

RBA

# Rosebank

Business Association



People "are our best asset"

## Annual Report 2016/2017

Stronger together

[www.rosebankbusiness.co.nz](http://www.rosebankbusiness.co.nz)



People “are our best asset”



With thanks to our partners ...



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### **Rosebank Business Association**

Phone 820 0551

18 Jomac Place, Rosebank, Auckland 1026

PO Box 151190, New Lynn, Auckland 0640

[info@rosebankbusiness.co.nz](mailto:info@rosebankbusiness.co.nz)

[www.rosebankbusiness.co.nz](http://www.rosebankbusiness.co.nz)

## AGM Agenda

### 4.30pm - 5.00pm

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Registration - Refreshments provided

### 5.00pm - 6.00pm

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1. Welcome from RBA President and Chairperson Michelle Maitland
2. Apologies to be received
3. Confirmation of minutes of the 2015/2016 RBA AGM held 20 October 2016
4. Statement and report from Chair Michelle Maitland
5. Financial report and adoption of the Annual audit report, from Treasurer Tania Jordan
6. CEO Report - Mike Gibson
7. Presentation of 2018/19 RBA budget for adoption - Proposed to increase the Bid targeted rate for the 2018/19 financial year by 9%. This represents an increase in targeted rates from \$395,000.00 to \$430,000.00.
8. Election of officers, President, Treasurer and RBA Executive  
( No more than 7, no less than 5)
9. Appointment of Auditors
10. General business.

### 6.00pm - 6.15pm

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Comfort break and refreshments

### 6.15pm - 7.15pm

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Methven Hosting

Presentation and displays by;

1. Pleasuredome
2. Whau River Catchment Trust
3. Belong/RBA Membership
4. Pathways Awards Ceremony

### 7.15pm - Close

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Mix and mingle continued



**EXECUTIVE BOARD**

**MANAGEMENT GROUP**

Michelle Maitland  
Mike Gibson  
Tania Jordan

**Board of Governance**



**President**

Michelle Maitland  
Owner / Director  
George Walker Auctions



**Treasurer**

Tania Jordan  
Financial Controller  
Rheem NZ



**Executive Board**

Kelvin Armstrong  
Owner / Director  
KAAR



Kelly Brown  
Managing Director  
Triquestra NZ



Steve Bullock  
General Manager  
Rheem NZ



Jason Ennor  
Managing Director  
MYHR



**Executive Board**

Past Chair Robert Mackie  
Director Fullworks  
International



Dr Darius Singh  
Owner / Director  
Chrysalis Group



Bernard McCrea  
Genegal Manager  
IC Frith Insurance



**Non Voting Members**

Susan Zhu  
Whau Ward Local Board



Dr Grant Hewison, PhD  
Lawyer specialising in  
Local Government



Craig Bodmin  
Patron

## Chair's Report

It has been an adventure to say the least and as I come to the finale in my place as chair I will indeed miss the role as it has challenged, educated and above all been a humbling one.

I would like to take this opportunity to thank the board for their combined expertise and time they have so generously given alongside their passion for a "stronger together" community that we all know as RBA.

I am clear in my mind that it is this contribution, creation of debates, questions as well as curiosity that contribute to the ongoing growth and success of the RBA and its partnerships.

*"The Road To Success Is Always Under Construction."*

The RBA CEO and staff have been relentless in redefining their roles to offer a team platform that works for the good of "ALL" A big thankyou to you for always playing full out ,especially in times of challenges and chaos, many of you have had your own personal challenges, just as we all do, however the quality of your work and commitment never falters.

### EVENTS

Rosebank "Where the Magic happens." Our June hosting held at Quality Hotel Lincoln was a festive celebration where we joined in the celebration of sporting history winning the Americas cup. We were proud to have Southern Spars and C-Tech as members whose kiwi world class innovation and excellence made the win possible. It was truly magical to be part of this celebration that can only happen in NZ.

**CEO Luncheons** - Interesting times were had leading up to this years election process (and continues as we speak )as party leaders and ministers were welcomed without prejudices at our CEO functions to speak to RBA members allowing members to have a voice and ask questions openly.

Being RBA Chair has allowed me to get a closer view into some of the people who represent us. I have gained a deep respect for these people as their level of commitment and compassion is relentless. I have nothing but absolute respect for you and you all know who you are.

**Hostings** - It would be remiss of me not to mention the evolution of the RBA hosting: Not a bunch of suits! any longer! The hosting's have developed into a more informed user friendly structure, not to mention there's more ladies at these events, whereas in the past they were quite noticeably absent. Sally Harris has set up break Out Wednesday as a women's business networking group, that meets monthly which really is a great support group for women. It works really well and to the point that the more we got to know each other the reality is that the existence of this group has indeed enhanced the RBA as many of these ladies now are members of both helping to feed our "Stronger Together" platform without diluting any of the RBA's mantra.

### PUBLICATIONS

The Rosebank roundabout monthly publication gets great feedback. Members proudly share their stories for us to print. The reach is far and wide as Rosebank is a major transitional link in the world of logistics with Central Park now strengthening our scope and reach by joining us in the race for a stronger west.

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**"The Road To  
Success Is Always  
Under Construction."**

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Electronic data messages are keeping us all in the loop not to mention the awesome sales where we receive VIP pre offers and invites to. Many RBA businesses I talk to boast increasing successful sales in Rosebank.

