

# Performance Report

Central Palmerston North Business Improvement District  
Incorporated  
For the year ended 30 June 2022

Prepared by Coombe Smith (PN) Ltd

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# Compilation Report

## Central Palmerston North Business Improvement District Incorporated For the year ended 30 June 2022

Compilation Report to the Directors of Central Palmerston North Business Improvement District Incorporated.

### Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Central Palmerston North Business Improvement District Incorporated for the year ended 30 June 2022.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

### Responsibilities

The executive committee are solely responsible for the information contained in this financial report and have determined that the accounting policies used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

### No Audit or Review Engagement Undertaken by this Firm

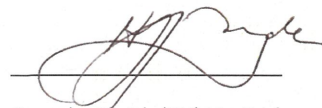
Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed. However, an audit has been conducted by CKS Audit and we refer readers to the audit report.

### Independence

We are not independent of Central Palmerston North Business Improvement District Incorporated known as Palmy BID because Hamish Pryde of Coombe Smith (PN) Ltd is a director and shareholder of Coombe Smith (PN) Ltd and a board member of Palmy BID.

### Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on this financial report.



Coombe Smith (PN) Limited

Chartered Accountants

Palmerston North

Dated: 31 August 2022

## Entity Information

### Central Palmerston North Business Improvement District Incorporated For the year ended 30 June 2022

#### 'Who are we?', 'Why do we exist?'

Palmy BID will give Palmy's CBD the voice and influence to make our city safe, more vibrant and enticing.

#### Legal Name of Entity

Central Palmerston North Business Improvement District Incorporated

#### Entity Type and Legal Basis

Incorporated Society

#### Registration Number

Society Number 2743094

NZBN 9429047632240

GST 134-814-918

#### Entity's Purpose or Mission

##### Our Vision:

Palmy BID to be recognised as the best regional city BID in New Zealand.

"A successful BID is a successful city"

##### Our Mission:

Palmy BID will create a vibrant, connected city centre where everyone feels supported, thrives and wants to be.

#### Entity Structure

The entity is an incorporated society whose governance is undertaken by an executive committee. Its members are those businesses that operate within the designated BID city centre area.

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

The BID's main source of funding as a targeted rate set by the Council pursuant to section 16 of the Local Government (Rating) Act 2002, levied on the geographic area designated as the business improvement district.

#### Main Methods Used by Entity to Raise Funds

At present no fundraising activities have been undertaken.

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

The Executive Committee members have volunteered their time.



### **Additional Information**

What we are involved in:

1. City Infrastructure
2. Promotion
3. Advocacy/Submissions
4. Information/Sharing
5. Safety/Security

For further information of the Palmy BID's objectives and activities please refer to the website [www.palmybid.co.nz](http://www.palmybid.co.nz)

### **Physical Address**

Palmy BID, 9A Northcote Business Park, 86 Grey Street, Palmerston North, 4410

### **Postal Address**

Palmy BID, 9A Northcote Business Park, 86 Grey Street, Palmerston North, 4410

# Approval of Financial Report

## Central Palmerston North Business Improvement District Incorporated For the year ended 30 June 2022

The executive committee are pleased to present the approved financial report including the historical financial statements of Central Palmerston North Business Improvement District Incorporated for year ended 30 June 2022.

APPROVED

Rob Campbell

Robert Campbell

Chairperson

Date ..... 01/09/2022

# Statement of Service Performance

## Central Palmerston North Business Improvement District Incorporated For the year ended 30 June 2022

'What did we do?', 'When did we do it?'

### Description of Entity's Outcomes

With reference to the funding agreement and the strategic priorities of business collaboration, business development, marketing and support, co-creation of places and public space activation, advocacy and city centre revitalisation the following table outlines key performance outcomes.

	2022
<b>Description and Quantification of the Entity's Outputs</b>	
Facebook Followers	163
Beam Scooter Night Attendees (Guided Art Tour)	40
Advocacy Council Meetings (Minimum Estimate)	20
Regent Arcade Bonanza (Estimated Attendees)	1,500
Pop-up Easter Family Event (Estimated Attendees)	800

Advocacy meetings with the council included: safety and security, council annual report, parking framework, street landscaping (including Cuba Street), regional public transport plan for 2022/2023 with Horizons Regional Council and civil and cultural precinct.

