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Carl Sowter

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Carl Sowter

Appointment of Auditor for 2023-2024

Mark Hill-Rennie

Approval of 2024-2025 Budget

Mark Hill-Rennie

→ Proposed 3.5% BID levy increase (see Appendix A, Resolution 1)

Special Resolution 1 - Adoption of the updated Constitution

Mark Hill-Rennie

→ Proposed changes to current NBA Constitution to align with Auckland Council's BID Policy 2022 (see Appendix A, Special Resolution 1)

Introduction of new Board

Mark Knoff-Thomas

General Business

Mark Hill-Rennie

Question Time

Mark Hill-Rennie

Close of meeting

Mark Hill-Rennie

Annual General Meeting of the Newmarket Business Association Held online via Zoom on Wednesday 19th October 2022, meeting commenced at 5.40pm

MHR welcomed members and called the meeting to order as quorum of 30 was reached.

APOLOGIES

None

CONFIRMATION OF MINUTES

MHR: Would someone please adopt the minutes from the 2021 Annual General Meeting held 27th October 2021.
Adopted by Kalpana Reddy (Chow: Hill), seconded Christina Yu (Chinese Herald).
CARRIED

PRESENT:

Alex Donaghy – Attain
Brian & Christine – Le Jose
Bruno B – Witchery
Carl Sowter (Treasurer) – Marley Loft **CS**
Chris Cherry – Workshop
Chris Dodd – Masfen Group
Christina Yu – Chinese Herald
Damian Wong – Multi Media Solutions
Damon Scott – ECCO Shoes
Dave Birch – Smart AR
Desley Simpson (Cr) – Auckland Council
Di Goldsworthy – Newmarket Business Association
Faith Zhu – Toi Tu Te Waiora
Fran Ritchie – Newmarket Business Association
Gen Sage – Waitemata Local Board
Gina – Asuwere
Grant Bevan – ATPi Travel
Helen Han – Freedom Furniture
Holly Bennett – Awhi
Jason Jina – Just Jeans
Jesse Thompson – Awhi
Kalpana Reddy – Chow Hill
Kelly Fulford – Newmarket Business Association
Leandro – Wave Fit
Mark Hill-Rennie (Chair) – ANZ Business **MHR**
Mark Knoff-Thomas (CEO) Newmarket Business Association **MKT**
Matt Harray – Smith and Caghey's
Matt Hayward – New World
Melissa Williams-King – Vector
Neil Drurie – Retreat
Pam Elgar – Make-A-Wish Foundation
Peter Bolot – Geffen Holdings Limited
Portia Campbell – Newmarket Business Association
Rebecca McBride – Mercury
Rod Gabb – GCo Fuels
Rochelle Clayton – Peter Alexander
Sarah Sundberg – Blak
Shane Senne – Not given
Teresa Hudson – Not given
Todd Male – Route 66
Tushar Sharma – ANZ Retail (Westfield)
Wendy Francis-Ching – Consignment

32 (+2) eligible votes



Minutes 2022

Matters Arising From Previous Minutes:

There were no matters arising from the previous minutes.

Chairperson's Report

→ MHR spoke to his report as provided in the AGM Booklet. Questions from the floor: There were no questions from the floor.

Chief Executive's Report:

→ MKT spoke to his report as provided in the AGM Booklet. Questions from the floor: There were no questions from the floor.

Treasurer's Report:

→ CS presented the financials for the period 30 June 2022 as provided in the AGM Booklet, including the auditor's report and the 2022 and 2023 budget.

MHR: Would someone please adopt the financial statements: Adopted by Pam Elgar (Make A Wish), seconded Rod Gabb (GCo Fuels).

CARRIED

Appointment of Auditors

MHR: A motion is proposed to appoint JSA Limited as auditors for the next financial year: Adopted by Carl Sowter (Marley Loft), seconded Rod Gabb (GCo Fuels).

CARRIED

Approval of 2023-2024 Budget

Budget 2023-2024 – there is a proposed rate increase of 7% to the BID levy

MKT: We're proposing a BID levy increase of 7%. So just to give you some context, we have 3,000+ members in Newmarket, who fund us and this will give us an extra \$126,000 in terms of our income. The rationale for this increase is primarily security. New Zealand is experiencing a crime wave. We need to fund more security because the resources are not coming from Central Government, despite extensive lobbying and advocacy. We do have our police station and four police officers working fixed shifts but they're not always there. However, we have had great results with our security guard and what he's been able to deliver. We're looking to beef up that with at least two guards on patrol seven days a week. Plus increase our CCTV Operator coverage from 3 to 5 days a week. This money raised by increasing the levy would go towards funding more guards and more coverage of our security and help make life easier for businesses in terms of having faster responses. If you're a business and you call 111 or 105 with a crime, you'll know that often they aren't able to respond quickly. Crime has got so bad that the police

are prioritizing the very worst things to attend to and often retail crimes or robberies go completely overlooked. Our thinking is that we put in more security with extra funds from our members to improve safety and provide you with a more responsive service to crime that's happening on the street day to day. To add to this something that we are mulling over which we have a have circulated with the board previously is that we bring security in house to the NBA and the guards are not outsourced to a third party security provider – they'll actually be employed by the Newmarket Business Association directly. You might recall that a couple of years ago, we brought the CCTV surveillance role in-house. In doing this it will be cheaper – so won't be paying a margin for contractor fees for the one per hour, and it gives us more direct control over who is employed, and more accountability over what the guards are prioritising. For all the best intentions of security providers – they are suffering very difficult recruitment challenges and sometimes they can't provide the support or the capability of the guards that we need. We currently don't have any resilience if our main guard leaves, or is sick. So, to my mind and knowing what I see and what I hear every day, I think is worthwhile investing more money into our security, bringing it in house having direct control and accountability like a normal employee with KPIs and accountabilities. That is the primary rationale for the funding increase.