Electronic Newsletters of opportunities, events and updates keep us all on the ball. My favorite is the educational business leader lunches because they are interactive and insightful as well as motivational.

The value of the electronic data is its low cost and immediacy.

### **ADVOCACY**

*"Leadership is influence"*

RBA CEO Mike Gibson's ferocious curiosity in all things related to advocacy is one of the main strengths of the RBA leading to vital submissions with many successes on behalf of BID members. This has been the result of gaining partnerships and stronger relationships with numerous groups of influence in social, political, and economical environments and institutions.

### **SUMMARY**

*Mission accomplished*

My goal was to learn and develop as it has always been.

What I chose was to be someone willing to be vulnerable and accept help in the role.

How this impacted my life as a whole was overwhelmingly humbling as what I learnt was that people of influence and knowledge genuinely want to share their wisdom and expertise. My previous own independent way of conducting my business life did not create opportunities to grow and develop beyond the things I already knew.

Above all what is possible for me now is a new level of confidence that will enhance all areas of my life as well as those who come into it.

Bring it on!!!



A handwritten signature in black ink that reads "M. Maitland."

Michelle Maitland  
Chair  
Rosebank Business Association

## CEO's Report

If we are to measure the progress of the RBA during our last financial year there has never been a more accurate portrayal of our picture, than the statement, "People are your best asset", more particularly so in small operational teams like that of the RBA. Our income structure comprising:

- Public good target rate funding of \$395 K.
- Private good funding of close to \$300 K relies on the RBA team to drive continually to maximise the potential of RBA memberships. Membership is the blood in our veins, always has been and unless other more permanent methods of Income are found will always be so. It requires what Julie Stevens our membership manager calls constant "Pastoral Care" and that demands continual maintenance in the areas of new and existing marketing and membership follow ups.

On the asset side of the ledger in 2016/17 we have made good progress in these activities and combined with the enhanced efforts from Rosebank Plus business development mechanisms, the enthusiastic management from Julie Stevens has been significant. In behind this growth the support of our management team comprising Board Chair Michelle, fellow Marketing and Sales team member Phil Clode, Julie and myself meeting continuously to review current results has been pivotal to success. This has enabled better planning and resourcing support in driving us to achieve our Membership targets. Growth in membership reflects revenue opportunities in adjacent areas such as Partnership building, and it is clearly apparent that 2016/17 has seen the foundations being laid to build revenue and offset the losses of this last financial year. In behind these achievements we have benefited exponentially from some sterling support from Kelli in Accounting Management and Briar Dunn who has undertaken the combination of Event Management and Support roles with ease.

### Board Governance:

The RBA board has met as required (six times) during the financial year in addition to having some members attend the now Annual HR Strategic planning day (in February) facilitated by RBA board member Jason Ennor. This function enables the Board, management team and staff to analyse both the previous year's operational and Strategic performance and recognises and addresses the need to implement change where required. Given the H.R. and Health and Safety legislation regulations the emphasis in 2016/17 was clearly around "People and their Performance".

### Board Reporting Governance:

Of more recent times a new CEO board reporting template has been established clearly redefining the roles of your CEO by placing more emphasis with defined weighting on the strategic priorities achievement around

- Bid Regulation / Advocacy / Traffic - Transport / and the Whau Ward local board being 50%.

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In line with my observations about "People being our best Asset" we are looking forward to the fresh opportunities that our new structures will provide in ensuring your business community is always "Stronger Together".

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- Memberships/Partnerships 25%.
- Events including Pathways to the Future Trust, now managed internally by Phil Clode under RBA 15%
- Database Management online / website 10%.
- Of note with this division of duties and responsibilities has been the placement of Security in 2016/17. This is now fully contained separately under Rosebank Security Services Ltd as a wholly owned subsidiary of the RBA. While RSS has its own operational Board comprising two RBA board members and the RBA CEO, it is the intention that it operates at arm's length to the RBA and as a standalone financial entity. The Audit report reflects this establishment and refers to it under related parties to the RBA.



The end of this financial year also sees the termination of the RBA/ MOU with the Central Park Business Association. Their board have determined to enhance their own identity by undertaking this separation with a clear goal of establishing their own independence. We at Rosebank find this regretful in the future West Auckland business bigger picture of being “Stronger Together” however not all is lost with some selected activities such as the Roundabout magazine production and higher profile events remaining joint activities.

This AGM will also see the departure of long serving RBA Board members KAAR Owner Kelvin Armstrong, Rheem NZ’s General Manager Steve Bullock and regretfully their financial controller and RBA treasurer Tania Jordan. All three have contributed significantly to the RBA’s Board contributions and being such loyal community based members they will be missed immensely and I sincerely personally thank them all.

We do however look forward to the presence of Peter Batcheler from Southern Spars, Michael Hawkins (Blum NZ) and local Chartered Accountant director Steve Early from Symmetry Accounting.

In line with my observations about “People being our best Asset” we are looking forward to the fresh opportunities that our new structures will provide in ensuring your business community is always “Stronger Together”.

A handwritten signature in blue ink that reads "Mike Gibson". The signature is stylized and written in a cursive-like font.

