



Treasurer's Report

Business North Harbour – Financial Year Ended 30th June 2025

This report outlines some of the high-level financial details from the audited accounts. For members that wish to examine a little deeper into the financial performance of Business North Harbour, the full audited accounts are available at www.businessnh.org.nz/AGM2025.

Overview

The financial performance of Business North Harbour for the year ended 30th June 2025 reflects another strong year with further improvement in our equity position. The organisation has again demonstrated solid financial management, resulting in a surplus of \$57,931 for the year. This surplus, along with strategic investments and cost management, has contributed to a strengthened financial position for the Association.

We have plans to utilise some of the surplus to invest in additional CCTV coverage within the BID and to hold a BID expansion ballot in mid-2026, whilst continuing to maintain the delivery of all our programmes, services and world class events to our members.

Financial Performance

Total Revenue for the year amounted to \$1,114,900, which was slightly more than the budgeted revenue of \$1,113,141 but was lower than the previous year's total of \$1,130,926. Key revenue streams included:

- NHBID Targeted Rate Levy \$822,085, the primary source of revenue, which remained stable and in line with the budget.
- Partnership Income \$110,808, which exceeded expectations and budget but was around \$20,000 lower than 2024.
- Function & Events Income \$78,189, which was below budget and below the previous year's income.

The reductions in partnership and events income appear to be indicative of the ongoing difficult economic climate that members are continuing to navigate.

On the expense side of the ledger, total expenses of \$1,033,928 were kept under control, coming in below the budgeted \$1,099,193. The main cost components included:

- Employee-related expenses \$513,361

□ Member programmes and services \$351,932. This was considerably below the budget of \$418,257 as some events were cancelled during the year due to various factors including insufficient registrations.

□ Lease and rental expenses \$96,490.

As shared with members at the AGM 2024, we utilised some of the surplus from the previous financial year to:

- fund a BID expansion feasibility project
- upgrade the BNH website
- replace old desk top computers with new laptops
- purchase some branded promotional materials
- repair/upgrade our roadside plinths.

The organisation recorded a net surplus before depreciation of \$80,972, which after depreciation adjustments, left a final surplus for the year of \$57,931, providing a solid foundation for the 2025-2026 financial year. As noted earlier, we are planning to utilise some of this surplus to:

- invest in additional CCTV resources within the BID
- complete the BID expansion ballot in mid-2026.

Financial Position

Total Assets as at 30th June 2025, increased to \$708,745, a substantial rise from \$510,062 in 2024. This increase is largely due to the early payment of the first instalment of the Targeted Rate Grant for the current financial year which totalled \$205,521 and:

□ Continued term deposit investments targeted to ensure maximum return on idle funds. \$251,151. As a prudent financial measure, some of this deposit is set aside to cover one year's rent.

Total liabilities increased to \$317,646 from \$176,893 in the previous year. This was primarily due to the early payment of the first instalment of the Targeted Rate Grant for the current financial year which totalled \$205,521.

Equity Position

The total equity of Business North Harbour as at 30th June 2025 stands at \$391,099, an improvement of \$57,930 from the prior year, reflecting the surplus generated during the year. This strengthened equity figure places the organisation in a strong financial position, allowing for future investment as noted above.

Conclusion

Business North Harbour has achieved excellent financial results in the 2024-2025 financial year. The organisation's ability to generate additional revenue while controlling costs, has led to a surplus and increased equity. Consequently, Business North Harbour is well-positioned to continue delivering value to its members and stakeholders while maintaining a healthy financial position moving forwards.

Yours Sincerely

Lisa Hill

Finance Committee Chair