

TREASURER'S REPORT



Kia Ora to ALL members of the HCTC Society Inc.

It has been a privilege to serve our Town Centre as a member of the Society, despite the significant financial challenges faced by HCTC due to the cancellation of the Town Centre's BID Grant by Auckland Council, as outlined at the SGM.

The current Board has been diligently working to rectify the financial reporting irregularities concerning grants provided in 2019 and 2022, which were not properly accounted for by the previous Board. Additionally, no financial statements for 2023 were presented at the last AGM.

These discrepancies have now been reported to the BID Team. However, as per the Auckland Council BID Team's requirements, a ballot will need to be held following this AGM to determine the future of the grant funding.

Due to the lack of available funding, this Board has had limited ability to make improvements within the Town Centre, and several key projects are on hold until we meet the BID requirements and secure the reinstatement of the grants.

Since taking on the role of Treasurer for the Hunter's Corner Town Society, it has been a challenging task for the new Board to compile full financial records, as several documents were missing.

Our findings as we took over the affairs of the society –

- **Bank Account Discrepancies:** Upon accessing the bank account, we discovered that the transactions lacked associated names, only displaying account numbers.
- **IRD Login Issues:** With access to the IRD login, we found that the society was incurring daily interest and penalties due to non-compliance with PAYE obligations.
- **Accountability for Funds:** There is a significant accountability issue concerning \$120,000 over the past two years, and we were unable to locate supporting documents required by the Auckland Council.
- **Delayed Financial Reports:** Financial reports were not presented at the previous AGM. The reports were purportedly with the auditors for an extended period, causing delays. Consequently, Auckland Council ceased grant funding due to the untimely submission of these financial reports.
- **Rebuilding Financial Reports:** We had to reconstruct the financial reports from scratch. The lack of supporting documents hindered our ability to provide the necessary information to the auditors.
- **Compilation of Financial Reports:** Based on the available information, we have compiled the financial reports for the auditor's review.

The auditor's report has been completed by BVO Audit on 2024 Financials and a copy is available on our website.

Based on June 2024, our revenue of \$158,424 comprises of targeted rate grant of \$132,920, other grants of \$25,000 & dividend of \$504.

Our expenses mainly comprised of \$69,485 in employee related costs along with \$12,300 for Strategic Plan, \$14,414 in Website expenses (Had to find another company to finish the website), \$12,709 in rent, \$12,023 towards Diwali expenses, \$7,420 in Accountancy costs, \$6,790 in PAYE Interest costs (IRD liability), \$6,682 in Security expenses, \$4,260 in Professional consultants costs to conduct Society' paperwork, \$2,900 in Legal costs (seeking legal advice on Nov 2023 AGM meetings), \$2,565 towards AGM expenses, \$2,558 towards SGM expenses, and \$8,391 in office and administrative costs.

Our Audit fees & depreciation comprised of \$3,250 & 3,458. This resulted in a net loss of \$10,781 for the 2023/2024 year. Additionally, we owe Inland Revenue a total of \$38,783 for PAYE excluding penalties & interests.

As a Town Centre where all businesses contribute financially as ratepayers, it is vital that each of us remains actively engaged in ensuring that those appointed to the Board fulfill their responsibilities with integrity and serve the best interests of the Town Centre.

Hunters Corner Town Centre is a diverse community, and we all deserve a vibrant township with top-notch facilities for its residents and patrons. The grants and funding provided should benefit the entire Town Centre, not just a select few entrusted with managing the Society's affairs.

Our financial situation is critical, with no available funds and a substantial liability owed to Inland Revenue. If we do not secure funding from Auckland Council for the 2025/2026 fiscal year, the Society will face serious consequences, including the inability to continue its operations.

The new Board urgently requires funding to sustain the Hunters Corner Society before we can proceed with the ballot to determine the continuation of the BID for the upcoming year.

I would like to express my gratitude to the current Board for their tireless efforts in bringing the Society's records back in order and to the Auckland Council BID Team and Local Board for their support in managing this crisis.

I encourage all parties to continue working together in a spirit of cooperation to ensure the long-term success of our Town Centre.

I wish the incoming Board all the best for the future of Hunters Corner Town Centre.

Kushmagaran Nair
Treasurer