Mike Gibson  
CEO  
Rosebank Business Association

## Treasurer's Report

### Welcome to the 2016/17 financial report of the Rosebank Business Association

The year ended 30 June 2017 concluded with a deficit of \$60k which was well above the budgeted deficit due to some large one off costs that arose through the year.

RBA revenue fell short of budget by 5% at \$669k mostly due to not achieving the Platinum Sponsorship budget. The budget revenue target was however a stretch target set at 10% growth over last year with no increase in BID grant revenue. Actual result was still a healthy 4% up on last year with the growth coming from increased Member Subscriptions and Website and Email Advert Income. Bid Grant revenue has actually dropped to 59% of total revenue as the RBA successfully tries to diversify its revenue stream and reliance on BID grant.

Expenditure in 2016/17 increased by 11% over last year although some of this increase was budgeted for and as a result actual costs were just 3% above budget. The RBA changed its staffing structure in 2016/17 and moved away from contractors to permanent staff. The office running costs including salaries at present are 73% of total expenditure. However this includes \$15k of increased costs, some only one-off, that were incurred by the RBA after losing the joint tenant Navigators Software Limited. RBA has now downsized space requirements and moved to new offices which will result in reduced cost in 2017/18. The other main areas of expenditure continue to be the production of the Rosebank Roundabout and the annual Business Directory. The RBA channels its remaining funds into organizing regular network hosting events and supporting local businesses and the community through various business development initiatives and sponsorships.

2016/17 also saw the merger of the Rosebank Securities Services (RSS) into the RBA, who now have 100% ownership. The RBA invested \$14k whilst the RSS is in its early stages of building business and improving the security services for its members.

#### Summary

2016/17 was a tough year with some big changes which resulted in some additional expenditure. Along with the increased office expenses mentioned above there was also an employment dispute which resulted in a termination cost of close to \$40k and is the main reason for the deficit posted in 2016/17. These additional costs have put a strain on the RBA's cashflow and as a result net assets for the year are -\$29k (excluding RSS). Whilst this is not ideal the RBA has learnt some valuable lessons from the experiences of 2016/17 and have taken steps to rectify the shortfalls in 2017/18 with a focus to ensure the previous year's losses are offset.

Unfortunately due to personal reasons and an attempt to regain some balance this will be my final year as Treasurer. My past two years as treasurer have been a great experience and I would like to thank the RBA staff and board members for all their assistance. I leave the RBA in very capable hands and believe that they will continue to serve the Rosebank community to a very high standard.



Tania Jordan  
Financial Controller, Rheem NZ



# Budget Year End June 2019

<b>INCOME</b>	<b>ACTUAL 2016/2017</b>	<b>BUDGET 2017/2018</b>	<b>FORECAST 2018/2019</b>
BID Grant Auckland Council	\$395,000	\$395,000	\$430,000
Business Directory Income	\$34,080	\$40,000	\$40,000
Christmas Function Ticket Sales	\$7,870	\$10,000	\$10,000
Events Income	\$0	\$15,000	\$15,000
Interest Received	\$130	\$0	\$0
Membership Subscriptions Income	\$82,705	\$80,000	\$80,000
Partnership Agreement Income	\$61,898	\$71,000	\$75,000
Pathways	\$0	\$5,000	\$10,000
Rosebank Plus Income	\$993	\$0	\$0
Rosebank Roundabout Income	\$69,614	\$85,000	\$85,000
Sundries	\$915	\$0	\$5,000
Website and Email Advert Income	\$15,961	\$20,000	\$20,000
<b>TOTAL INCOME</b> (Excludes all Pathways and RSS Transactions)	<b>\$669,168</b>	<b>\$721,000</b>	<b>\$770,000</b>

