

**Annual
Report
2018/2019**

Stronger together

www.rosebankbusiness.co.nz



People "are always
our best Asset"

RBA
Rosebank
Business Association

With grateful thanks to our partners



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Rosebank Business Association

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2018/19 AGM Agenda

4.30pm - 5.15pm

Registration - All members are requested to sign the RBA minute book.
Mix and Mingle - Refreshments provided

5.15pm - 6.00pm

1. AGM to commence. Welcome from RBA President and Chairperson Bernie McCrea.
2. Apologies to be received
3. Confirmation of minutes of the 2017/2018 RBA AGM held 18 October 2018
4. Copies of the 2017/2018 AGM minutes and copies of 2018/19 Annual Report will be available on the evening and available upon request prior
5. Statement and report from RBA Chair Bernie McCrea.
6. Financial report and adoption of the Annual audit report, from Treasurer Stephen Early
7. CEO Report - Mike Gibson
8. Presentation of 2020/21 RBA Indicative Budget for adoption
9. CEO to background the RBA constitutional requirements and procedures for the election of Officers
10. Election of officers, President, Treasurer, Executive – not less than five and not more than seven executive members and up to three non-voting members. Nomination forms for any other candidates seeking to be elected can be obtained from the RBA and must be signed and returned to the RBA at least seven days prior to the AGM meeting date of 10 October.
11. Re-appointment of Auditors / UHY Haines Norton
12. General business. Please note that any items of general business must be received in writing/ email by the RBA at least seven days prior to this meeting date.

6.00pm - 6.15pm

Pathways pledge form introduction by Julie Stevens.

6.15pm - 6.35pm

Comfort break and refreshments

6.35pm - 6.55pm

Eurotech Hosting – Shawn Bristow

6.55pm - Close

Mix and mingle continued

Management Group



PRESIDENT

Bernard McCrea
General Manager
Abbot Group



RBA CEO

Mike Gibson
RBA CEO



TREASURER

Stephen Early
Director/Owner
Symmetry Limited

Board of Governance



PRESIDENT

Bernard McCrea
General Manager
Abbot Group



TREASURER

Stephen Early
Director/Owner
Symmetry Limited



EXECUTIVE BOARD

Jason Ennor
Managing Director
MYHR



EXECUTIVE BOARD

Kelly Brown
Managing Director
Triquesta NZ



EXECUTIVE BOARD

Nikki Harris
Director/Owner
Intelligent Environments



EXECUTIVE BOARD

Peter Batcheler
General Manager
Southern Spars



EXECUTIVE BOARD

Natalie Bilyard
Group General Manager
Glidepath



EXECUTIVE BOARD

Dr Darius Singh
Director/Owner
Chrysalis Group



EXECUTIVE BOARD

Michael Hawkins
General Manager
BLUM NZ



EXECUTIVE BOARD

Tracy Mulholland
Whau Ward
Local Board



**NON VOTING
MEMBER**

Dr Grant Hewison, PhD
Lawyer specialising in
Local Government



**NON VOTING
MEMBER**

Craig Bodmin
Patron

Chairs Report

As you know our mantra is “Stronger Together” and we try our best to live the values that brings.

I started the 2018/19 Chairman’s report saying that, ‘much has been done, much remains,’ That essentially always remains the case and I am proud of the work the Rosebank Business Association has done this year and look forward to the new opportunities emerging for us next year.

As you know our mantra is ‘Stronger-Together’ and we try our best to live the values that brings. Earlier this year we wanted to review this and in February our Board completed this and also updated our 3-year Strategic Plan. To start this review we commissioned a survey of our members and we’re pleased to see their rating of us was at 100%. Post this review we still remain ‘Stronger-Together’ and our pathway of providing membership value is intricate to our success for you.

As a mid-size commercial business area, we still see strong occupancy (98%+) and essentially as one business moves out, another one moves in. The area is now seen as essentially the first gateway to the West off the motorway. The access to the Waterview tunnel and its connections to; the Airport, South Auckland businesses and the Central business district are seen as major attractions for coming here.

This is confirmed as we see new major developments coming to fruition, e.g. Kilprattick buildings on Pataki road. This will bring 600 new workers to the area. More of this can be seen with other developments with most of Jomac Place now full of business activity. On top of this is the re-purposing of many of the current older buildings up to modern specifications.

Traffic is still the number one thing that we work hard on at board level. My observation is with Auckland Transport it isn’t just the squeaky wheel that

gets their attention, as there are lots of traffic issues in Auckland, but a continued advocacy on behalf of the business district that achieves results. We can see some fruition of this with work commencing shortly on the four pedestrian refuges on Rosebank Road and, the tidying up of the Left Hand turn off Patiki road into the Rosebank roundabout. We are still working hard on the dual laning of Patiki road and for this we are currently third on the Auckland Transport waiting list for dual lanes. So albeit nothing will happen just now, at least it’s on the list and is being assessed.

Rosebank Security is one of our core offerings for the association. It connects us to what we originally started with as being a safe and secure place to do business. If you would like more information on this please see our CEO Mike Gibson for details.

This year saw our Membership grow to over 300+ members for the first time. I would like to thank Julie Stevens for her good work in this space. She had built up our value propositions through our Rosebank Plus events and our monthly Hosting’s. She has also done good work with our Pathways to the Future, with lots of awards being given out and a good partnership with EMA. She is now off to a new opportunity in a trade related field and leaves with our best wishes for her future.