MHR: Thanks, Mark. I think that

Minutes 2022

explains that well. As a board, we went through it and are supportive of it. Obviously there a number on the board who also have a property owner's perspective. After the case for it was explained – we had full alignment across the Board. If you think about inflation at the moment, it's certainly not out of line. But we're looking for a large majority in support to pass it.

MKT: There is some specific wording for the re resolution, as per Appendix A in your AGM booklet, is to approve the 2023–2024 budget which includes a BID targeted rate grant amount of \$1,938,946, including a 7% increase [or \$126,847] to the BID targeted rate grant for 2023–2024 financial year. Further ask the Waitematā Local Board recommend to the governing body the amount of \$1,938,946 be included in the Auckland Council draft 2022 annual budget consultation process.

So, a motion is proposed to approve the 2023–2024 budget which includes a BID targeted rate grant amount of \$1,938,946, including a 7% increase [or \$126,847] to the BID targeted rate grant for 2023–2024 financial year.

Adopted by Matt Harray (Smith & Caughey's), seconded Chris Cherry (Workshop)

MKT: All those in favour say Aye. Unanimous approval. (no Nays were recorded)

CARRIED

Appointment of Board

Successful candidates
MKT announced the following nominations were received and have been elected to the Newmarket Business

Association Board for the next 12 months: Mark Hill-Rennie (ANZ), Carl Sowter (Marley Loft Ltd), Matt Harray (Smith & Caughey), Christina Yu (Chinese Herald), Chris Dodd (Masfen Group) and Kalpana Reddy (Chow: Hill). One new member is Holly Bennett (AWHI).

Questions from the floor:

Pam Elgar (Make A Wish) – Just it's not a question. It's more a comment and the things. I've really appreciated the ongoing communication in the sessions that you've run and also how you dealt with the Queen's death, and the general way you operate in that space within the precinct. I actually just really want to applaud you. I think it's fantastic. So thank you for your ongoing work all of you from the board to you and your team Mark.

MKT: Thank you, Pam. Appreciate it very much.

One thing I might mention is just a couple of things around the Council, the Constitution and the board policy. We are a BID as you know which is a business improvement district. And as such we operate under a policy with council so we are not part of the council. We are part of you. But the council acts as the tax collector and takes the funding for us from the rates and gives it back to us so every quarter. We receive a deposit in our account which is the targeted rate that applied to your commercial properties, and that trickles down to the rates you pay your landlord if you're a tenant, or the full rates if you're a landlord. So this policy has been under review for quite some time. And to be fair, we've battled the Council

for 18 months over this. They decided to do a fundamental review and change of the BID policy during COVID. I must acknowledge actually the support of Council and Desley Simpson helping us get a resolution with the BID policy with the Council. There are some changes ahead. So it is likely in the next calendar year, we'll need to make some changes to implement to our Constitution, which are driven by the council BID Policy changes but also to the updates to the Incorporated Societies Act. So it is highly likely in the next six months we will need to hold a Special General Meeting where we call the members together like this to attend a meeting to make some decisions. We will call you all together for an SGM and in the next six months to sign all that off so we can move forward from there. These things are really boring, I must be honest, but they certainly have to be done to be legally compliant. And, as always, we really appreciate your cooperation helping us to achieve these things. I know it's the last thing you want to be doing on a Wednesday night. Thank you so much. I'm really, really grateful.

Meeting closed at 6:50pm

Minutes signed by CEO Mark Knoff-Thomas as true and correct record.



Chief Executive
Newmarket Business Association
mark@newmarket.co.nz

Chairperson's Report 2023

It is my privilege to report on behalf of the board on what has been another successful year for Newmarket with record revenue growth across the catchment.

It is apparent however that trading in the last few months for some retailers has been tougher as the general economy has faced rising interest rates and inflation.

The finances of the Association remain in good shape with good reserves. Importantly, costs were under control and being spent in the right areas. A decision was made by the board after a business case from the CEO and the endorsement from the last AGM to increase the security presence across Newmarket. This has been successfully rolled out while still maintaining the associations finances in good shape.

Mark will comment in more depth on the approach the Association has taken in promoting and advocating for Newmarket in his report. It is important to note that Mark and the team, maintain a very transparent relationship with the Board, and keep us fully informed of what they are doing via various information sources. These include comprehensive Board reporting monthly, The Update, public meetings, face-to-face and Zoom meetings with stakeholders, media and

council. Of particular note has been the continued rise in media pick up the Association has had.

Despite the challenges I remain optimistic about Newmarket's future as a premium business area while having a very liveable environment which will continue to attract more residential intensification.

Some of the things that I would like to highlight that keep me optimistic about the future growth of Newmarket are:
→ Newmarket spend is still on an upward trajectory and on track for another best-in-history year. This is a significant vote of confidence in Newmarket.

→ The fantastic work done via our magazine, social media, other media and involvement in events that ensure that Newmarket continues to be viewed as a premium destination.

→ The advocacy work that Mark and his team do with council, council organisations and other organisations has ensured some good wins for Newmarket.