<b>INCOME</b>	<b>ACTUAL 2016/2017</b>	<b>BUDGET 2017/2018</b>	<b>FORECAST 2018/2019</b>
<b>Less Operating Expenses</b>			
ACC Levy Expenses	\$379	\$667	\$1,000
Accounting Fees	\$635	\$4,000	\$3,000
Administration Costs	\$258	\$5,100	\$5,000
Audit Fees	\$11,464	\$10,000	\$10,000
Bank Fees	\$1,184	\$1,220	\$2,000
Branding	\$1,344	\$10,000	\$10,000
Business Development - Rosebank Security Services	\$0	\$0	\$0
Business Development Initiatives	\$24,208	\$10,000	\$10,000
Business Directory Costs	\$17,831	\$25,000	\$25,000
Central Park Expenses	\$2,230	\$0	\$0
Christmas Function	\$20,461	\$10,000	\$10,000
Committee Meetings & AGM	\$6,586	\$6,000	\$5,000
Computer Expenses/IT	\$11,729	\$8,000	\$3,000
Consultancy	\$3,242	\$7,333	\$5,000
Database	\$3,781	\$2,400	\$5,000
Depreciation	\$9,066	\$10,000	\$10,000
Events	\$27,738	\$15,000	\$25,000
Human Resources	\$7,416	\$5,000	\$5,000
Insurance	\$12,043	\$14,000	\$14,000
Interest Paid	\$1,154	\$2,000	\$0
Legal Fees	\$15,041	\$5,000	\$5,000
Mainstreet Maintenance and Services	\$1,960	\$8,000	\$8,000
Management Expenses	\$8,778	\$8,000	\$7,000
Membership Expenses	\$0	\$3,000	\$5,000
Office Expenses	\$6,505	\$3,000	\$5,000
Other Expenses	\$32	\$0	\$0
Pathways	\$255	\$0	\$5,000
Postage and Courier	\$294	\$2,000	\$2,000
Printing & Photocopying	\$2,657	\$2,400	\$2,000
Relocation Costs - move to Jomac Place	\$0	\$5,000	\$0
Rent and Office Expenses	\$34,923	\$25,000	\$25,000
Rosebank Plus Expenses	\$3,242	\$6,000	\$10,000
Rosebank Roundabout	\$52,787	\$60,000	\$60,000
Security CCTV Costs	\$2,762	\$5,000	\$10,000
Signage & Plinth	\$0	\$0	\$15,000
Small Assets	\$7,004	\$5,000	\$0
Social Media, CRM Program	\$984	\$6,000	\$10,000
Sponsorship	\$26,065	\$15,000	\$15,000
Stationery	\$1,211	\$600	\$1,000
Strategic Planning	\$52	\$0	\$0
Subscriptions	\$280	\$0	\$5,000
Telephone and Internet	\$8,419	\$8,000	\$8,000
Training and Courses	\$391	\$6,000	\$10,000
Wages, Salaries and Contractors	\$391,621	\$382,000	\$400,000
Website and Maintenance	\$2,173	\$5,000	\$3,000
<b>Total Operating Expenses</b>	<b>\$730,203</b>	<b>\$705,720</b>	<b>\$759,000</b>
<b>NET PROFIT</b> (Excludes all Pathways and RSS Transactions)	<b>-\$61,034</b>	<b>\$15,280</b>	<b>\$11,000</b>

UHY Haines Norton (Auckland) Limited

Head Office

22 Catherine Street | Henderson | Auckland 0612 | New Zealand

PO Box 21143 | Henderson | Auckland 0650 | New Zealand

t: +64 9 839 0087 | f: +64 9 837 2992

info@uhyhn.co.nz | www.uhyhn.co.nz

25 October 2017

Executive Committee  
Rosebank Business Association Incorporated  
PO Box 151190  
New Lynn  
Auckland 0640

Dear Executive Committee

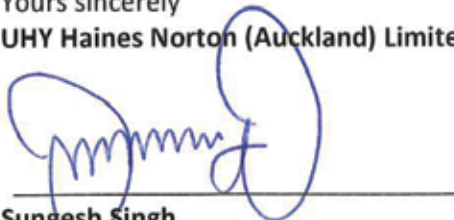
**Audit of the Performance Report of Rosebank Business Association Incorporated for the Year Ended 30 June 2017**

We have completed our audit of the above association's performance report for the year ended 30 June 2017. We enclose:

- A copy of the audited performance report for the year ended 30 June 2017.

We thank you for your instruction. Please do not hesitate to contact us should you have any queries.

Yours sincerely  
**UHY Haines Norton (Auckland) Limited**



**Sungesh Singh**  
Director  
Direct Dial: (09) 839 2184

Encl.

Auckland CBD Office  
4th Floor, Smith & Caughey Building  
253 Queen Street | Auckland 1010  
t: +64 9 303 5844

Kumeu Office  
329A Main Road | Kumeu 0810  
t: +64 9 412 9853

Helensville Office  
34 Commercial Road | Helensville 0800  
t: +64 9 420 7972

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UHY Haines Norton (Auckland) Limited

Head Office  
22 Catherine Street | Henderson | Auckland 0612 | New Zealand  
PO Box 21143 | Henderson | Auckland 0650 | New Zealand  
t: +64 9 839 0087 | f: +64 9 837 2992  
info@uhyhn.co.nz | www.uhyhn.co.nz

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROSEBANK BUSINESS ASSOCIATION INCORPORATED**

### **Report on the Performance Report**

We have audited the consolidated performance report of Rosebank Business Association Incorporated (the Group) on pages 8 to 18, which comprises the statement of financial performance and the statement of cash flows for the year ended 30 June 2017, the statement of financial position as at 30 June 2017, the statement of accounting policies and other explanatory information.

In our opinion, the performance report presents fairly, in all material respects, the financial position of the Group as at 30 June 2017 and of its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand 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)). 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 Rosebank 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 audit opinion.

Other than in our capacity as auditor we have compiled the performance report for the Group.

### **Emphasis of Matter**

Without modifying our opinion, we draw attention to Note 12 to the performance report which describe the uncertainty related to going concern of the Group. The performance report is prepared on a going concern basis, the validity of which depends on the ability of the Group to generate sufficient additional revenue to meet all costs for the year ended 30 June 2018. Our opinion is not modified in respect of this matter.

# R

**Raising the bar**

### Representing Rosebank Businesses

Our Roundabout magazine introduced and profiled 62 members in the last year.

### Raising Income

Public Good \$395,000

Private Good \$285,000 = \$680,000

see our financial report for more details

### Recognising Talent

We thrive to acknowledge, celebrate the business leaders and elite in our area and the 2016 BNZ West Auckland Business Hall of Fame saw the induction of Movie Maker John Barnett and Wine Maker Joe Babich.