Our flagship communication is the Roundabout magazine. It is well managed by Phil Clode and in my opinion a benchmark of business publications. It is a showcase for our local businesses and I am constantly surprised as to how many people know and read the Roundabout magazine around Auckland.

Financially our balance sheet is in good shape. It shows a steady recovery into

WE COMMISSIONED
A SURVEY OF OUR
MEMBERS AND WE’RE
PLEASED TO SEE THEIR
RATING OF US WAS

100%

ROSEBANK SECURITY
IS ONE OF OUR CORE
OFFERINGS FOR THE
ASSOCIATION

98%+
OCCUPANCY IN
COMMERCIAL
BUSINESS AREA

the black and I would like to thank the stewardship and guidance of our Treasurer – Stephen Early for his work this year. We have had a good audit and have a solid base to support our members going forward.

At this years AGM we say farewell to two of our long serving board members – Jason Ennor and Kelly Brown. They have both been on the board for 5+ years and I would like to thank them for their tremendous contributions on governance and their guidance to the RBA. To our remaining board members I thank them for their work throughout the year and, we have new board members being proposed this year so that is exciting and I look forward to working with them next year.

Finally, I would like to thank all the Rosebank team members who have worked hard for you from our CEO Mike

Gibson, Julie Stevens our Membership Manager, Phil Clode our Advertising and Publications Manager. Also, many thanks to our support staff; Kelli Tevaga, Anoushka de Gourley, Briar Dunn, along with our printers, sub- contractors and many others we use to make the RBA machine go faster.

Kind regards and thank you

Bernard McCrea
Chair
Rosebank Business Association



THIS YEAR
SAW OUR
PRIVATE
GOOD
MEMBERSHIP
GROW TO
OVER 300
MEMBERS
FOR THE
FIRST TIME

CEO's 2018/19 Report

Board Governance

We have met two monthly throughout the year under the chair of Bernie McCrea.

Members of the board are:

Craig Bodmin		Patron
Michael Gibson	RBA	CEO
Bernard McCrea	Abbott Insurance Brokers	Chair
Steve Early	Symmetry Limited	Treasurer
Kelly Brown	Triquesta International	
Michael Hawkins	Blum NZ	
Jason Ennor	MyHR	
Darius Singh	Chrysalis Group	
Nikki Harris	Intelligent Environments	
Tracy Mulholland	Whau Ward Local Board	
Natalie Bilyard	Glidepath	
Peter Batcheler	Southern Spars (Part of the year)	
Grant Hewison	Grant Hewison and Associates Ltd. Local Body Advisor.	

Summary

The Boards role is to see that good governance is in place and ultimately to see that management is right. Management meetings are held on a required basis, certainly monthly with freedom to develop robust discussions on performances. This year's good balance sheet performance is a product of these practices and has been driven by Chair Bernie and Treasurer Stephen Early and a board with those principles well in place. Emphasis has been on ensuring that a financial contingency is recorded (for a rainy day) and that our Auckland Council BID reporting and adherence to our major goals and objectives around Transport, Waste management, Security, RBA Membership and Business development for SME's is in place and has been accomplished. We are proud of the metrics achieved.

I'm saddened to see both Kelly Brown MD at Triquesta and Jason Ennor MD at MYHR retire from this board. Their forward thinking and sustained emphasis on governance protocols has been instrumental to ensuring our "boat keeps sailing" in the right direction and we look forward to their continued membership involvement and Rosebank presence.

Advocacy

We have continued to liaise with all bodies local and national whose business affects Rosebank. Sometimes this is directly on behalf of members but usually we adopt a more Auckland wide approach particularly in the areas of transport, traffic, safety and security.

Dr Grant Hewison has continued to provide very sound advice and via his monthly trolling of all of Auckland Councils Advocacy based activities ensures we are not left out of the loop. Part of this interaction during 2018/19 has been some café meetings with officials or M.P.s and robust discussions on what suits our members in addition to catching up with senior AT planners Stephen Rainbow and Melanie Alexander. Look to see real progress with the installation of 4x refuge crossings in Rosebank Road which will facilitate road crossing safety for pedestrians and will as a result of their location and construction act as a deterrent to Flush Median speed invaders.

SUSTAINABLE
MEMBERSHIP
GROWTH IS
VITAL TO OUR
WELLBEING

The submissions made by the RBA on your behalf are:

Output	Status
Insight Auckland Reporting to Board	Monthly & Ongoing
Advocacy Articles in Rosebank Roundabout	Monthly & Ongoing
Communications to Auckland Transport concerning ongoing transport/traffic congestion issues in Rosebank (including for example, container delivery times, Corridor Management Planning and proposed Speed Limits Bylaw)	Monthly & Ongoing
Presentation to Independent Commissioners on the Regional Stormwater Network Discharge Consent	November 2018
Meeting with Hon. Phil Twyford, Minister of Transport and Housing	November 2018
Consideration given to making a submission on the proposal for land status changes for Saunders Reserve	November 2018
Submission to the Auckland Transport Regional Public Transport Plan	December 2018
Submission to the Auckland Council Budget 2019/2020 (AKBIDS)	March 2019
Submission to the Whau Local Board Budget 2019/2020	March 2019
Enquiries into the Auckland Council Signage Bylaw review	March 2019
Submission to Auckland Council - Our Water Future - Three Waters Strategy (AKBIDS)	April 2019
Enquiries into the pedestrian refuge crossings planned for Rosebank Road	May 2019
Enquiries into the dynamic laning on Whangaparaoa Peninsula (and future plans for Patiki Road)	May 2019
Enquiries into the Industry Pollution Prevention Programme for Rosebank	May 2019
Submission to the proposed new Auckland Council Trade Waste Bylaw	June 2019
Submission to the proposed new Auckland Council Waste Management and Minimisation Bylaw	June 2019
Enquiries into the regulation of telecommunications cell phone towers (5G)	June 2019

Submission Responsibilities undertaken by Grant Hewison, Mike Gibson and Bernie McCrea.