→ The significant number of developments proceeding and planned for Newmarket which will significantly increase our day-time and night-time population..

→ Retail leasing is showing some positive signs. And it's good to see more major brands are moving in.

Mark has, what I and the board consider are a best-in-class team who are passionate around promoting and protecting Newmarket they are highly engaged, hardworking and motivated. Thank you to Kelly, Portia, Fran, Lana, Maia, Shani, Brian, Ray, Lopeti and William for their fantastic contributions.

I would also like to thank my fellow board members Treasurer Carl Sowter (Marley Loft) and the other board members this term Chris Dodd (Masfen Group), Kalpana Reddy (Chow Hill), Christina Yu (Chinese NZ Herald) Matt Harray (Smith & Caughey's) and Holly Bennett (Awhi) And lastly, I would like to thank Mark Knoff-Thomas (CEO) for his tireless work promoting and advocating for Newmarket and taking on the challenge of effectively creating a new business with our security team coming "in house" and expanded.

I would also like to acknowledge the contributions from Waitematā Local Board representatives Genevieve Sage and Anahera Rawiri.

Finally, thank you as members of the Association for your ongoing support.

Mark Hill-Rennie

Chairperson
Newmarket Business
Association



Chief Executive's Report 2023

This year's AGM unbelievably marks my tenth at the NBA. When I look back so much has happened since 2014. It's impossible to stand still in this role, it is a constantly moving and multi-faceted beast!

The past 12 months have not been marred by COVID-related issues – we have largely been left undisturbed to get on with trade. However other factors came into play that have caused some challenges. Things like labour shortages, supply issues, inflation and major weather events, to name a few. These, coupled with an election this year, have caused some fluctuations in consumer behaviour. Inflation in particular has caused a softening in consumer confidence, as households grapple with rises in mortgage payments. However, having said that the year to 30 June 2023, was our best in recorded history at \$840.7M, versus \$648.4M in 2022.

Our retail leasing saw significant gains, in fact the best we have seen for several years. Broadway in particular has seemingly woken from a leasing slumber with some major movements taking place. Some prospective tenants are still seeking shorter term leases, a "try before you buy" mentality. We saw a few areas severely impacted by flooding earlier this year, causing lengthy shut downs for those businesses.

The hospitality sector has been clawing its way back up. Noting trade was down last year, on 2020, and on 2019.

Labour shortages persisted, but that pressure seems to have eased somewhat.

Commercial leasing has remained buoyant. A number of businesses have relocated to Newmarket from the central city. There seems to be a trend of upgrading but downsizing. We welcomed Aurecon back to the precinct in the Manson's new 6 star green-rated building on Carlton Gore Road, where Vector have also relocated to. There are several significant commercial and residential developments in the pipeline, just waiting on key tenants to sign leases before works get underway.

Security and crime has continued to be a challenge for us, along with town centres across the country. More on that inside this report.

Below is a high-level summary that covers off actions and results over the past 12 months:

Finances

I will leave our Treasurer, Carl, to cover off the finances in more detail, but suffice to say we have continued to be prudent financial managers. We returned a surplus against a fore.

We were also recipients of \$97,000 from the government's Proceeds of Crime fund.

Health and safety

Health and Safety continues to be an agenda item at each monthly board meeting to ensure the NBA is meeting its legal compliance obligations. Please note the NBA's health

and safety responsibilities are limited to the office, the NBA team and any events we directly manage, including any temporary or contract staff, or any third-party providers. We have full insurance policies in place. We report health and safety hazards in the precinct to council on a weekly basis.

Consumer Engagement, Brand and Focus

Our two major social media platforms, Facebook and Instagram, have continued to drive consumer engagement. Our online content continues to resonant well with our consumers and our marketing team are continually evolving what this content looks like and how and when it is delivered. In 2022 we successfully launched our first ever TikTok campaign, and gained 6,000 followers within a week. We will continue to push this channel as it helps us engage with a new up and coming demographic.

Our website is undergoing a significant upgrade to further enhance its user experience, searchability, content-richness, and overall consumer appeal.

As always our regular consumer giveaways have proven to be highly successful and continue to drive engagement.

We have run multiple consumer campaigns and activations during the past 12 months. We are focused on bringing people to the precinct. A summary of our activity:



