (a) Honorariums are paid to the Secretary as approved by the Executive Committee.
- (b) Disbursement expenses are paid to some members.
- (c) Accountancy Fees, IT Services, Office Rental and Legal Fees 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.

### 6. CONTINGENT LIABILITIES

There are no contingent liabilities at year end (2012:\$NIL).

### 7. COMMITMENTS

	2013	2012
	\$	\$
Non-cancellable operating lease relating to premises as follows:		
Current	16,667	20,000
Non current	-	16,667
	<u>\$16,667</u>	<u>\$36,667</u>

There are no capital commitments at year end (2012:\$NIL).

### 8. SUBSEQUENT EVENTS

There are no events subsequent to balance date that will require adjustment to or disclosure in the financial statements (2012:NIL).