

Financial Statements

Kaitaia Business Association Incorporated
for the year ended 30th June 2019

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Kaitaia Business Association Incorporated

Independent Auditor's Report

For the Year Ended 30 June 2019

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To the members of the Kaitaia Business Association Incorporated.

Opinion

We have audited the financial statements of the Kaitaia Business Association Incorporated on pages 7 to 13 which comprise the statement of financial position as at 30 June 2019, 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 2019 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.

Independent Auditor's Report (continued)

For the Year Ended 30 June 2019

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 November 2019

Hartnell Grond Walker
Chartered Accountants
Kaitaia

Society Directory

Kaitaia Business Association Incorporated For the year ended 30 June 2019

Nature of Business

Business Association

Date of Formation

2nd September 2008

IRD Number

66-987-299

Committee

Joanna Kiro - Chairperson

Hinemoa Tipene - Secretary

Hine Lum - Treasurer

Mark Frost - Vice Chairperson

Medadane Kipa

Micah Tawhara

Maria Berghan - *resigned 29/10/2018*

Shirley Willaims - *resigned 29/10/2018*

Chartered Accountant

Whitelaw Weber Limited

127 Commerce Street
Kaitaia 0410

Bankers

ANZ Bank

Auckland

Auditors

Hartnell Grond Walker

Chartered Accountants

6 Redan Road

Kaitaia 0410

Approval of Financial Report

Kaitaia Business Association Incorporated For the year ended 30 June 2019

The committee present their annual report including the financial statements of the Incorporated Society for the year ended 30 June 2019.

APPROVED

For and on behalf of the of the committee:



Joanna Kiro - Chairperson



Hine Lum - Treasurer

29/10/2019

Date:

Statement of Financial Performance

Kaitaia Business Association Incorporated
For the year ended 30 June 2019

	NOTES	2019	2018
Income			
Banner Hire		-	2,022
BID Income		52,184	50,000
Donation - Pub Charity		5,566	6,000
Total Income		57,750	58,022
Income		57,750	58,022
Other Income			
Interest - IRD UOMI		-	-
Interest Received		178	317
Total Other Income		178	317
Expenses			
Operating Expenses			
Advertising and Promotion		741	1,818
Banner & Flag Expenses		1,130	100
Database Setup		107	820
Events Calendar Expenses		916	1,700
Events Volunteers Expenses		1,921	-
Founders Day/Awards Expenses		-	2,477
Light, Power, Heating		49	109
Monitoring Expenses		1,500	-
Phone & Internet for CCTV Cameras		265	770
Prizes/Competitions		1,000	-
Security Camera Maintenance		1,562	1,300
Security Expenses		656	6,075
Spark Fees		-	18
Sponsorship Expenses		-	3,500
Subscriptions, Licences & Fees		687	458
Website		50	310
Total Operating Expenses		10,584	19,455
Administration Expenses			
Audit Fee		796	1,000
Auditors Payment Fee		-	15
Bank Fees & Charges		71	71
Christmas Installation & Removal		-	1,943
Consulting & Accounting		1,301	-
Co-ordinator Expenses		10,686	10,780
Fixed Property Expenses		196	175
Flowers & Gifts		370	339
General Expenses		175	-

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

Statement of Financial Performance

	NOTES	2019	2018
Insurance		2,829	1,933
Meeting Expenses		633	874
Office Expenses		1,101	-
Petty Cash		-	106
Printing & Stationery		976	1,448
Total Administration Expenses		19,134	18,685
Occupancy Expenses			
Rent		1,588	1,786
Total Occupancy Expenses		1,588	1,786
Debt Servicing Expenses			
Interest - UOMI		10	-
Total Debt Servicing Expenses		10	-
Total Expenses		31,316	39,926
Net Operating Profit/(Loss)		26,612	18,413
Non-cash Expenses			
Depreciation			
Depreciation		10,468	47,955
Total Depreciation		10,468	47,955
Total Non-cash Expenses		10,468	47,955
Net Taxable Profit/(Loss)		16,144	(29,542)
Net Taxable Profit(Loss)		16,144	(29,542)
Taxation and Adjustments			
Non Deductible Expenses			
IRD Penalties		315	-
Total Non Deductible Expenses		315	-
Total Taxation and Adjustments		315	-
Net Profit/(Loss) for the Year		15,830	(29,542)

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

Statement of Movements in Equity

Kaitaia Business Association Incorporated

For the year ended 30 June 2019

	2019	2018
Equity		
Opening Balance	93,669	123,211
Increases		
Profit for the Period	15,830	(29,542)
Total Increases	15,830	(29,542)
Total Equity	109,498	93,669