Membership Sales Performance

Sustainable membership growth is vital to our wellbeing. It is what drives our partnerships which in turn fuels the demand for the Rosebank Plus business workshops plus the other major events with our keynote speakers. We have recognized what drives our membership and can plan well with a keen focus towards our core business of providing the right service to members. Our aim is to increase our percentage of targeted rated members and the focus on this for the 2018/19 year has seen us achieve for the RBA its best above budget profit. This in its turn allows us to plan comfortably for the future knowing we have “wiggle room” should unforeseen circumstances arise.

Recognition of this is seen in the results of Julie and the team in achieving 300 plus private good memberships as a first as well setting the scene for mechanisms such as the acquisition of a partnership relationship with Andy Hamilton at the **Icehouse**. While the Partnership agreement needs to be inked in 2020 an owner/manager package will be available at a discounted price to the RBA for use as a tool to encourage owner/managers in RBA businesses in this category to participate and add real value to what they do.

Rosebank Roundabout

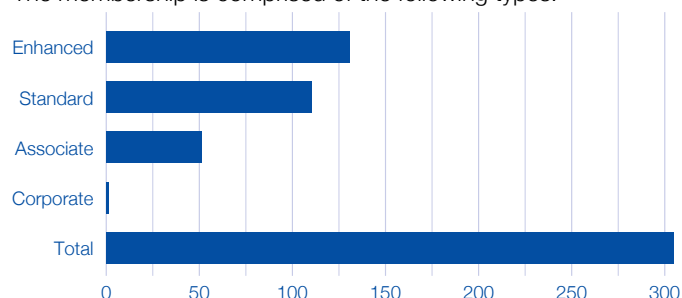
It's often quoted that the greater the adversity the greater the triumph! Perhaps that's embellishing the reality a little too much but frankly the breakdown in July 2018 of our Central Park BA relationship certainly was the catalyst for sparking the development of “The Home that Rosebank Built” a simple development and sales tool that drove Phil Clode and his team to create editorial features founded on building or renovating Homes that would encourage that sector of the property market

to help local Rosebank businesses commit to advertising support, put simply we created “Features that sold advertising not advertising that sold features”.

Thus after 10 consecutive issues success has been achieved setting the trend and template for other categories perhaps such as Marine and Events maybe to follow.

Key Outputs

The membership is comprised of the following types:



Partners

Smith and Partners	Spark Business	Bayleys Real
Estate	MyHR	Abbott Insurance
Brokers	BNZ	Babich Wines
Paramount Services	EMA	Icehouse
The Waitakere Licensing Trust		

We have now added Icehouse and are looking to add Qatar Airways in conjunction with APX who are a travel booking agency and currently a member of RBA.

Event Activities

It has been a very busy 2018/19 with:

Future Growth

We are currently planning an expansion programme where we create an associate membership category which will operate under the Mantra of "The Western Gateway" It will have its own branding in order not to compromise the RBA brand and its initiatives, but rather build its own identity as it emerges from New Lynn (Commercial /Industrial), Wolverton Road, Kelston and Span Farm. These are commercial /Industrial precincts that exist with little in the way of SME business development tools. This will provide a broader base from which we can grow and develop synergies within the two entities. This brand will operate under the Rosebank Plus banner to maintain this autonomy.

Social Media and Databases

2018/19 has seen an increase in our focus on these means of reaching our members and offering valuable information and advertising. There is a regular Facebook page which is monitored and charted for activity which has been on an increase all year. Our website is related and updated regularly on a weekly basis.

We have also tracked our database and ensured it is always up to date using the Act system which allows us to incorporate the Western Gateway members in a different field.

Pathways to the Future Trust

Nine recipients have been awarded scholarships since October 2018. There have been similar amounts given in cash and EMA courses and while there is still money in the bank we are negotiating with the EMA to roll this Pathways program into the same mechanism as our RBA business development.

Summary

In addition to losing Kelly Brown and Jason Ennor from our RBA Board I am also saddened with the departures of key staff in Kelli (now working full time as Treasurer at Summerland Primary School), Julie, off to the Master Builders Federation as membership manager and Briar who managed our events in partial retirement. These changes of personnel will however create opportunities for others with it timely to reset our cash flow and employment roles with existing staff thus ensuring their fit produces the right balance of churn and productivity. Following this AGM we will have new Board members in Stefan Crooks and Janine Roberts joining us for the 2019/2020 years and beyond, they are both industrious, successful in their own endeavours, we welcome them and look forward to their contributions in 2019/2020.

Best wishes to all and grateful thanks to all contributors.