### Description and Quantification of the Entity's Outputs

#### City Infrastructure

- Palmy BID has a "seat at the table" for future CBD infrastructure projects including streets are people.
- We worked alongside our Square East businesses to help articulate their voices over the construction process. This was influential in terms of effecting change to the final outcomes.
- We are looking forward to collaborating and supporting the next stage of this development which is due to start in 2022.

#### Promotion

- Working alongside local government bodies we brought the "Choose Manawatu" campaign to fruition post Covid-19 lockdown to highlight Palmy businesses. This is an area marked for further development.
- We have also assisted with some of the city activations in the past year such as downtown market.

#### Advocacy/Submissions

- We took a successful delegation to council to publicly voice the opinion of our CBD businesses to the extension to parking hours. We will consult with PNCC for the overall city parking review due 2022 to ensure there is a balance between car parking spaces and traffic flow within the CBD.

#### Information Sharing

- We provided businesses with critical information during and after the Covid-19 lockdown and throughout the various stages in 2021.
- We helped ensure that Palmy CBD businesses were included the digital boost workshops earlier in the year.

#### Safety/Security

- This is high on our agenda to actively promote crime prevention and ensure a safe city for all.

# Statement of Financial Performance

Central Palmerston North Business Improvement District Incorporated  
For the year ended 30 June 2022

'How was it funded?' and 'What did it cost?'

	NOTES	2022
<b>Revenue</b>		
Donations, fundraising and other similar revenue	1	250,001
Revenue from providing goods or services	1	313
<b>Total Revenue</b>		<b>250,314</b>
<b>Expenses</b>		
Costs related to providing goods or service	2	38,944
Other expenses	2	7,489
<b>Total Expenses</b>		<b>46,433</b>
<b>Surplus/(Deficit) for the Year</b>		<b>203,881</b>

This should be read in conjunction with the compilation report, accounting policies, notes to the accounts and the independent auditor's report.

# Statement of Financial Position

Central Palmerston North Business Improvement District Incorporated  
As at 30 June 2022

'What the entity owns?' and 'What the entity owes?'

	NOTES	30 JUN 2022
<b>Assets</b>		
<b>Current Assets</b>		
Bank accounts and cash	3	214,895
Debtors and prepayments	3	1,038
<b>Total Current Assets</b>		<b>215,933</b>
<b>Total Assets</b>		<b>215,933</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Creditors and accrued expenses	4	12,052
<b>Total Current Liabilities</b>		<b>12,052</b>
<b>Total Liabilities</b>		<b>12,052</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>203,881</b>
<b>Accumulated Funds</b>		
Accumulated surpluses or (deficits)	5	203,881
<b>Total Accumulated Funds</b>		<b>203,881</b>

This should be read in conjunction with the compilation report, accounting policies, notes to the accounts and the independent auditor's report.

# Statement of Cash Flows

## Central Palmerston North Business Improvement District Incorporated For the year ended 30 June 2022

2022

### Cash Flows from Operating Activities

Donations, fundraising and other similar receipts	250,001
Cash receipts from other operating activities	313
GST	7,721
Payments to suppliers and employees	(43,140)
<b>Total Cash Flows from Operating Activities</b>	<b>214,895</b>

**Net Increase/(Decrease) in Cash** **214,895**

### Bank Accounts and Cash

Opening cash	-
Net change in cash for period	214,895
Closing cash	214,895

This should be read in conjunction with the compilation report, accounting policies, notes to the accounts and the independent auditor's report.



# Statement of Accounting Policies

## Central Palmerston North Business Improvement District Incorporated For the year ended 30 June 2022

'How did we do our accounting?'

### Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

### Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

### Income Tax

Central Palmerston North Business Improvement District Incorporated is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions, being CW40 of the Income Tax Act 2007 as a local or regional promotion body.

### Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

### Tier 2 PBE Accounting Standards Applied

No tier 2 accounting policies have been applied.

### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period. This is the first year of trading.