### Roundabout distribution

Our magazine now reaches over 3,000 businesses in the West Auckland area. The RBA / CPHB Roundabout is a resourceful communication tool for business and general news and provides a sense of cohesion and community in the area.

### Rosebank Plus

The RBA have partnered with training providers such as the EMA, Smetric Consulting, BNZ and the ICE House and more to deliver assistance in the most common areas in which Businesses need help, like Strategic Thinking, Leadership, Financial Performance, HR and Marketing.

RBA hosted 4 events last year that were attended by over 100 people.

# E

**Being strong**

### Bringing the business

We firmly believe in our philosophy so we encourage networking events such as Business Leaders Breakfast attended by more than 1000 in 2016

### Business

We print and distribute our magazine now featuring 560 businesses and 560 listed on the directory

### Broadening our

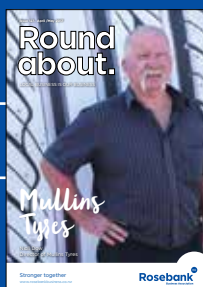
We are currently building our website and also developing a social media strategy

### Building P

We are currently working on the constitution for the Business Incorporated Society and have politically signed off to ensure it will be effective

# Rose

# Stronger



# B

Stronger together

### Bringing our community together

Our Stronger Together endeavour to facilitate such as CEOs lunches, breakfasts, Hostings in 1,000 people during 2016/17.

### Business Directory

Over 2000 directories of businesses, as well as available on our website.

### Expanding our online horizon

Building a new RBA and developing a greater social presence via Facebook.

### Partnership

By forming a new partnership and the Companies Act 1908 has been enacted. This new constitution



### Achieving highest number of memberships

With over 250+ signed members on our membership database.

### Advancing with Advocacy for the Future

Seeking better Transport and Traffic measures from Auckland Transport, Maintaining a Graffiti free environment and now via it's own Security company RSS providing and a security conscious community with it's own Patrols, Monitoring and other related services.

**Advocacy** is always at the forefront of our mission as a Business Association. Some online and verbal submission projects involved the RBA combining with other industrial business associations to illustrate unity and strength in numbers across common subject matter boundaries, i.e.

1. Versus Transpower with an appeal to the High Court challenging policies of the Unitary Plan with respect to Transmission land required.
2. The second Transpower appeal was to the Environment Court.
3. Submission to the Auckland Council Annual Budget 2017-18, where general rates were kept to 2.5%.
4. RBA submitted to the Whau Local Board Plan in May 2017 their ongoing considerable Traffic and Transport concerns.

### Awarding funds

We are committed to supporting the development of Youth programs such as Pathways to the Future trusts and last year contributed \$13,000 to it.

### Avondale College

via Avcoll First 15 Rugby co Sponsorship



### **Executive Committee's Responsibility 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 which comprises:
  1. the entity information;
  2. the statement of service performance; and
  3. 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 in New Zealand by the New Zealand Accounting Standards Board, and
- c. for such internal control as the Executive Committee determines is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Executive Committee is responsible for assessing the Group'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 intends to liquidate the Group 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) 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.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of the use of the going concern basis of accounting by the Executive 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 Group'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 performance report 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Executive 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.

#### Other Information

The Executive Committee is responsible for the other information. The other information comprises of entity information and statement of service performance, but does not include the financial information, and our auditor's report thereon.

Our opinion on the performance report does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the performance report, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Restriction on Responsibility

This report is made solely to the members, as a body, in accordance with the constitution of Rosebank Business Association Incorporated. Our audit work has been undertaken so that we might state to the members those matters we 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

*UHY Haines Norton (Auckland) Limited*

**UHY Haines Norton (Auckland) Limited**  
**Chartered Accountants**  
**Auckland**

*25<sup>th</sup> October 2017*

**Date**

*The network for doing business*

An association of independent firms in Australia and New Zealand and a member of UHY International, a network of independent accounting and consulting firms

## Entity Information

Rosebank Business Association Incorporated  
For the year ended 30 June 2017

### Legal Name of Entity

Rosebank Business Association Incorporated

### Entity Type and Legal Basis

Incorporated society under The Incorporated Societies Act 1908

### Registration Number

1164559

### Entity's Purpose or Mission

Creating a "safer, cleaner and smarter" business community by being "Strong Together".

### Entity Structure

The Society is governed by an Executive Committee. The Executive Committee consists of:

- An elected Chairperson and Treasurer;
- an uneven number of members; and
- no less than five voting members; and
- no more than seven voting members and two non-voting members.

The voting members of the Executive Committee shall be at least five full members of the Association and any other person appointed to be a voting member of the Executive Committee.

The Executive Committee may from time to time appoint any person who it considers appropriate, including the Local Board Representative, to be a non-voting member of the Executive Committee.

The Executive Committee may give consideration to achieving a selection of representation across the various types and categories of the businesses located within the BID Targeted Rating Area.

### Main Sources of Entity's Cash and Resources

- Targeted Rate BID Payment;
- Additional revenue from sponsorships, magazine advertising, Business Directory advertising, website and event advertising as well as business association membership subscriptions.

### Main Methods Used by Entity to Raise Funds

Utilising the marketing, sales and HR resources and mechanisms.

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

There is not a heavy reliance on volunteers and donated goods and services.

