chartered accountants and business advisors

WHITELAW WEBER LTD

KAITAIA BUSINESS ASSOCIATION INCORPORATED

Financial Statements
For the Year Ended 30th June 2018

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Hartnell Grond Walker
CHARTERED ACCOUNTANTS

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Kaitaia Business Association Incorporated

Independent Auditor's Report

For the Year Ended 30 June 2018

To the members of the Kaitaia Business Association Incorporated.

Opinion

We have audited the financial statements of the Kaitaia Business Association Incorporated on pages 6 to 12 which comprise the statement of financial position as at 30 June 2018, and the statement of financial performance and statement of movements in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Kaitaia Business Association Incorporated for the year ended 30 June 2018 are prepared, in all material respects, in accordance with special purpose reporting.

Basis for Opinion

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 Kaitaia Business Association 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 interest in, the Kaitaia Business Association Incorporated.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw your attention to the Notes to and forming part of the Financial Statements - Statement of Accounting Policies - Reporting Entity, which describes the basis of accounting. The financial statements are prepared as special purpose reports. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Kaitaia Business Association Incorporated and should not be distributed to parties other than the Kaitaia Business Association Incorporated. Our opinion is not modified in respect of this matter.

Committee's Responsibility for the Financial Statements

The Committee is responsible on behalf of the Kaitaia Business Association Incorporated for the preparation of these financial statements in accordance with special purpose reporting and for such internal control as the Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements the Committee is responsible on behalf of the entity 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 Committee either intend to liquidate the entity 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 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 entity's internal control.

- Conclude on the appropriateness of the use of the going concern basis of accounting by the Committee and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 entity to cease to continue as a going concern.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with the Committee 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.

4 October 2018
Hartnell Grond Walker
Chartered Accountants
Kaitaia

Society Directory
As at 30th June 2018

Committee
Joanna Kiro - Chairperson
Hine Lum - Treasurer
Shirley Williams - Vice Chairperson
Marie Berghan
Mark Frost
Medadane Kipa
Micah Tawhara
Hinemoa Tipene

Business Address
P O Box 120
Kaitaia 0441

Bankers
ANZ Bank
Auckland

Auditors
Hartnell Grond Walker
Chartered Accountants
6 Redan Road
Kaitaia

Nature of Business
Business Association

WHITELAW WEBER LTD

Approval of Financial Report
For the Year Ended 30th June 2018

The committee present their annual report including the financial statements of the Incorporated Society for the year ended 30 June 2018.

For and on behalf of the committee:

Jeanne Kiro - Chairperson

Hine Lum - Treasurer

4/10/2018
Date:

KAITAIA BUSINESS ASSOCIATION INCORPORATED
Statement of Financial Performance
For the Year Ended 30th June 2018

	Note		2018 $	2017 $
INCOME				
Grants - BID Income		50,000		50,000
Kia Ora Festival		-		318
Donations - Oxfords Sports		-		8,000
Donations - Pub Charity		6,000		4,062
Banner Hire		2,022		1,074
Interest Received		317		314
			58,339	63,768
TOTAL INCOME			58,339	63,768
LESS EXPENDITURE				
Operating Expenses				
Advertising		1,818		2,730
Banner & Flag Expenses		100		4,304
Database Set-up		820		-
Founders Day/Awards Expenses		2,477		683
Events Calendar Expenses		1,700		1,853
Light Power & Heating		109		-
Equipment Hire		-		86
Phone & Interrnet for CCTV Cameras		770		924
Prizes/Competitions		-		925
Security Expenses		6,075		6,000
Sponsorship Expenses		3,500		-
Subscriptions		431		483
Website		310		1,590
		18,110		19,578
Repairs & Maintenance				
Christmas Installation & Removal		1,943		-
Security Camera Maintenance		1,300		2,910
		3,243		2,910
Administration				
Audit Fees	3	1,000		950
Auditors Payment Fee		15		-
Spark Fees		18		-
Bank Charges		72		88
Co-ordinator Expenses		10,780		9,150
Flowers & Gifts		339		135
Insurance		1,933		1,849
Licences & Registrations		27		-
Meeting Expenses		874		374
Petty Cash		106		-
Postage		-		152
Printing, Stamps & Stationery		1,448		1,191
Rents		1,786		1,576
Fixed Assets Costs		175		407
		18,573		15,872

The accompanying notes form part of these financial statements.
This statement must be read subject to the auditor's report.

KAITAIA BUSINESS ASSOCIATION INCORPORATED
Statement of Financial Performance
For the Year Ended 30th June 2018

	Note	2018 $	2017 $
Debt Servicing			
Interest - Bank Overdraft	-		37
	-		37
TOTAL EXPENSES		39,926	38,397
CASH SURPLUS		18,413	25,371
Less Depreciation Adjustments			
Depreciation as per Schedule		47,955	55,887
NET SURPLUS/(DEFICIT)		($29,542)	($30,516)

The accompanying notes form part of these financial statements.
This statement must be read subject to the auditor's report.

KAITAIA BUSINESS ASSOCIATION INCORPORATED
Statement of Movements in Equity
For the Year Ended 30th June 2018

	2018 $	2017 $
EQUITY AT START OF YEAR	123,211	153,727
Net Surplus/(Deficit)	(29,542)	(30,516)
Total recognised revenues & expenses	(29,542)	(30,516)
EQUITY AT END OF YEAR	$93,669	$123,211

The accompanying notes form part of these financial statements.
This statement must be read subject to the auditor's report.