Mike Gibson
CEO
Rosebank Business Association

818 ATTENDEES
ACROSS 15 EVENTS

WITH AN
AVERAGE
SATISFACTION
RATING OF
91.7%



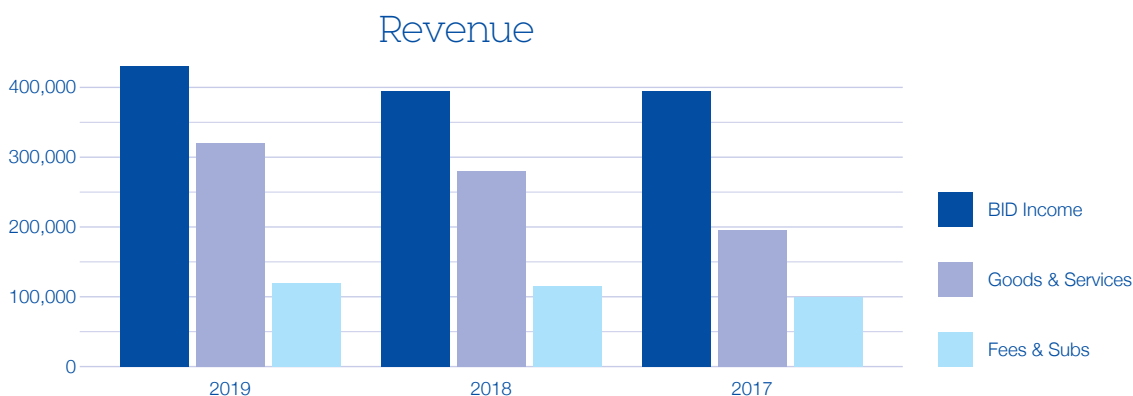
Treasurer's Report

Welcome to the 2018/19 financial report of the Rosebank Business Association

The year ended 30 June 2019 resulted in a profit of \$75k (Last year \$20k) about 8.6% of total Revenue.

The result allows the RBA to operate without having to increase membership subscription, met its expense obligations as they fall due and pay for unseen/budgeted expenditure.

About half of this profit increase was attributable to the concerted efforts by Mike and his team to improve the value of services provided and the balance was due to an increase in the BID income.



Total Revenue increased 10.4% (Last Year 14.5%). Of this total increase on last year's sales, goods and services increased 13.2% and subs increased 7.4% respectively. The increase in subs was due to an increase in RBA membership without any increase in actual amount of subscriptions payable by RBA members.

With only BID and membership income to rely on but with plenty of reasons to spend Revenues obtained, the RBA is focused on:

- a) delivery of services in a more efficient fiscally responsible manner;
- b) increasing the proportion of Revenue from goods and services thus reducing reliance on BID income and membership and without compromising BID representation; and.
- c) Increasing advocacy without the worry of not being able to engage in an ever increasing complex and costly process due to fiscal constraints.

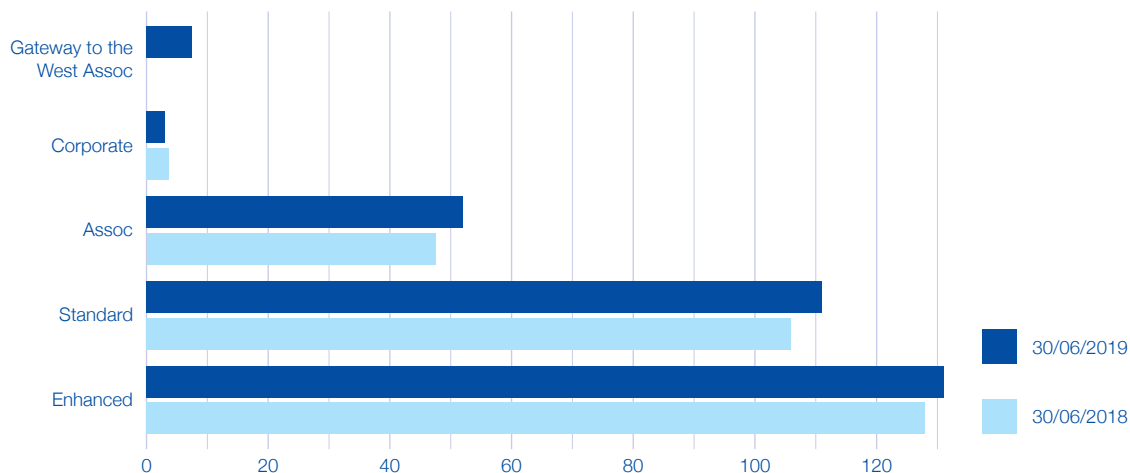
Overall Non-Bid Income increased by \$45k (last year \$100k) or 11.5% You will note from the graph above that this growth in Revenue was spread evenly across the board. The upcoming year is unlikely to see such dramatic increases in Revenue and membership but we know that in order to better represent the RBA community we need to continually look after the Revenue we have while looking to increase and improve where that Revenue comes from.

Although Revenue was increased 10.5% the trick to passing the increase to a bottom line profit is to contain the expenditure in a sustainable way. Expenditure increased year on year only \$25k or less than 3.5% of Total Revenue. Of course the Financials do not capture the whole picture as missing the significant time and cost that goes into those behind the scene engagements, particularly with regard to advocacy.