### Revenue Recognition

Revenue from council, government and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met (use or return condition). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

# Notes to the Performance Report

## Central Palmerston North Business Improvement District Incorporated For the year ended 30 June 2022

2022

### 1. Analysis of Revenue

#### Donations, fundraising and other similar revenue

PNCC Funding	250,001
<b>Total Donations, fundraising and other similar revenue</b>	<b>250,001</b>

#### Revenue from providing goods or services

Site Rental Sales	313
<b>Total Revenue from providing goods or services</b>	<b>313</b>

2022

### 2. Analysis of Expenses

#### Costs related to providing goods or services

Accountancy - Administration	995
Advertising	1,250
Bank Fees	17
Computer Expenses	80
Consultancy Fees	1,140
Event Expenses	2,118
Event Management Costs	990
General Expenses	107
Hireage	45
Insurance	282
Management Fees	20,000
Printing & Stationery	72
Rent	3,332
Subcontractors - Engagement Officers	8,145
Subscriptions - Xero	372
<b>Total Costs related to providing goods or services</b>	<b>38,944</b>

#### Other expenses

Accountancy Fees	700
Audit Fees	2,660
Legal expenses	4,129
<b>Total Other expenses</b>	<b>7,489</b>

2022

### 3. Analysis of Assets

#### Bank accounts and cash

BNZ Operating Account	214,895
<b>Total Bank accounts and cash</b>	<b>214,895</b>

#### Debtors and prepayments

Prepayments	1,038
<b>Total Debtors and prepayments</b>	<b>1,038</b>

2022

### 4. Analysis of Liabilities

#### Creditors and accrued expenses

GST	7,071
Accounts Payable	4,981
<b>Total Creditors and accrued expenses</b>	<b>12,052</b>

2022

### 5. Accumulated Funds

#### Accumulated Funds

Accumulated surpluses or (deficits)	203,881
<b>Total Accumulated Funds</b>	<b>203,881</b>

<b>Total Accumulated Funds</b>	<b>203,881</b>
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### 6. Commitments

The Palmy BID has assumed responsibility for the safe city host program which provides security personnel on the ground in the central city on Thursday, Friday and Saturday nights. Palmy BID has entered into a contract with the Palmerston North City Council (PNCC) to receive funding for the period 1st July 2022 to 30th June 2025 and entered into a Security Services agreement with First Security to provide the security personnel for the same period.

### 7. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2022 (Last year - nil).

### 8. Significant Grants and Donations with Conditions not Recorded as a Liability

The society has not received any grants or donations subject to conditions.

### 9. Related Parties

During the period the following related party transactions occurred:

Accounting services were provided by Coombe Smith (PN) Ltd in the normal course of business at market value. Hamish Pryde is a director and shareholder of Coombe Smith (PN) Ltd and also an executive board member of Palmy BID.

There were no other transactions involving related parties during the period.

#### 10. 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).

#### 11. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.



## INDEPENDENT AUDITOR'S REPORT

*To the Members of Central Palmerston North Business Improvement District Incorporated*

### Report on the Financial Statements

#### Opinion

We have audited the financial statements in the performance report of Central Palmerston North Business Improvement District Incorporated (the Society) on pages 8 to 14 which comprises of the statement of financial position as at 30 June 2022, the statement of financial performance and statement of cash flows for the year then ended, and the notes to the performance report and the statement of accounting policies.

In our opinion, the financial statements on pages 8 to 14 presents fairly, in all material respects, the financial position of Central Palmerston North Business Improvement District Incorporated as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with the requirements of 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 in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described below in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* 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 opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Central Palmerston North Business Improvement District Incorporated.

#### Restriction on Responsibility

This report is made solely to the members, as a body. 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 members as a body, for our audit work, for this report, or for the opinion we have formed.

#### Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based, on the work we have performed, 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.

#### The Executive Committee's Responsibility for the Financial Statements

The Executive Committee are responsible on behalf of the society for the preparation and fair presentation of the

financial statements in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit), and for such internal control as the Executive Committee’s determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Committee are responsible on behalf of the entity for assessing the entity’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 entity or to cease operations, or has no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements taken as a whole are 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 the financial statements.

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

- identify and assess the risks of material misstatement of the financial statements, 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 entity'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 financial statements 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 entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Executive Committee’s 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.

*CKS Audit*

**CKS Audit**

3 September 2022