Treasurer's Report

Business North Harbour (BNH) – Financial Year Ended 30th June 2026

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/AGM2026.

Conflict Of Interest Register:

I can confirm that the Conflict Of Interest Register has been completed for the 2025 – 2026 financial year and is available as part of the AGM documentation at www.businessnh.org.nz/AGM2026.

Accounting Policies and Operating Procedure Documents:

I can confirm that BNH has a detailed Finance Policy which contains all the operational procedures to be followed by the team, and I can also confirm that this policy is reviewed annually by the Executive Committee and amended if and when necessary.

Financial Overview:

The financial performance of Business North Harbour for the year ended 30th June 2026, reflects another strong year when, as predicted in last year's report, we were able to invest in additional CCTV coverage within the BID and to initiate the BID expansion project. Additionally, we temporarily employed another BNH Ambassador for 20 hours per week and were able to purchase additional office equipment (desk, chairs and laptops) to ensure the efficacy of our organisation. BNH has again demonstrated solid financial management, resulting in a deficit of ($28,719) for the year compared to a budgeted deficit of ($15,049). The deficit hasn't materially affected the organisation, as BNH still remains in a strong financial position as noted later in this report.

Moving forwards, this will enable BNH to maintain the Ambassador part-time position as a permanent role, complete the BID expansion project and increase the number of events, programmes and services available to our members in the current financial year. All of this can be achieved whilst maintaining sufficient funds to cover a minimum of three months operating expenses as per the guidelines for prudent financial management.

Financial Performance

Total Revenue for the year amounted to $1,048,805 which was less than the budgeted revenue of $1,101,137 and was lower than the previous year's total of $1,114,900. Key revenue streams included:

☐ NHBID Targeted Rate Levy $846,727, the primary source of revenue, which remained stable and in line with the budget.

☐ Partnership Income $95,483, which exceeded expectations and budget but was around $15,000 lower than 2025. The reduction in partnership income over the last few years appears to be indicative of the ongoing difficult economic climate that members are continuing to navigate.

☐ Function & Events Income $44,341, which was below budget and below the previous year's income mainly due to the fact that we decided to hold the Business Excellence Awards biennially, so they will now be held in the current financial year.

On the expense side of the ledger, total expenses of $1,047,849 were kept under control, coming in below the budgeted $1,096,106. The main cost components included:

☐ Employee-related expenses $552,019

☐ Member programmes and services $314,278. This was considerably below the budget of $402,499 again mainly due to the re-scheduling of the Business Excellence Awards as noted above.

☐ Lease and rental expenses $98,352 were largely the same as the previous year.

The organisation recorded a net surplus before depreciation of $956, which after depreciation adjustments, left a deficit for the year of ($28,719) as noted above.

Financial Position As At 30th June 2026

Total Assets stood at $509,937, which included continued term deposit investments of $298,808 targeted to ensure maximum return on idle funds, with some of this deposit being set aside to cover one year's rent as per our Lease Agreement.

Total liabilities stood at $147,017 with nothing of significance or out of the ordinary to note.

Equity Position As At 30th June 2026

The total equity of Business North Harbour stands at $362,380, a reduction of $28,719 from last year, reflecting the deficit noted above. This equity figure places the organisation in a strong financial position, allowing for the future investment as also noted above.

Conclusion

Business North Harbour has achieved another year of well manged financial results in the 2025-2026 financial year. The organisation's ability to generate additional revenue while controlling costs, has enabled BNH to maintain a sound financial platform which again bodes well for the future investment of idle funds noted above. Consequently, Business North Harbour is well-positioned to

continue delivering value to its members and stakeholders while maintaining a healthy financial position.

Yours Sincerely



Sarah Filipo

Finance Committee Chair