### Physical Address

1st Floor, Unit C, 485 Rosebank Road, Rosebank, Auckland, New Zealand

### Postal Address

P. O. Box 15 1190, New Lynn, Auckland, 0640

### Phone

(09) 820 0551

### Website

[www.rosebankbusiness.co.nz](http://www.rosebankbusiness.co.nz)

## Statement of Service Performance

Rosebank Business Association Incorporated  
For the year ended 30 June 2017

These aspects of the RBA's annual performance are best described as being recognised as being "The RBA's Silent Sales Team". There are no business plans to report against, no overarching financial parameters, they are the warm Business blood vessels that make us feel good and they don't keep us awake at night! ( nothing has changed in 2017 )

A brief summary shows these as follows:

### 1 Pathways to the Future Trust

Incorporated in 2008 and provides young employees with funding grants up to \$3,000 per awardee. The basic criteria is the employee must be nominated by their employer, be 18~30 years of age and show initiative in becoming a future middle manager employee. The Pathways Trust was previously managed by Haven Accounting with support from volunteers. Since December 2016 the RBA has assumed all operational aspects of the Pathways Trust and will continue to do so through 2017/18 .

	2017	2016
Number of awardees	9	11
Funding grant awarded	\$ 13,113	\$ 18,000

### 2 RBA Membership Subscriptions

This membership was developed to provide RBA businesses with other opportunities to grow their levels of contact with fellow Rosebank businesses. It includes controlled use of the RBA database, discounts on magazine and business directories, free attendance for two people at each RBA members hosting 10~11 annually, free attendance for each member's CEO, Director, CFO and General Manager, one free "This is our business " editorial in the Rosebank Roundabout, a free Enhanced Listing comprising up to 150 words, Photo & Picture for inclusion on the RBA website. This year saw the introduction of a new corporate members category for businesses like Banks and Real Estate type corporates who operate outside of Rosebank .

<u>Number of Subscriptions sold</u>	2017	2016
Standard	107	121
Enhanced	94	63
Associate	46	37
Sponsors	8	7
Corporate (a new category comprising 5 persons per membership)	2	-

### 3 Youth Connections

This program was suspended by the RBA pending an Auckland Council reorganisation and re allocation of resource .

	2017	2016
Number of youth attaining employment	nil .	10

### 4 Rosebank Roundabout Magazine

This full colour 40 page printed monthly magazine is the front door show piece for the RBA and its members. By nature of its free delivery and distribution, the magazine is available for all targeted rate members to read.

	2017	2016
Issues during the year	12	12
Copies distributed	30,000	30,000

### 5 Rosebank and Central Park Business Directory Annual Publication

	2017	2016
Copies distributed (CPBA included)	2,000	4,000

Other RBA beneficiaries and RBA sponsors assisted projects include:

Akarana and Muriwai Junior Golf	Sounds & Sirens Event
Avondale College 1st 15 Sponsorship	Te Atatu Football AFC
Unitec Charity Golf Sponsorship	Unitec Enterprise Challenge
Alexander Park Sponsors ( Smith & Partners) Race Night	Avondale Athletics Club
American Chamber of Commerce AmCham Golf Tournament	

## Statement of Financial Performance

Rosebank Business Association Incorporated  
For the year ended 30 June 2017

		Group	
	Notes	2017	2016
		\$	\$
<b>Revenue</b>			
Donations, fundraising and other similar revenue	1	395,000	395,000
Revenue from providing goods or services	1	195,453	175,472
Fees, subscriptions and other revenue from members	1	98,667	69,853
Other revenue		131	852
<b>Total Revenue</b>		<b>689,251</b>	<b>641,177</b>
<b>Expenses</b>			
Volunteer and employee related costs	2	394,065	356,814
Costs related to providing goods or service	2	305,612	268,719
Grants and donations made		26,066	15,615
Other expenses		23,606	16,571
Impairment of Goodwill	10	11,784	-
<b>Total Expenses</b>		<b>761,133</b>	<b>657,719</b>
<b>Surplus/(Deficit) for the Year</b>		<b>(71,882)</b>	<b>(16,542)</b>
Income tax expenses		-	-
<b>Deficit after Tax for the Year</b>		<b>(71,882)</b>	<b>(16,542)</b>

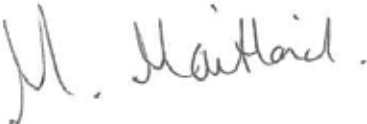
## Statement of Financial Position

Rosebank Business Association Incorporated  
As at 30 June 2017

	Notes	Group	
		2017	2016
		\$	\$
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash		36,946	102,230
Debtors and prepayments	3	51,948	63,840
<b>Total Current Assets</b>		<b>88,894</b>	<b>166,070</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	17,443	12,839
<b>Total Non-Current Assets</b>		<b>17,443</b>	<b>12,839</b>
<b>Total Assets</b>		<b>106,337</b>	<b>178,909</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	4	37,450	46,500
Employee costs payable	4	10,311	1,951
Unused donations and grants with conditions	4	98,750	98,750
<b>Total Current Liabilities</b>		<b>146,511</b>	<b>147,201</b>
<b>Total Liabilities</b>		<b>146,511</b>	<b>147,201</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>(40,174)</b>	<b>31,708</b>
<b>Accumulated Funds</b>			
Accumulated funds	6	(40,174)	31,708
<b>Total Accumulated Funds</b>		<b>(40,174)</b>	<b>31,708</b>

For and on behalf of the Executive Committee:

Dated: 24.10.17



Chairperson



Treasurer

This statement should be read in conjunction with the attached Auditor's Report and notes to the performance report.