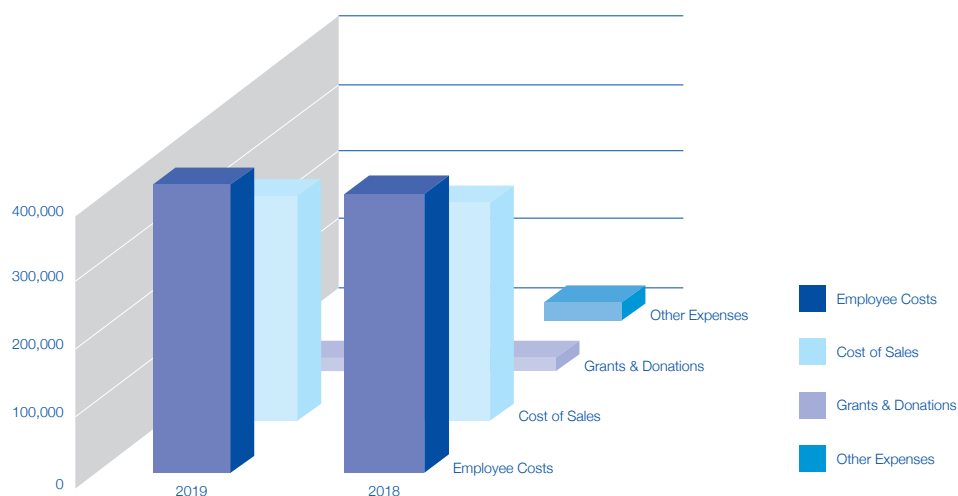
THE YEAR ENDED
30 JUNE 2019
RESULTED IN A
PROFIT OF
\$76K

TOTAL REVENUE
INCREASED
10.4%

Number of Subscriptions



The financial objectives of the upcoming year are to continually improve the Revenue and operation of the RBA in order to repair the balance sheet, which is just about there. The RBA needs to build such reserves for when things do not pan out as has happened in the past. Currently, I am happy to advise, the RBA has less liabilities than assets to the extent of \$56k (Last year there was a shortfall of \$19k). Like NZ or the household budget, if we do not have monies in the tin we will have to find it from somewhere when called upon. This would be particularly challenging for a non-profit organisation such as the RBA when that unexpected surprise arrives. Your elected Trustee's would not enjoy handing the tin around to members to cover any shortfall of funds.



Luckily, your RBA executive, led by Mike and his team, are very much focused on addressing the issue over the longer term and in a sustainable manner. This is while managing the increase complexity and 'opportunities' created in advocating and delivering services for you, the RBA member.

I look forward to reporting a continued improved result for the 2018/19 year and thank you for the opportunity to serve the RBA community.

Stephen Earlly
Director/Owner, Symmetry Limited



Budget Year End June 2020

INCOME		BUDGET 2018/2019	ACTUAL 2018/2019	BUDGET 2019/2020	INDICATIVE 2020/2021
1	BID Grant Auckland Council	\$430,000	\$430,000	\$455,000	
2	Business Directory Income	\$30,000	\$29,795	\$40,000	
3	Christmas Function Ticket Sales	\$10,000	\$0	\$7,500	
4	Events Income	\$15,000	\$27,486	\$12,500	
5	Goods n Kind	\$0	\$18,871	\$40,000	
6	Interest Received	0	\$67	\$0	
7	Partnership Agreement Income	\$40,000	\$36,890	\$60,000	
8	Project Income	\$0	\$0	\$10,000	
9	RBA Membership Subscriptions Income	\$95,000	\$117,465	\$120,000	
10	Rosebank Plus Income	\$5,000	\$0	\$5,000	
11	Rosebank Roundabout Income	\$160,000	\$132,248	\$160,000	
12	Sundry Income	\$10,000	\$6,830	\$0	
13	Website and Email Advert Income	\$15,000	\$9,526	\$10,000	
14	Western Gateway Membership Income	\$0	\$3,987	\$20,000	
15	TOTAL INCOME (Excludes all RSS Transactions)	\$810,000	\$813,165	\$940,000	\$975,000
Less Cost of Sales					
16	Business Development Initiatives	\$25,000	\$19,224	\$20,000	
17	Business Directory Costs	\$17,000	\$8,310	\$12,000	
18	Christmas Function	\$10,000	\$475	\$10,000	
19	Contractors	\$35,000	\$39,915	\$30,000	
20	Events	\$30,000	\$40,943	\$35,000	
21	Rosebank Plus Expenses	\$5,000	\$9,610	\$0	
22	Rosebank Roundabout	\$88,000	\$83,563	\$104,000	
23	Wages and Salaries Expense	\$250,000	\$237,286	\$275,000	
24	Total Cost of Sales (Excludes all RSS Transactions)	\$460,000	\$439,325	\$486,000	\$540,000
25	Gross Profit (Excludes all RSS Transactions)	\$350,000	\$373,839	\$454,000	\$435,000
Less Operating Expenses					
26	ACC Levy Expenses	\$1,000	\$564	\$2,000	
27	Accounting Fees	\$3,000	\$1,425	\$2,000	
28	Administration Costs	\$4,000	\$440	\$2,000	
29	Advocacy	\$0	\$2,100	\$2,000	
30	Audit Fees	\$10,000	\$10,052	\$10,000	
31	Bad Debts	\$3,000	\$708	\$3,000	
32	Bank Fees	\$2,000	\$1,105	\$2,000	
33	Branding	\$7,000	\$3,304	\$0	
34	Committee Meetings and AGM	\$7,000	\$3,887	\$5,000	
35	Computer Expenses/IT	\$4,000	\$5,540	\$5,000	
36	Consultancy	\$5,000	\$3,000	\$5,000	
37	Database/CRM	\$6,000	\$5,328	\$7,000	
38	Human Resources	\$2,000	\$1,800	\$2,000	
39	Insurance	\$15,000	\$14,967	\$16,000	
40	Legal Fees	\$2,000	\$860	\$2,000	
41	Mainstreet Maintenance and Services	\$6,000	\$2,575	\$5,000	
42	Management Expenses	\$10,000	\$9,815	\$12,000	
43	Management Fees	\$135,000	\$135,000	\$145,000	
44	Membership Expenses	\$5,000	\$10,656	\$6,000	
45	Office Equipment Rental	\$0	\$4,975	\$6,000	
46	Office Expenses	\$6,000	\$4,857	\$6,000	
47	Printing & Photocopying	\$2,000	\$2,360	\$3,000	
48	Rent	\$25,000	\$24,660	\$25,000	
49	Small Assets	\$3,000	\$1,771	\$3,000	
50	Social Media	\$5,000	\$6,824	\$15,000	
51	Sponsorship	\$20,000	\$21,109	\$18,000	
52	Stationery & Postage	\$3,000	\$1,900	\$3,000	
53	Strategic Planning	\$1,000	\$716	\$2,000	
54	Subscriptions	\$1,000	\$280	\$5,000	
55	Telephone and Internet	\$7,000	\$6,121	\$7,000	
56	Training and Courses	\$2,000	\$3,051	\$5,000	
57	Vehicle Expenses	\$0	\$0	\$11,000	
58	Website Maintenance	\$3,000	\$1,596	\$2,000	
59	Western Gateway Expenses	\$0	\$3,060	\$10,000	
60	Total Operating Expenses (Excludes all RSS Transactions)	\$305,000	\$296,406	\$354,000	
Non Operating Expenses					
61	Contingency Reserve	\$0	\$0	\$30,000	
62	Depreciation	\$12,000	\$10,985	\$15,000	
63	Interest Paid	\$1,000	\$2	\$0	
64	Total Non Operating Expenses (Excludes all RSS Transactions)	\$13,000	\$10,987	\$45,000	
65	NET PROFIT (Excludes all RSS Transactions)	\$32,000	\$66,447	\$55,000	
66	RSS Net Profit		\$8,645		
67	Net Profit per Financial Statements		\$75,092		\$0