Chief Executive's Report 2023

DATE	SOCIAL MEDIA	WEBSITE
JUL 2022	St Clements Blog Feature, Dear Deer Coffee, Moncler, Superette International, Best Ugly Bagels, Café L'affare, Westfield car wash, Newbie café, Progear, Event Cinemas, The Poi Room, Kowtow, Daily Bread, Assembly Label, I Love Ugly, Selera, Luna Bakehouse, Sweat Yoga, Hello Mister, Jimmy Choo, V.T. Station, Studio Box, Bambina, Timezone, The Poi Room, Yu Mei, Superette, Café L'Affare, Barkers.	<ul style="list-style-type: none"> ▪ Newmarket Business Awards Winners ▪ Dry July Seedlip Cocktail recipe ▪ Deadly Ponies Footwear launch ▪ OPED: Mark Knoff-Thomas
AUG 2022	Bird on a Wire, Mecca, Bowl & Arrow, Father Rabbit, Wallace Cotton, Muse Boutique, The Hungry Swine, Emma Lewisham, Majestic Tea Bar, Pagani, Duck Island Giveaway, Flying Burrito Brothers, Reform Pilates, Sardine, Off & On, Moochi, Bodrum Market, Westfield Lego Day, Newbie Café, Gordon Harris, October Reign, Baha Betty, Duck Island, Pastarita, Veronika Maine, Tank, Maggie Marilyn, Gorman, The Art of Newmarket, Westfield Lego Day, The Wine Cave, Little & Friday, Hikoco, Peter Alexander, I Love Ugly, Till Death Tattoo, YSL, Glassons, Candy Shop, Under Armour, Indie Home Collective, Luna Bakehouse, STRONG Pilates, Yu Mei, Balenciaga, STRONG Pilates, Festival Italiano, Lisa Hoskin, &Sushi, Kathryn Wilson, Aje, Acne Studios, Country Road, Ruby, Subtype, MECCA Giveaway, Max, &Sushi, Superette, Olivia Cashmore, Aje	<ul style="list-style-type: none"> ▪ Art of Newmarket ▪ Hit the Slopes with Superette ▪ Work in Newmarket ▪ Elephants Hate Tigers ▪ Father's Day Gift Guide ▪ Newmarket Nights – Win a \$200 Hospitality Voucher ▪ Trans-seasonal Dressing: Spring Fashion
SEP 2022	Newmarket Nights Hospo Promotion and Giveaway, L'Americano, The Art of Nails, Standard Issue, Cartier for Flowers, Scarpa, Father's Day, Nespresso, Balenciaga, Pastarita, Daldang, Birkenstock, V.T. Station, Māori Language Week, Nike, Under Armour, Salomon, Adidas, YSL, Locals Streetwear, Kowtow, Luna Bakehouse, Workshop, Samsung Giveaway, Lisa Hoskin, Ajisen Ramen, Baha Betty, Superette, Levis, Chloe, Saben, Deadly Ponies, Gucci, Yu Mei, & Sushi, Railway Street Studios, Under Armour, Duck Island, Nail Studio, New Balance, Style Runner, Candy Shop, Olivia Cashmore, Studio Box, Best Ugly Bagels, Asuwere, Sephora, MECCA, Aje, Dear Deer, Michael Hill, Petal Cupcakes, Michael Kors.	<ul style="list-style-type: none"> ▪ What's on our Beauty Radar for September ▪ Spring Bloom with Kowtow ▪ Celebrating Te Wiki o te Reo Māori 2022 ▪ WIN With Samsung ▪ A Night in Newmarket (dining) ▪ What's on these School Holidays ▪ Newmarket Celebrates the 2022 Rainbow Business Awards ▪ Newmarket's Queen Retires ▪ Breast Cancer Awareness Month: Shop for good.

Chief Executive's Report 2023

DATE	SOCIAL MEDIA	WEBSITE
OCT 2022	Aesop, Subtype, Parking in Newmarket, Coco Republic, David Jones, YSL, Café L'Affare, Daily Bread, Simon James, Reform Pilates, The Poi Room, Bambina, Lorna Jane Active, Pink Ribbon Day, Eden Noodles, Augustine, Duck Island, New World, St Clements, Nature Baby, Moncler, Maison Vauron, STRONG Pilates, Veronika Maine, Burger Burger, Father Rabbit, INCA, Monday Haircare, Superette, Bambina, Festival Italiano, Area51, Karen Walker, Freedom Furniture, Partridge Jewellers, Café L'Affare, Papinelle, Superette, Jimmy Choo, Westfield, Maggie Marilyn, Birkenstock, Baha Betty, Diwali, Service Denim, Hiring Notice, Gucci, Festival Italiano, Adidas, Olivia Cashmore, MECCA, Canton Grill, Zoe & Morgan, Halloween.	<ul style="list-style-type: none"> ▪ Shiseido 150th Anniversary Giveaway ▪ The Perfect Brew ▪ Luxe Loungewear ▪ Newmarket Business Association AGM 2022 ▪ Work with us! Graphic Designer Wanted ▪ Festival Italiano: What's Happening ▪ Giveaway: WIN The Café Lamborghini Linea Mini by La Marzocco Home
NOV 2022	Emma Lewisham, Archies Pizzeria, Superette International, Lululemon, Duck Island, Italian Festival, New Issue promotion, David Jones, Superette, Archies Pizzeria. Glasshouse Giveaway, Yu Mei, Pearl Garden, Luna Bakehouse, Thea Matcha, Altezano, October Reign, Michael Hill, Sandro Paris, Cocktail hour, Subtype, Archies, Christmas in Newmarket, World Vision Smiles, STRONG, YSL, Kowtow, Petal, Olivia Cashmore, Bowl & Arrow, St Clements, Huffer, The Lumsden Freehouse, Christmas Gift Guide: Kids, Parker & Co, AS Colour, Michael Hill, Golden Goose, Canto Canto Eatery, Cartier for Flowers.	<ul style="list-style-type: none"> ▪ Festival Italiano Opens for 2022 ▪ Stolen Girlfriends Clubs: Avondale Fashion Week ▪ Baha Betty's Quesadilla Recipe ▪ Festival Italiano Street Festival Celebrations ▪ A Day in the Life of May Chen & Enna Ye of Thea Matcha ▪ Christmas in Newmarket ▪ Things we'd buy if we didn't have to pay bills ▪ World Vision Smiles Campaign ▪ Jewellery Gifting with Michael Hill ▪ The Gift Edit: Kids ▪ Golden Goose lands in Newmarket
DEC 2022	Lululemon, Stylerunner, Daily Bread, Hine Collection, Christmas Travel Giveaway, Sweat Yoga, Eden Noodles, Gucci, Asuwere, YSL, Westfield, Superette, White & Wongs, Workshop, Stirling Sports, Luna Bakehouse, Movenpick, Starbucks, Pearl Garden, Superette, Louis Vuitton, INCA, Maggie Marilyn, Coach, I Love Ugly, Bowl & Arrow, Witchery, The Poi Room, Westfield Rooftop, Merry Christmas, Father Rabbit, Lorna Jane, Superette,	<ul style="list-style-type: none"> ▪ The Gift Edit: For the Health & Wellness Guru ▪ The Gift Edit: Secret Santa ▪ The Gift Edit: The Beauty Guru ▪ The Gift Edit: Fashion Lovers ▪ The Gift Edit: For the person who has everything ▪ Dressing for the party season ▪ Giveaway: Be in to WIN your dream travel prize! ▪ Opinion by Mark Knoff-Thomas: That's a Wrap ▪ December Beauty Update ▪ Summer Tipple sorted: Cocktail Recipe