## Statement of Cash Flows

Rosebank Business Association Incorporated  
For the year ended 30 June 2017

	Group	
	2017	2016
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Donations, Fundraising & Other Similar Receipts	395,000	491,305
Fees, Subscriptions & Other Receipts From Members	98,667	69,853
Goods and Services Tax (net)	939	7,687
Receipts from Providing Goods & Services	205,212	144,197
Payments to Suppliers & Employees	(713,582)	(621,818)
Donations or Grants Paid	(26,066)	(15,615)
<b>Net cash from/(to) the Operating Activities</b>	<b>(39,830)</b>	<b>75,609</b>
<b>Cash flows from Investing Activities</b>		
Purchase of Property, Plant & Equipment	(16,167)	(10,713)
Receipt from Sale of Property, Plant & Equipment	2,495	812
Acquisition of Subsidiaries, Net of Cash Acquired	(11,782)	-
<b>Net cash from/(to) the Investing Activities</b>	<b>(25,454)</b>	<b>(9,901)</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>(65,284)</b>	<b>65,708</b>
<b>Cash Balances</b>		
Bank accounts and cash at beginning of period	102,230	36,522
<b>Bank accounts and cash at end of period</b>	<b>36,946</b>	<b>102,230</b>

## Notes to the Performance Report

Rosebank Business Association Incorporated  
For the year ended 30 June 2017

Account	2017	2016
	\$	\$
<b>1. Analysis of Revenue</b>		
<b>Donations, fundraising and other similar revenue</b>		
Auckland Council - BID Grant	395,000	395,000
<b>Total Donations, fundraising and other similar revenue</b>	<b>395,000</b>	<b>395,000</b>
<b>Revenue from providing goods or services</b>		
Rosebank Roundabout advertising income	69,614	75,596
Rosebank Business Directory advertising income	34,080	31,385
Platinum Sponsorship income	61,898	59,445
Security services	20,082	-
Other services	9,779	9,046
<b>Total Revenue from providing goods or services</b>	<b>195,453</b>	<b>175,472</b>
<b>Fees, subscriptions and other revenue from members</b>		
Annual Membership Subscription	98,667	69,853
<b>Total Fees, subscriptions and other revenue from members</b>	<b>98,667</b>	<b>69,853</b>
<b>Other revenue</b>		
Interest received	131	852
<b>Total Other revenue</b>	<b>131</b>	<b>852</b>
<b>Total Analysis of Revenue</b>	<b>689,251</b>	<b>641,177</b>
Account	2017	2016
	\$	\$
<b>2. Analysis of Expenses</b>		
<b>Volunteer and employee related costs</b>		
Wages and salaries expense	235,468	114,990
Management fee	125,000	125,000
Contractors	33,218	116,763
ACC levy expenses	379	61
<b>Total Volunteer and employee related costs</b>	<b>394,065</b>	<b>356,814</b>
<b>Costs related to providing goods or services</b>		
Rosebank Roundabout expenses	52,787	58,586
Rent and office expenses	34,923	36,810
Business development initiatives	26,520	26,406
Networking Hostings	21,627	22,118
Christmas Function	20,461	20,727
Business directory costs	17,832	15,782
Security service costs	13,436	-
Other costs	118,026	88,291
<b>Total Costs related to providing goods or services</b>	<b>305,612</b>	<b>268,719</b>

## Notes to the Performance Report

Rosebank Business Association Incorporated  
For the year ended 30 June 2017

Account	2017	2016
	\$	\$
<b>3. Analysis of Assets</b>		
<b>Bank accounts and cash</b>		
Petty cash	46	-
BNZ Call Account	25,007	80,003
BNZ Account	5,608	22,227
Bank balance of RSS	6,285	-
<b>Total Bank accounts and cash</b>	<b>36,946</b>	<b>102,230</b>

As at 30 June 2017, the Group has an unsecured overdraft facility of \$80,000 from BNZ.

### Debtors and prepayments

Accounts receivable	38,747	47,819
Prepayment	12,660	-
Related party receivable	-	14,704
GST receivable	163	983
RWT	378	334
<b>Total Debtors and prepayments</b>	<b>51,948</b>	<b>63,840</b>

Account	2017	2016
	\$	\$
<b>4. Analysis of Liabilities</b>		
<b>Creditors and accrued expenses</b>		
Accounts payable	29,055	32,320
Accruals	8,395	14,180
<b>Total Creditors and accrued expenses</b>	<b>37,450</b>	<b>46,500</b>
<b>Unused donations and grants with conditions</b>		
Auckland Council - BID Grant in advance	98,750	98,750
<b>Total Unused donations and grants with conditions</b>	<b>98,750</b>	<b>98,750</b>
<b>Employee costs payable</b>		
Accrued leave liabilities	6,726	1,404
Salary and wages payable	3,585	547
<b>Total Employee costs payable</b>	<b>10,311</b>	<b>1,951</b>



