

Treasurer's Report to Annual General Meeting – FY24

We commenced the YE Jun 2024 (FY24) financial year with \$116,519 in total accumulated funds. We ended the year with \$121,346 in Total Accumulated Funds.

For further context of FY24 (FY23 comparative) we report:

- Bank Account Funds as at 30 June 2024 are \$118,923 (FY23 \$66,782)
- Deferred income FY24 is \$0 Auckland City's BID funding now aligns with "Balance Date". (FY23 \$0)
- Retained earnings FY24 is a surplus of \$4,828 (FY23 was a surplus of \$28,643)

Our FY24 budget targeted spending more than our annual income to reduce the closing bank balance to a lower proportion of annual income, however during the year Inland Revenue was investigating the legitimacy of the Association collecting GST on inputs (refunds). As part of this investigation, they had advised that there was a possibility of requesting a \$250,000 return of previous GST Refunds. The Association took a conservative approach and delayed part of its program until the investigation was completed. After taking 14 months to resolve the investigation the Department released all held GST Refunds on 17 June 2024.

The Association is preparing a budget for the 2025 financial year that will include all suspended program spends from the 2024 year. We have established new events to replace the Eden Park Christmas event, and we hope to have 3 sizable events spread across the year. In FY24-25 we are budgeting to spend more than our Annual Income on several fronts:

- Gateway Signage – investigating final costs for murals and location signage.
- Festival lighting.
- 3 new events to replace Eden Park Christmas
- BID expansion plans – ongoing costs over a period expected to be 2-3 years.

The FY25 Financial Plan projects closing with total accumulated funds of \$88k – which the Board believes is a prudent amount to have in reserve should we need to call on the funds.

In closing this financial update, I would summarise that The Fringe District remains in a very strong financial state. The board is committed to supporting our members as businesses seek to recover in a weak economic environment impacted by high inflation. The strategic vision for the next few years is to expand the district to enable a better community-based area promotion.

Gavin Rowe, Treasurer