Chief Executive's Report 2023

DATE	SOCIAL MEDIA	WEBSITE
JAN 2023	Altezano, St Clements, Reform Pilates. Safran, Nail Art, TianFu Noodles, Birkenstock, Burger Burger, Father Rabbit, Aje, Allium Interiors, Madder & Rouge, The Homestore, Island Gelato Company, The Candy Shop, St Pierre's, Stylerunner, StudioBox, Citta, Olivia Store, Simon James, Newbie Café, Ice Cream in Newmarket, Gucci, Louis Vuitton, Lunar New Year, Aje Athletica, October Reign, Fabric, Tsujiri, Parker & Co, Scarpa, Duck Island, Newmarket Shopping Guide, David Jones, Baha Betty, Auckland Anniversary, Adidas, Eden Noodles, Superette, Michael Hill, YSL, Glassons, Country Road.	<ul style="list-style-type: none"> ▪ Summer in Newmarket ▪ Caring for your hair through summer ▪ Getting organised for 2023 ▪ Summer staples ▪ Back to work fashion ▪ Lunar New Year ▪ The Gift Edit: Valentine's Day ▪ It's a Date! Valentines Date Ideas ▪ 5 things to do this Long Weekend in Newmarket
FEB 2023	Simon James, Fabric, Farmers, Hulucat, Muse Boutique, Waitangi, Best Ugly Bagels, MECCA Giveaway, Huffer, Bird on a Wire, Superette, Taylor, Assembly Label, Walker & Hall, Birkenstock, Delight Spice, Assembly Label, YSL, Petal Cupcakes, Valentine's Day, Versace, Valentines Giveaway – date night, Sephora, Mecca, Poke House, Archie Brothers, Best Ugly Pride Bagels, Candy Shop, Workshop, Stolen Girlfriends, Nail Studio, PB Tech, Resene, Allium Interiors, Nike, White & Wongs, Wallace Cotton, Aje Athletica, Delight Spice.	<ul style="list-style-type: none"> ▪ Introducing Newmarket Security ▪ Artist Jo Dalgety; Why do you seek after it ▪ Best Lunch Spots for a Quick Bite ▪ A conversation with the founder of Tronque – Tanne Snowden ▪ OPED: Ratepayers Suffer through disruptions ▪ Lipgloss nail trend + Where to go in Newmarket
MAR 2023	Hype DC, Adidas, Selera, Smith & Caugheys, Candy Shop, RUBY, Stolen Girlfriends Club, Zoe & Morgan, Sardine, David Jones, The Gateau House, Coco Republic, Subtype, Tronque, Smith & Caughey's, The Poi Room, Yu Mei, My Fried Chicken, Best Ugly, Candy Shop, FABRIC, Caitlin Crisp, Stylerunner, Gucci, Superette, Riccochet, Art Select, &Sushi, Country Road, Adidas, Nike, Aesop, COS, Deadly Ponies, Assembly Label, Olivia, Birkenstock, Daily Bread, Freedom, Luna Bakehouse, L'Americano, Little & Friday, RUBY, Country Road, Arte Della Pasta, Huffer, Witchery, Hansan, Lisa Hoskin, David Jones, Sanderson, Zoe & Morgan, Jimmy Choo, Barkers, Kuai Dian, Railway Street, Countdown, Lululemon, Le Creuset.	<ul style="list-style-type: none"> ▪ Get Runway Ready Skin with Sunday Riley ▪ Bomber Jacket shopping edit ▪ Saben and Dermalogica EmpowHER Scholarship ▪ New York: Empire State of Mind ▪ OPED: Retail Crime; Newmarket Speaks Up ▪ March Beauty Update ▪ Future-Proof: Quick EV Charging Stations ▪ Hop To It! The Sweetest Easter Treats