KAITAIA BUSINESS ASSOCIATION INCORPORATED
Statement of Financial Position
As at 30th June 2018

	Note	2018 $	2017 $
CURRENT ASSETS			
ANZ Bank - Cheque Account	9	2,636	2,911
ANZ Bank - Online Saver 29 Account	9	55,080	77,832
ANZ Bank - Online Saver 30 Account	9	14,768	992
GST Refund Due	1(b)	2,442	-
Total Current Assets		74,926	81,735
NON-CURRENT ASSETS			
Fixed Assets as per Schedule		21,017	52,975
Total Non-Current Assets		21,017	52,975
TOTAL ASSETS		95,943	134,710
CURRENT LIABILITIES			
GST Due for payment	1(b)	-	7,277
Accounts Payable		2,274	4,222
Total Current Liabilities		2,274	11,499
TOTAL LIABILITIES		2,274	11,499
NET ASSETS		$93,669	$123,211
Represented by;			
MEMBERS FUNDS			
Accumulated Members Funds		93,669	123,211
TOTAL MEMBERS FUNDS		$93,669	$123,211

The accompanying notes form part of these financial statements.
This statement must be read subject to the auditor's report.

KAITAIA BUSINESS ASSOCIATION INCORPORATED

WHITELAW WEBER LTD

Fixed Asset and Depreciation Schedule
For the Year Ended 30th June 2018

Asset	Cost Price	Book Value 01/07/2017	Additions Disposals	Gain/Loss on Disposal	Capital Profit	Depreciation Mth	Depreciation Rate	Depreciation $	Accum Deprec 30/06/2018	Book Value 30/06/2018
OFFICE EQUIPMENT										
Laptop - Asus F 56C-TH31	743					12	40.0% DV	0	743	0
Sub-Total	743								743	0
PLANT & EQUIPMENT										
Signposts	500						25.2% CP	0	500	0
Murals (1)	1,338						25.2% CP	0	1,338	0
Photo Mural (2)	3,016						16.2% CP	0	3,016	0
Digital Recording Devices including Poles	53,163	8,885				6	40.0% CP	8,885	53,163	0
CCTV additions (2016)	75,544	30,217				12	40.0% CP	30,217	75,544	0
CCTV additions (2017)	18,071	13,873				12	40.0% DV	5,549	9,747	8,324
Hikvision Lazer PTE - TeAhu Building			4,070			11	40.0% DV	1,492	1,492	2,578
CCTV Network - Lynda Porteous - 7 Puckey Ave			1,168			10	40.0% DV	389	389	779
CCTV Network - Northland Power - Bank ST			870			11	40.0% DV	319	319	551
TV (2) for Montioring			560			9	40.0% DV	168	168	392
Christmas Decorations			869			8	40.0% DV	232	232	637
Christmas Decorations & Wreath			1,673			7	40.0% DV	390	390	1,283
CCTV Network - Zion Storage			862			4	40.0% DV	115	115	747
CCTV Network - Bellingham Quarries			5,923			1	40.0% DV	197	197	5,726
Sub-Total	151,632	52,975	15,995					47,953	146,610	21,017
TOTAL	152,375	52,975	15,995					47,953	147,353	21,017

The accompanying notes form part of these financial statements.
This statement must be read subject to the audit report.

Notes to the Financial Statements
For the Year Ended 30th June 2018

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

Kaitaia Business Association Incorporated is an incorporated society established under the Incorporated Societies Act 1908 on the 2nd September 2008. The Special Purpose financial report was authorised by Kaitaia Business Association Incorporated.

Measurement Base

The financial statements of Kaitaia Business Association Incorporated have been prepared in accordance with Special Purpose Framework for use by For-Profit Entities (SPFR for FPE's) published by the New Zealand Institute of Chartered Accountants.

The financial statements of Kaitaia Business Association Incorporated have been prepared on an historical basis, except as noted otherwise below.

The information is presented in New Zealand dollars.

Specific Accounting Policies

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

(a) **Fixed Assets & Depreciation**
Fixed assets are stated at cost less accumulated depreciation. Depreciation has been calculated using the rates permitted under the Income Tax Act 2007.

(b) **Goods & Services Tax**
The statement of financial performance and statement of cashflows (where included) have been prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST, with the exception of account receivables and payables.

(c) **Income Tax**
The society is a non-profit organisation in terms of section DV8 of the Income Tax Act 2007. This approval gives the society an exemption from income tax on income derived from the members of Kaitaia Business Association Incorporated.

(d) **Grants**
Grants received are recognised in operating revenue, unless specific conditions are attached to a grant and repayment of the grant is required where these conditions are not met. In these cases, the grant is treated as a liability until the conditions are met.

2. CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

3. AUDIT

These financial statements have been audited.

4. CONTINGENT LIABILITIES

At balance date there are no known contingent liabilities (2017:$0). Kaitaia Business Association Incorporated has not granted any securities in respect of liabilities payable by any other party whatsoever.

5. CAPITAL AND OPERATING LEASE COMMITMENTS

Capital Commitments
There are no known capital commitments at balance date (2017:Nil).

Operating Lease Commitments
There are no known non-cancellable operating leases at balance date (2017:Nil).

6. COMPARATIVES

The comparatives shown in these financial statements are for a period of 12 months.

7. **EVENTS AFTER BALANCE DATE**

There were no known significant events after balance date.

8. **RELATED PARTIES**

No related party debts have been written off or forgiven during the year. (2017 $0)

9. **BANK OVERDRAFT**

There was no bank overdraft facility arranged at balance date.

The balance of the ANZ Bank - Cheque Account as at 30th June 2018 was $2,636,(2017:$2,911).
The balance of the ANZ Bank - Online Saver 29 Account as at 30th June 2018 was $55,080,(2017:$77,832).
The balance of the ANZ Bank - Online Saver 30 Account as at 30th June 2018 was $14,768,(2017:$992).