## Notes to the Performance Report

Rosebank Business Association Incorporated  
For the year ended 30 June 2017

### 5. Property, Plant and Equipment

2017	Opening Carrying Amount \$	Purchases \$	Disposals \$	Current Year Depreciation \$	Closing Carrying Amount \$
Computer Equipment	3,104	2,359	-	3,869	1,594
Furniture	-	609	-	59	550
Office equipment	7,857	3,200	2,497	2,975	5,585
Signage	-	-	-	-	-
Plant and Equipment	1,878	-	-	297	1,581
Website Development	-	10,000	-	1,867	8,133
<b>Total</b>	<b>12,839</b>	<b>16,168</b>	<b>2,497</b>	<b>9,067</b>	<b>17,443</b>

2016	Opening Carrying Amount \$	Purchases \$	Disposals \$	Current Year Depreciation \$	Closing Carrying Amount \$
Computer Equipment	2,049	2,804	-	1,749	3,104
Furniture	-	-	-	-	-
Office equipment	3,427	7,909	812	2,667	7,857
Signage	-	-	-	-	-
Plant and Equipment	2,175	-	-	297	1,878
Website Development	2,501	-	-	2,501	-
<b>Total</b>	<b>10,152</b>	<b>10,713</b>	<b>812</b>	<b>7,214</b>	<b>12,839</b>

Account	2017 \$	2016 \$
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### 6. Accumulated Funds

Opening Balance	31,708	48,250
Current Year Earnings	(71,882)	(16,542)
<b>Closing Balance</b>	<b>(40,174)</b>	<b>31,708</b>

### 7. Commitments and Contingencies

#### Commitments

The Society entered into a sublease agreement for its new office with a monthly rent of \$2,000 starting 1 November 2017 and a renewal date 1 April 2022. (Last year - nil. Previous lease agreement renews yearly.)

	2017	2016
Less than one year	16,000	-
Between one and two years	24,000	-
Two to three years	24,000	-
Greater three years	42,000	-
<b>Total non-cancellable operating lease payments</b>	<b>106,000</b>	<b>-</b>

#### Contingent Liabilities and Guarantees

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

## Notes to the Performance Report

Rosebank Business Association Incorporated

For the Year Ended 30 June 2017

### 9. Related Party Disclosure

<u>Related Party Transaction</u>			2017	2016
			\$	\$
Related Party	Relationship	Description of the Transaction		
Rosebank Security Service Limited ("RSS")	Last year: Mike Gibson, the CEO of RBA, is also a director of RSS.	Expense paid on behalf of RSS	-	12,961
		Income received on behalf of RSS	-	3,257
MyHR Ltd.	Jason Ennor, member of the RBA Board, is also the director of MyHR.	Service provided to RBA	5,750	8,450
		Service received from RBA	1,190	949
P&L Events And Marketing Company Limited ("P&L")	Mike Gibson, the CEO of RBA, is also the director and shareholder of P&L.	Management fee paid	125,000	125,000
		Expense reimbursed	11,017	11,103
Central Park Business Association Incorporated ("CPBA")	CPBA and RBA have common Executive Committee members.	Expense paid on behalf of CPBA	40,730	32,119
		Income received on behalf of CPBA	44,100	36,135

<u>Related Party Balances</u>			2017	2016
			\$	\$
Related Party	Relationship	Nature of the balance		
Rosebank Security Service Limited ("RSS")	Last year: Mike Gibson, the CEO of RBA, is also a director of RSS.	Receivables	-	14,704
Central Park Business Association Incorporated ("CPBA")	CPBA and RBA have common Executive Committee members.	Payables	(3,370)	(4,016)

### 10. Business Combinations

On 21 December 2016, the society acquired 100% shares in Rosebank Security Service Ltd. Mike Gibson, the CEO of RBA, used to be a director and held one third of the shares of RSS. No considerations was transferred as a result of the acquisition while RSS had a negative \$11,784 of net identifiable assets acquired and liabilities assumed as at acquisition date. This was recognised as goodwill from business combination.

As at balance date, an impairment loss of \$11,784 on goodwill was recognised in the statement of financial performance.

### 11. 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).

## Notes to the Performance Report

Rosebank Business Association Incorporated

For the Year Ended 30 June 2017

### 12. Ability to Continue Operating

The Group has reported a loss of \$71,882, net operating cash outflows of \$39,830 and a negative net equity of \$40,174 for the year ended 30 June 2017. The Executive Committee has budgeted for a small surplus for the year ending 30 June 2018, and believe that the organisation can generate sufficient revenue from grants, sponsorship and membership subscriptions to meet all costs for the period of 12 months from the date of authorisation of this performance report. In addition, the going concern assumption is also strengthened by the unsecured bank overdraft facility of \$80,000 from BNZ.

In reaching this conclusion, the Management has considered the achievability of the 2018 financial performance approved by the Executive Committee, including the appropriateness of the assumptions underlying those forecasts. The Executive Committee acknowledge that there are material uncertainties within the forecast assumptions, which may cast doubt over the entity's ability to continue as a going concern. This performance report has been prepared on a going concern basis based on the successful outcome of the assumptions. This performance report does not include any adjustments that may need to be made to reflect the situation should the entity be unable to continue as a going concern.



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