Chief Executive's Report 2023

DATE	SOCIAL MEDIA	WEBSITE
APR 2023	Daldang, Drop Out Store, Safran, Bambina Café, Autumn/ Winter Issue magazine promotion, Deadly Ponies, Win your Wishlist – Magazine giveaway, Shopping in Newmarket, Allium, Farmers, October Reign, Specsavers, Easter, Café L'affare, Subtype, Under Armour, Nike, Area51, Nood, Stylerunner, Decjuba, Muse Boutique, Adidas, The Poi Room, We're Hiring, Father Rabbit, Michael Hill, Deadly Ponies, Maggie Marilyn, Country Road, COS, Aijisen Ramen, Country Road, Area51, Juliette Hogan, Indie Home Collective, Maggie Marilyn, David Jones, Karen Walker, Smith & Caughey's, Mama Rich Café, Glassons, YSL, Kookai, The Warehouse, Scarpa, Asuwere, ANZAC, Vida Flores, Saben Giveaway, Mother's Day, Gyms in Newmarket, Chloe Zara Hair, Adidas, Subtype, YSL, Coco Republic, Gucci, Asuwere, ASColour, Nike, Mecca, Stolen Girlfriends Club, Fallenfront, Smith & Caughey's.	<ul style="list-style-type: none"> ▪ Giveaway: Be in to WIN! A 2 Night Luxury Retreat ▪ Return of the Midi; New season styles ▪ OPED by Mark Knoff-Thomas: 2023 Part III ▪ How to spend the School Holidays in Newmarket ▪ Giveaway: WIN! A Sunsthetic Collection Gold Styler from ghd ▪ Getting your teeth in tip top condition ▪ Commemorate ANZAC Day in Newmarket ▪ Resene Architecture and Design Film Festival 2023 ▪ Scarpa the Label ▪ Your Best Friend Gym ▪ Mother's Day Gift Edit ▪ Powder Dreams in Japan ▪ Step into the Rubyverse
MAY 2023	Maje, Westfield, David Jones, Assembly Label, Aesop, Aje, Country Road, Yu Mei, Novo Shoes, Zoe & Morgan, Brave, White & Wongs, Route 66, Karakter, &Sushi, Subtype, Saben, Wellness Giveaway: Wyld Chiropractic, V.T. Station, Hikoco, Simon James, Mother's Day, Moochi, Stirling Sports, Fabric, Elle & Riley, Superette, Lululemon, Birkenstock, Something & Social, Eden Noodles, Sephora, Yu Mei, Workshop, Hello Mister, Karen Walker, Candy Shop, Maggie Marilyn, October Reign, Fabric, Parker & Co, OKO Deserts, Area51, Stirling Sports, Fallenfront, Louis Vuitton, The Poi Room.	<ul style="list-style-type: none"> ▪ Kids Fashion: new season updates ▪ 10 ways to Distract Yourself From the Rain ▪ Petal Power – Zoe & Morgan's New Collection ▪ Beauty Update ▪ The Perfect winter salad recipe ▪ Newmarket Pop-up Stores ▪ Breakfast Club; Newmarket's best early morning stops ▪ Gym Accessories ▪ Entries for 2023 Business Awards now open ▪ Laser Facial – Caci Clinic ▪ New to Newmarket ▪ New Season Knitwear guide ▪ Fallenfront lands in Newmarket
JUN 2023	Barkers, October Reign, PALS, Farmers, Flo & Frankie, Blunt, Coffee in Newmarket, Vote & Win People's Choice, Liam, Gucci, Rodd & Gunn, Seed, Country Road, Deadly Ponies, Glassons, Jimmy Choo, YSL, Reece Bathrooms, Barkers Pet wear, Workshop, Nespresso, Olivia Cashmore, Smith & Caughey's Giveaway, Parker & Co, Sass & Bide, Politix Menswear, Sephora, Chanel Beauty / David Jones, Superette, Nails in Newmarket, Smith & Caughey's / Tom Ford, I Love Ugly, Newbie Café, Scarpa, Karen Walker, Citta, Partridge Jewellers, Flo & Frankie, Levis, Aigo, Muse Boutique, Karakter, David Jones, Fabric, Mecca.	<ul style="list-style-type: none"> ▪ 5 Things to do this Kings Birthday Weekend ▪ Giveaway: People's Choice (Apple Watch) ▪ Jumper for Jumper (Standard Issue) ▪ OPED: Mark Knoff-Thomas, Crime Climbs ▪ OPED: Mercury ▪ Ball Season Ready ▪ The Cosmetic Clinic launches The Whitening Co. Services ▪ Double down on Denim ▪ MP's Forum Event – The Battle for Epsom & Tamaki ▪ Home Spa: The Ultimate Me Time ▪ School Holidays: What's on in Newmarket



Chief Executive's Report 2023

NEWMARKET. magazine's

distribution is currently 45,000 copies per edition. It is seasonally letterbox dropped to CBD fringe residences from St Heliers to Westmere, through Western Springs to Epsom, Remuera, Ellerslie/ Greenlane, St Johns and Kingsland and is especially targeted at our core consumer demographic based on the data we receive from MarketView.

Our above the line marketing strategy has continued – we are "always on". NEWMARKET. magazine is a highly impactful tool, supported by regular digital promotions through our various media channels, which themselves have substantial followings and engagement.

MEMBER ENGAGEMENT AND EVENTS

Member Interaction

- 'Open Door Tuesdays' between 2-4pm continue in the NBA boardroom each week
- The 'Member's Lounge' is available for members to drop in for a coffee
- The Update is emailed to the member database on the 1st of each month
- The Hub meetings are for members only and include training and networking events
- We have continued to run Zoom webinars for members.