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

Statement of Financial Position

Kaitaia Business Association Incorporated

As at 30 June 2019

	NOTES	30 JUN 2019	30 JUN 2018
Assets			
Current Assets			
Cash and Bank			
ANZ Call Account - 29		42,722	55,080
ANZ Call Account -30		2,463	14,768
ANZ Current Account		45,796	2,636
Total Cash and Bank		90,981	72,484
GST Receivable		-	2,442
Total Current Assets		90,981	74,926
Non-Current Assets			
Property, Plant and Equipment		19,382	21,017
Total Non-Current Assets		19,382	21,017
Total Assets		110,363	95,943
Liabilities			
Current Liabilities			
Trade and Other Payables			
Accounts Payable		492	2,274
Total Trade and Other Payables		492	2,274
GST Payable		373	-
Total Current Liabilities		865	2,274
Total Liabilities		865	2,274
Net Assets		109,498	93,669
Equity			
Retained Earnings		109,498	93,669
Total Equity		109,498	93,669

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

Depreciation Schedule

Kaitaia Business Association Incorporated For the year ended 30 June 2019

DEP START DATE	NAME	COST	OPENING VALUE	PURCHASES	METHOD	RATE	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
Office Equipment									
15 Jul 2013	Laptop - Asus F 56C-TH31	743	-	-	DV	40.00%	-	743	-
Total Office Equipment		743	-	-			-	743	-
Plant & Equipment									
24 Sep 2008	Signposts	500	-	-	SL	25.20%	-	500	-
18 Dec 2009	Murals (1)	1,338	-	-	SL	25.20%	-	1,338	-
7 Oct 2010	Photo Mural (2)	3,016	-	-	SL	16.20%	-	3,016	-
30 Jun 2015	Digital Recording Devices including Poles	53,163	-	-	SL	40.00%	-	53,163	-
31 Dec 2015	CCTV additions (2016)	75,544	-	-	SL	40.00%	-	75,544	-
20 Dec 2016	CCTV additions (2017)	18,071	8,324	-	DV	40.00%	3,330	13,077	4,994
16 Aug 2017	Hikvision Lazer PTE - TeAhu Bu	4,070	2,578	-	DV	40.00%	1,031	2,523	1,547
31 Aug 2017	CCTV Network - Northland Power - Bank ST	870	551	-	DV	40.00%	220	539	331
8 Sep 2017	CCTV Network - Lynda Porteous - 7 Puckey Ave	1,168	779	-	DV	40.00%	312	701	467
31 Oct 2017	TV (2) for Montioring	560	392	-	DV	40.00%	157	325	235
30 Nov 2017	Christmas Decorations	869	637	-	DV	40.00%	255	487	382
31 Dec 2017	Christmas Decorations & Wreath	1,673	1,283	-	DV	40.00%	513	903	770
29 Mar 2018	CCTV Network - Zion Storage	862	747	-	DV	40.00%	299	414	448
1 Jun 2018	CCTV Network - Bellingham Quarries	5,923	5,726	-	DV	40.00%	2,290	2,487	3,436
14 Dec 2018	Christmas Wreaths	3,190	-	3,190	DV	40.00%	744	744	2,446
19 Dec 2018	Tower - Bellingham Quarries	5,642	-	5,642	DV	40.00%	1,316	1,316	4,326
Total Plant & Equipment		176,460	21,017	8,832			10,468	157,078	19,382
Total		177,203	21,017	8,832			10,468	157,821	19,382

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

Notes to the Financial Statements

Kaitaia Business Association Incorporated For the year ended 30 June 2019

1. Reporting Entity

Kaitaia Business Association Incorporated is a incorporated society established under the Incorporated Societies Act 1908 on the 2nd September 2008. This special purpose financial report was authorised by Kaitaia Business Association Incorporated.

2. Statement of Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand.

Historical Cost

These financial statements have been prepared on a historical cost basis, except for certain assets which have been revalued (if applicable) as identified in specific accounting policies. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

Fixed Assets & Depreciation

Fixed assets are stated at cost less accumulated depreciation. Depreciation has been calculated using the rates permitted under the Income Act 2007.

Income Tax

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

Grants

Grants received are recognised in operating revenue, unless specific conditions are attached to a grant and repayments 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.

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. 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.

4. Audit

These financial Statements have been audited.

5. Contingent Liabilities

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

6. Capital and Operating Lease Commitments

Capital Commitments

There are no known capital commitments at balance date (2018 \$0) .

Operating Lease Commitments

There are no know non-cancellable operating leases at balance date (2018 \$0).

7. Comparatives

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

	2019	2018
8. Income Tax Expense		
Net Profit (Loss) Before Tax	15,830	(29,542)
Additions to Taxable Profit		
IRD Penalties	315	-
Total Additions to Taxable Profit	315	-
Deductions from Taxable Profit		
Losses Carried Forward	218,721	189,179
Total Deductions from Taxable Profit	218,721	189,179
Taxable Profit (Loss)	(202,577)	(218,721)
Tax Payable at 28%	-	-
Income Tax Payable (Refund Due)	-	-

9. Events After Balance Date

There were no know significant events after balance date

10. Related Parties

Jordan Kiro is the niece of Joanna Kiro (Chairperson) and was contracted as the Temporary Coordinator for the period 22nd November 2018 until 23rd May 2019. Total payments received were \$3,732.70 exclusive of GST. (2018 \$0)