**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 & Group (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 2019, the statement of financial position as at 30 June 2019, 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 2019 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 & Group 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 no relationship with, or interests in the Group.

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:
 - the entity information;
 - the statement of service performance; and
 - 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 will 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, statement of service performance and the annual report, 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

25th September 2019

UHY Haines Norton (Auckland) Limited
Chartered Accountants
Auckland

Date

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4th Floor, Smith & Caughey Building
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The network for doing business

Entity Information

Rosebank Business Association Incorporated
For the year ended 30 June 2019

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 "Stronger 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.

Additional Information

Physical Address

18 Jomac Place, Rosebank, Auckland, 1026

Postal Address

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

Phone

(09) 820 0551

Website

www.rosebankbusiness.co.nz

Statement of Service Performance

Rosebank Business Association Incorporated

For the year ended 30 June 2019

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 form the basis of our engagement with all our Partners.

A brief summary shows these as follows:

1 Pathways to the Future Trust

Incorporated in 2008 and provides young employees with funding grants of up to \$3,000 per awardee. The basic criteria is the employee must be nominated by their employer, be 18~35 years of age and show initiative in becoming a future middle manager employee. Since December 2016 RBA has assumed all operational aspects of Pathways Trust and has continued to do so through 2018/19. Pathways now has a secondary form of funding through a relationship established in 2017 by RBA with EMA (Employers and Manufacturers Association), whereby RBA encourage likely Pathways recipients to select a course offered by EMA to best assist them in future with their business careers. EMA offer a broad range of business development and training courses. These courses are gifted to RBA by way of an offset whereby EMA assume a preference from RBA in terms of being able to expand both their own membership to RBA members and undertake business development training with RBA membership directly if required.

	2019	2018
Number of awardees	9	8
Funding grant awarded	\$ 16,249	\$ 14,962

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 and picture for inclusion on the RBA website.

<u>No of Subscriptions sold</u>	2019	2018
Standard	111	106
Enhanced	131	128
Associate	57	47
Sponsors	10	10
Corporate	3	4

3 Rosebank Roundabout Magazine

This full colour, 40 page magazine is printed monthly and is the front door show piece for RBA and its members. By nature of its free delivery and distribution to all businesses in the Rosebank Business precinct the magazine is available for all targeted rate members and their employees (about 9000 FTE's) to read.

	2019	2018
Issues during the year	12	12
Copies distributed	25,000	30,000

4 Rosebank Business Directory Annual Publication

	2019	2018
2000 copies distributed to Rosebank businesses in May 2019	2,000	2,000

Other RBA beneficiaries and RBA sponsors assisted projects include:

Alexander Park Sponsors (Smith & Partners) Race Night	Going West Writers Festival
American Chamber of Commerce - AmCham Golf Tournament	Akarana Junior Golf
Auckland Chamber of Commerce - Westpac Business Awards	Te Whakaora Tangata
Sounds & Sirens Event	
Don Oliver Youth Sport Foundation	
Encounter Christian Centre Christmas Event	
Foster Hope Pyjama Appeal	
Muriwai Golf Corporate	

