Treasurer's Report Presented at the Waiuku Business & Development Association Annual General Meeting on 21/10/26

Financial Overview and Accountability Statement for the Financial Year Ended 30th June 2026

Introduction

On behalf of the Board, it is my privilege to present the Treasurer's Report to the members at this Annual General Meeting (AGM). This report provides a comprehensive overview of the association's financial performance and position for the past financial year, as well as insight into our current and projected fiscal health.

1. Conflict-of-Interest/Register of Interest Confirmation

Register Maintenance:

The Treasurer confirms that a conflict-of-interest process is in place for the 2026 AGM reporting period. Any actual, potential, or perceived conflicts of interest are to be declared, recorded in the register, and managed in accordance with the organisation's governance expectations.

Current Status:

As of the date of this AGM, there have been no conflicts of interest that have materially impacted Board decision-making or the financial management of the association. This is reviewed at each meeting to ensure transparency and integrity in our operations.

2. Accounting Policies and Operating Procedures

Policy Framework:

The association adheres to the New Zealand Generally Accepted Accounting Practice (NZ GAAP) and complies with all relevant financial reporting standards and regulatory requirements. Our accounting policies remain consistent with those applied in the previous financial year, covering areas such as revenue recognition, asset capitalisation, depreciation, expense allocation, and grant management.

Operating Procedures:

Day-to-day financial operations are guided by detailed procedures, including dual signatory requirements on all payments, monthly bank reconciliations, budget monitoring, and quarterly internal reviews. These processes ensure fiscal accountability and provide assurance to members and stakeholders. Our financial records are audited annually by an independent external auditor, with their report circulated to all members prior to the AGM.

Members may notice that this year's financial statements look slightly different. In accordance with the new financial reporting requirements, we have assessed our organisation's reporting obligations and are now formally reporting under Tier 3. Our accounts have therefore been prepared using Accrual-basis accounting in line with the standards issued by the External Reporting Board (XRB). This change ensures that we continue to meet our statutory obligations while providing members and the public with a clearer, more consistent view of our financial position.

3. BID Targeted Rate Grant: Unspent or Saved Funds

Grant Management:

The Business Improvement District (BID) targeted rate grant forms a significant portion of our annual funding. During the reporting period, the association received a total of $155,820 in targeted rate funds.

Unspent or Saved Funds:

At this year-end with review of our Indicative BID Income and Expenditure budget for financial year 25-26 we have spent all our $155,820 in targeted rate funds.
Any remained unspent is due to delays in planned projects and event delivery.
In line with policy, these funds will be reallocated to the originally intended projects or other eligible BID activities in the coming financial year, subject to Board approval.

Cash Reserves for Transformation/Projects:
Projects can be difficult to forecast and budget for. Sometimes the costs for a project may span over multiple years or involve purchase of an asset (software) that is written off as an expense over two to three years.
This Reserve is for when there is an identified stream of work (or streams), and the cash outlays will exceed the normal annual budget for both project costs and amortisation/depreciation. This Reserve therefore will potentially change each year

4. Current and Projected Financial Position

Current Financial Position
As at 30 June 2026, the Association held cash reserves of $55,852.00 and had no outstanding debts other than normal trade payables incurred in the ordinary course of operations. Total assets include town flags, Christmas Street lighting, event merchandise, and other items detailed in the financial report. Liabilities remain limited to outstanding town credit notes recorded to date.
The Association's net equity has remained stable compared with the previous financial year, demonstrating prudent financial management, effective cost control, and a continued focus on maintaining sufficient reserves to support ongoing operations and community initiatives.

Projected Financial Situation
Looking ahead, the Association is well positioned to meet its financial obligations and continue delivering on its strategic objectives. Forecasts for the upcoming year indicate stable income from the BID targeted rate, disciplined expenditure, and planned investment in new projects that support the town centre and local business community.
Key risks include potential fluctuations in local business activity, sponsorship income, and changes to grant conditions. These risks will continue to be monitored through regular financial reviews, enabling the Association to respond appropriately and maintain a sound financial position.

5. Budget Management: Surplus/Deficit Actions

Current Year Results:
For the year ended June 2026 the association recorded a budgetary deficit. This result was driven by reduced grant income, CCTV maintenance and upgrading, rising expenses from inflation such as Power, insurance increases and rent rises for the building.

Planned Actions
- In the event of a surplus, the Board will consider increasing project allocations, enhancing or bringing forward strategic initiatives.

- In the case of a deficit, cost-control measures will be implemented, non-essential expenditure will be deferred, and alternative funding sources will be sought to deliver events, to ensure ongoing financial sustainability.

Conclusion

In summary, the association's financial management remains sound, transparent, and responsive to opportunities and challenges.
The Board remains committed to strong governance, regular review of internal controls, and clear communication with members.

These practices support prudent stewardship and position the association to remain financially sustainable and responsive in the years ahead.

On behalf of the WBDA Board I wish to thank the Franklin Local Board, their staff and members for their ongoing support and contribution to the association's continued success.

Please refer to the appended audited financial statements and supporting documentation for further detail. Questions or requests for clarification are welcome during the AGM or by contacting Myself the Treasurer directly.

Presented respectfully,
Julie Powell
Treasurer
Waiuku Business & Development Association
7/10/2026