We have provided 16 member events in the past year, as follows:



Chief Executive's Report 2023

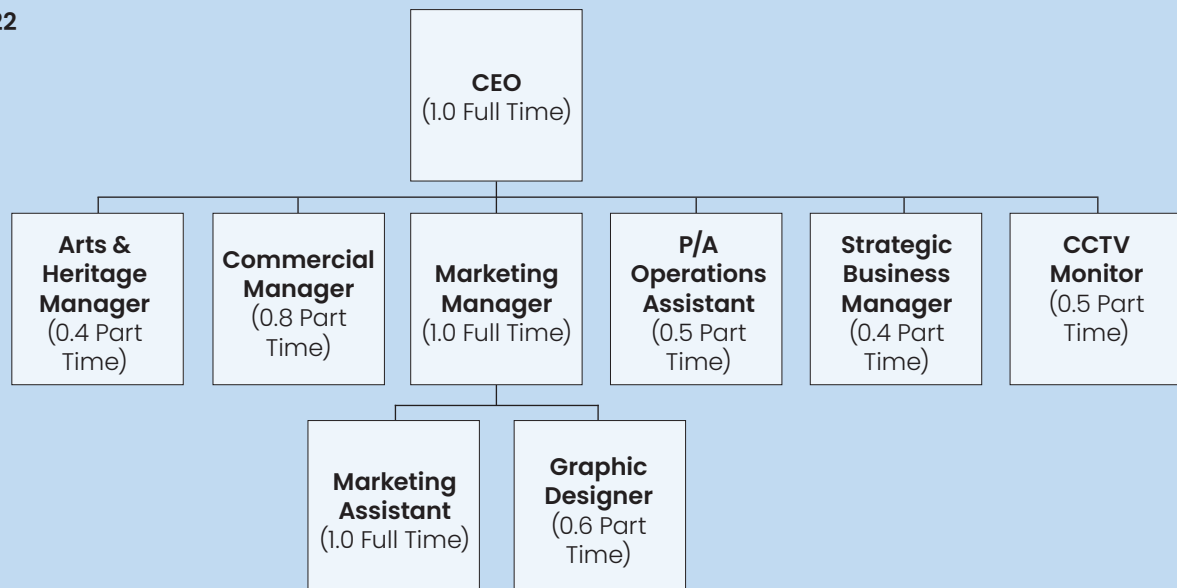
MEMBER EVENTS 1 JULY 2022 – 30 JUNE 2023

JULY 2022	The HUB Webinar – Sustainability Seminar series – what is a circular economy?	NBA / Parnell Business Association	6 members
JULY 2022	The Newmarket Business Awards	NBA	395 Guests including Media, VIPs, members and politicians
JULY 2022	The HUB Webinar – Sustainability Seminar series – take your business from A to B Corp	NBA/Parnell Business Association	8 members
AUG 2022	THE HUB – Battle for Auckland Mayoral Debate	NBA/Parnell Business Association	45 members
AUG 2022	The HUB Webinar – Sustainability Seminar series – evolving the future of Green Buildings	NBA/Parnell Business Association	5 members
SEP 2022	Queen Elizabeth II – Memorial Service in Newmarket	NBA	40 members
SEP 2022	The Hub – Meet Nicola Willis and Paul Goldsmith	NBA	50 members
SEP 2022	The HUB webinar series – Who will be the next Mayor of Auckland?	NBA	45 members
OCT 2022	THE HUB Webinar – Chinese Marketing	NBA/Christina Yu NZ Chinese Herald	15 members
OCT 2022	AGM	NBA	35 members
NOV 2022	THE HUB Movie Night and State of the Nation	NBA	20 members
NOV 2022	The Italian Festival	NBA	10,000 from the community
DEC 2022	THE HUB Christmas Drinks hosted by Asuwere	NBA	22 members
MARCH 2023	The HUB movie night and Sate of the Nation	NBA	33 members
APRIL 2023	ANZAC Day	NBA	180 members and the community
JUNE 2023	MP's Forum – Battle for Epsom and Tamaki, Live debate	NBA/Parnell Business Association	120 members