Statement of Financial Performance

Rosebank Business Association Incorporated & Group

For the year ended 30 June 2019

		Group	
	Notes	2019	2018
		\$	\$
Revenue			
Donations, fundraising and other similar revenue	1	448,871	395,000
Revenue from providing goods or services	1	299,618	281,376
Fees, subscriptions and other revenue from members	1	121,452	113,087
Other revenue		67	18
Total Revenue		870,008	789,481
Expenses			
Volunteer and employee related costs	2	419,476	404,808
Costs related to providing goods or service	2	328,510	319,805
Grants and donations made		21,109	19,494
Other expenses		25,821	25,486
Total Expenses		794,916	769,593
Surplus for the Year		75,092	19,888
Income tax expenses		-	-
Surplus for the Year		75,092	19,888


Statement of Financial Position


Rosebank Business Association Incorporated & Group
As at 30 June 2019

	Notes	2019 \$	Group 2018 \$
Assets			
Current Assets			
Bank accounts and cash	3	184,773	105,657
Debtors and prepayments	3	47,903	38,043
Total Current Assets		232,676	143,700
Non-Current Assets			
Property, Plant and Equipment	5	11,326	16,225
Total Non-Current Assets		11,326	16,225
Total Assets		244,002	159,925
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	35,203	34,445
Employee costs payable	4	26,726	36,702
Unused donations and grants with conditions	4	113,750	107,500
Income received in advance	4	11,954	-
Total Current Liabilities		187,633	178,647
Total Liabilities		187,633	178,647
Total Assets less Total Liabilities (Net Assets)		56,369	(18,722)
Accumulated Funds			
Accumulated surpluses / (deficits)	6	56,369	(18,722)
Total Accumulated Funds		56,369	(18,722)

For and on behalf of the Executive Committee:

Dated: 24 9 19


Chairperson


Treasurer

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

Statement of Cash Flows

Rosebank Business Association Incorporated & Group
For the year ended 30 June 2019

	Group	
	2019	2018
	\$	\$
Cash Flows from Operating Activities		
Donations, Fundraising & Other Similar Receipts	436,250	403,750
Fees, Subscriptions & Other Receipts From Members	117,465	293,423
Goods and Services Tax (net)	8,619	1,669
Receipts from Providing Goods & Services	315,626	113,104
Payments to Suppliers & Employees	(771,655)	(715,476)
Donations or Grants Paid	(21,109)	(19,494)
Net cash from/(to) the Operating Activities	85,196	76,976
Cash flows from Investing Activities		
Purchase of Property, Plant & Equipment	(6,080)	(8,265)
Net cash from/(to) the Investing Activities	(6,080)	(8,265)
Net Increase/(Decrease) in Cash	79,116	68,711
Cash Balances		
Bank accounts and cash at beginning of period	105,657	36,946
Bank accounts and cash at end of period	184,773	105,657

Notes to the Performance Report

Rosebank Business Association Incorporated & Group

For the year ended 30 June 2019

Account	2019 \$	2018 \$
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Auckland Council - BID Grant	430,000	395,000
Goods in Kind	18,871	-
Total Donations, fundraising and other similar revenue	448,871	395,000
Revenue from providing goods or services		
Rosebank Roundabout advertising income	132,248	91,721
Rosebank Business Directory advertising income	29,795	36,545
Partnership Agreement Income (previously known as Platinum Sponsorship income)	36,890	60,367
Rosebank Plus Income	-	11,570
Security services	56,843	44,339
Other services	43,842	36,835
Total Revenue from providing goods or services	299,618	281,376
Fees, subscriptions and other revenue from members		
Annual Membership Subscription	121,452	113,087
Total Fees, subscriptions and other revenue from members	121,452	113,087
Other revenue		
Interest received	67	18
Total Other revenue	67	18
Total Analysis of Revenue	870,007	789,482
<hr/>		
Account	2019 \$	2018 \$
2. Analysis of Expenses		
Volunteer and employee related costs		
Wages and salaries expense	237,286	232,497
Management fee	135,000	135,000
Contractors	46,626	36,641
ACC levy expenses	564	670
Total Volunteer and employee related costs	419,476	404,808
Costs related to providing goods or services		
Rosebank Roundabout expenses	83,563	56,097
Rent and office expenses	34,492	31,336
Business development initiatives	19,224	20,088
Events	40,943	62,884
Christmas Function	475	22,685
Business directory costs	8,310	6,990
Security service costs	41,487	26,650
Other costs	100,016	93,075
Total Costs related to providing goods or services	328,510	319,805

Notes to the Performance Report

Rosebank Business Association Incorporated & Group
For the year ended 30 June 2019

Account	2019 \$	2018 \$
3. Analysis of Assets		
Bank accounts and cash		
Petty cash	4	46
BNZ Call Account (001)	141,297	85,010
BNZ Account	19,751	12,470
BNZ Call Account (002)	9,004	-
BNZ Call Account (003)	2,556	-
Bank balance of RSS	12,161	8,132
Total Bank accounts and cash	184,773	105,657

As at 30 June 2019, RBA has an unsecured overdraft facility of \$48,000 and business visa facility with a limit of \$2,000 from BNZ Bank.

Debtors and prepayments

Accounts receivable	41,934	25,014
Prepayment	9,420	10,833
Related party receivable	2,418	1,676
GST (payable) / receivable	(6,300)	111
RWT	431	409
Total Debtors and prepayments	47,903	38,043

Account	2019 \$	2018 \$
4. Analysis of Liabilities		
Creditors and accrued expenses		
Accounts payable	24,503	19,937
Related party payable	-	(414)
RBA Visa	676	-
Accruals	10,024	14,922
Total Creditors and accrued expenses	35,203	34,445
Employee costs payable		
Accrued leave liabilities	11,763	11,991
Salary and wages payable	14,963	24,711
Total Employee costs payable	26,726	36,702
Unused donations and grants with conditions		
Auckland Council - BID Grant in advance	113,750	107,500
Total Unused donations and grants with conditions	113,750	107,500
Income received in advance		
Hall of Fame Funds	2,554	-
BNZ Partnership Agreement - Event	5,000	-
Spark Partnership Agreement - Event	4,000	-
Abbott Insurance Brokers - Roundabout advertising July	400	-
Total Income received in advance	11,954	-

Notes to the Performance Report

Rosebank Business Association Incorporated & Group

For the year ended 30 June 2019

5. Property, Plant and Equipment

2019	Opening Carrying Amount	Purchases	Disposals	Current Year Depreciation	Closing Carrying Amount
	\$	\$	\$	\$	\$
Computer Equipment	1,578	4,668	-	3,409	2,837
Furniture	1,106	-	-	126	980
Leasehold Improvements	3,661	-	-	366	3,295
Office equipment	5,745	1,417	-	3,183	3,979
Website Development	4,135	-	-	3,900	235
Total	16,225	6,085	-	10,984	11,326

2018	Opening Carrying Amount	Purchases	Disposals	Current Year Depreciation	Closing Carrying Amount
	\$	\$	\$	\$	\$
Computer Equipment	1,594	1,865	-	1,881	1,578
Furniture	550	1,200	534	110	1,106
Leasehold Improvements	-	3,923	-	262	3,661
Office equipment	5,585	4,143	872	3,111	5,745
Plant and Equipment	1,581	-	1,457	124	-
Website Development	8,133	2	-	4,000	4,135
Total	17,443	11,133	2,863	9,488	16,225

Account	2019	2018
	\$	\$

6. Accumulated Funds

Opening Balance	(18,722)	(38,610)
Current Year Earnings	75,092	19,888
Closing Balance	56,369	(18,722)

7. Commitments and Contingencies

Commitments

The Society has a sublease agreement for its office with a monthly rent of \$2,000 starting 1 November 2017. The renewal date is 1 April 2022.

	2019	2018
Less than one year	24,000	24,000
Between one and two years	24,000	24,000
Two to three years	18,000	24,000
Greater than three years	-	18,000
Total non-cancellable operating lease payments	66,000	90,000

8. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (2018 - nil).

Notes to the Performance Report

Rosebank Business Association Incorporated & Group
For the Year Ended 30 June 2019

9. Related Party Disclosure

Related Party Transactions

Related Party	Relationship	Description of the Transaction	2019	2018
			\$	\$
MyHR Ltd	Jason Ennor, member of the RBA Board, is also the director of MyHR	Service provided to RBA	1,035	1,200
		Service received from RBA	3,904	5,898
		"In-kind" services provided to RBA	3,000	2,333
P&L Events And Marketing Company Limited ("P&L")	Mike Gibson, the CEO of RBA, is also the sole director and shareholder of P&L	Management fee paid	135,000	135,000
		Expense reimbursed	15,225	13,427
		Expenses paid on behalf of P&L	2,572	-
		Refund of above expenses paid	2,572	-
IC Frith (now known as Abbott Insurance Brokers Ltd - see further transactions below)	Bernard McCrea, Chairman of the RBA Board, was also General Manager Life & Health, IC Frith	Service provided to RBA	N/A	2,407
		Service provide from RBA	N/A	7,670
Abbott Insurance Brokers (previously know as IC Frith)	Bernard McCrea, Chairman of the RBA Board is also General Manager, Life, Health, Mortgages, Investments at Abbott Insurance Brokers	Service provided to RBA	4,011	-
		Service provided from RBA	10,300	2,575
Fullworks International	Hamish Mackie, members of RBA Board is also Chairman of Fullworks International	Service provided to RBA	1,356	2,559
		Service provided from RBA	1,145	1,145
Blum NZ	Michael Hawkins, member of RBA Board, is also Managing Director of Blum	Service provided to RBA	-	-
		Service provided from RBA	2,775	490
Intelligent Environments	Nikki Harris, member of RBA Board, is also Director of Intelligent Environments	Service provided to RBA	-	N/A
		Service provided from RBA	1,490	N/A

Notes to the Performance Report

Rosebank Business Association Incorporated & Group
For the Year Ended 30 June 2019

Related Party Balances

Related Party	Relationship	Nature of the balance	2019	2018
			\$	\$
MyHR Ltd	Jason Ennor, member of the RBA Board, is also the director of MyHR	Payables	-	(86)
		Receivables	454	-
P&L Events And Marketing Company Limited ("P&L")	Mike Gibson, the CEO of RBA, is also the director and shareholder of P&L	Payables	-	-
		Receivables	1,964	1,676

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 30 June 2017, 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. (2018: Nil).

UHY Haines Norton (Auckland) Limited

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

25 September 2019

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

Dear Executive Committee

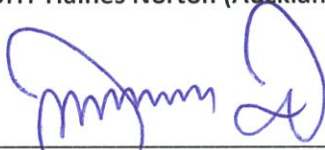
**Audit of the Performance Report of Rosebank Business Association Incorporated and Group
for the Year Ended 30 June 2019**

We have completed our audit of the above group's performance report for the year ended 30 June 2019. We enclose:

- A copy of the audited performance report for the year ended 30 June 2019; and
- Report to the Executive Committee (including Executive Committee responses).

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.



Stronger together

www.rosebankbusiness.co.nz