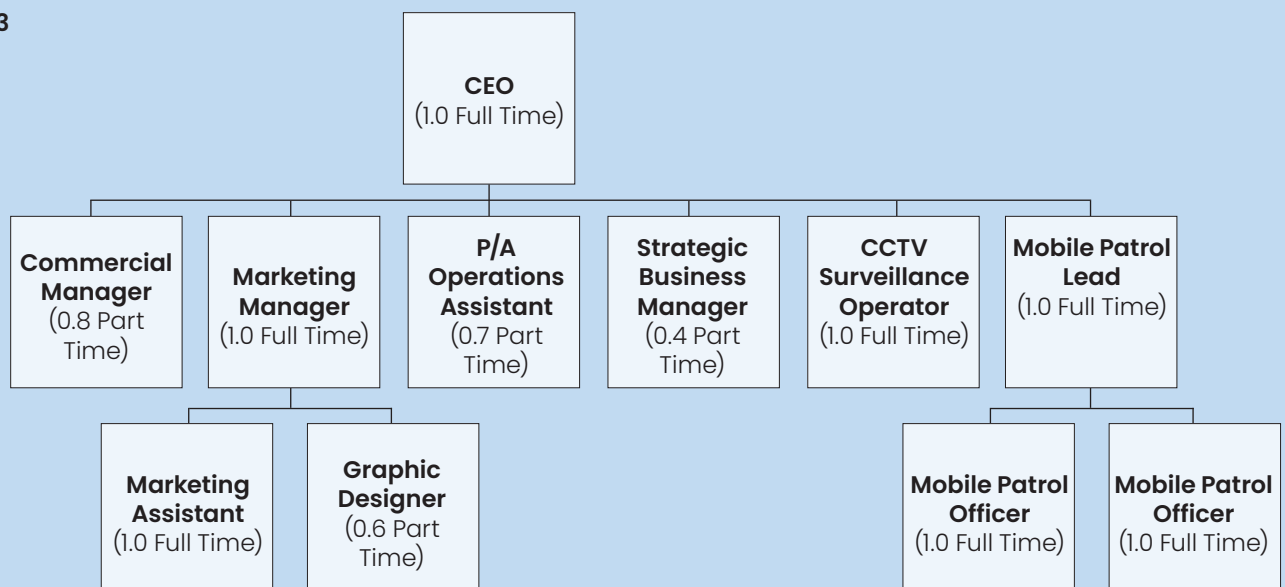


Chief Executive's Report 2023

June 2022



June 2023



Chief Executive's Report 2023

Team

The NBA head count is now just below 9.0 FTE. We have 7 full time employees, and 4 part time. Changes over 2022-2023 have included the departures of Zara Overton (Marketing Manager), Savannah Palmer (Marketing Assistant), Di Goldsworthy (Arts & Heritage Manager), and the recruitment of Francesca Ritchie (Marketing Manager), Shani Luckman (Graphic Designer), Maia Usherwood (Marketing Assistant), Ray Siliko (Mobile Patrol Lead), Brian McCarthy (CCTV Surveillance Operator), Lopeti Tulikihakau (Mobile Patrol Officer) and William Olaaiga (Mobile Patrol Officer).

Strategy

A full version of our Strategic Plan can be found on the member's portal on the website.

Our 3 core imperatives are:

Priority One: Drive Foot Traffic and Commercial Conversion Rates

Priority Two: Optimise Engagement Across our Diverse Stakeholder Groups

Priority Three: Be Primary Advocacy for and on Behalf of Newmarket

Progress on these three imperatives is reported to the board at our monthly meetings.

Diversity & Inclusion

We have continued to develop and evolve strategies to promote diversity and inclusion, amongst our own staff and board, our members, consumers and wider communities. We have identified four diverse key communities within Newmarket and have developed diversity and inclusion strategies that ensure that the NBA and Newmarket are accepting, inclusive and relevant to these communities. These strategies include the NBA holding community engagement workshops, Newmarket taking a leadership position when acknowledging, recognising and celebrating relevant cultural events and including the voices and opinions of these communities whenever possible. The strategies are organic, and it is our intention to continue to review and improve year on year.

The four key communities are:

→ Māori and Mana Whenua
→ Chinese
→ LGBTQIA+
→ Youth

Youth initiative

A grand coalition of stakeholders have had several meeting in the past year to look at ways to better support our youth stakeholders. Representatives from the police, schools, businesses, church groups, the university, council, local board, and members of parliament from across the political spectrum, are lending their support to make solutions a reality. We expect to see some deliverables in the next 12 months. We have been working on identifying available physical spaces and resources we can utilise. Newmarket is particularly poorly served in terms of activities youths can get involved in, especially considering we probably have more youths passing through the precinct every day than any other part of the city.

In addition the NBA, along with support from the Waitemata Local Board, have installed play space graphics in Station Square. The bright and colourful 4 Square and Hopscotch graphics are designed to encourage Newmarket's tamariki and rangatahi to connect socially and engage in physical activity.



Chief Executive's Report 2023

Trading Results BID Annual Retail Snapshot

(PROVIDED BY MARKETVIEW VERISK)

YEAR ON YEAR COMPARISON OF SPEND AND TRANSACTIONS TO 30 JUNE 2023

QUARTER	SPEND	TRANSACTIONS	AV. TRANSACTION \$
JUL/AUG/SEP '22	\$200.5M	2,772,106	\$72.34
OCT/NOV/DEC '22	\$240.5M	3,110,908	\$80.24
JAN/FEB/MAR '23	\$187.5M	2,726,850	\$68.77
APR/MAY/JUN '23	\$198.2M	2,871,033	\$69.03
TOTAL	\$840.7M	11,728,922	\$71.68

COMPETITOR AREAS

SPENDING				TRANSACTIONS		
RETAIL CENTRE	THIS YEAR	LAST YEAR	CHANGE	THIS YEAR	LAST YEAR	CHANGE
CBD	\$1,759M	\$1,052M	+56.9%	35.7M	22.1M	+61.5%
MT WGN/SYLVIA PRK	\$686.1M	\$519.9M	+24.5%	11.7M	8.6M	+36.0%
PONSONBY	\$313.8M	\$226.7M	+33.4%	5.8M	4.2M	+38.1%

AVERAGE TRANSACTION VALUE COMPARISON

RETAIL CENTRE	AVERAGE TRANSACTION VALUE	CHANGE YOY %
NEWMARKET	\$71.68	-3.1%
MT WGN/SYLVIA PRK	\$58.84	-1.8%
PONSONBY	\$53.72	-0.5%
CBD	\$49.22	+3.6%

Chief Executive's Report 2023

Trading Results BID Annual Retail Snapshot

(PROVIDED BY MARKETVIEW VERISK)

BREAKDOWN OF CATEGORY SPEND – NEWMARKET

CATEGORY	SPEND	CHANGE YOY %
ACCOMMODATION	\$14.6M	+124.6%
APPAREL & PERSONAL	\$229.9M	+32.9%
CAFES, RESTAURANTS, BARS & TAKEAWAYS	\$123.0M	+47.3%
DEPARTMENT STORES & LEISURE	\$208.3M	+23.2%
FUEL & AUTOMOTIVE	\$78.3M	+15.1%
GROCERIES & LIQUOR	\$82.2M	+25.0%
HOME, HARDWARE & ELECTRICAL	\$65.9M	+1.9%
OTHER	\$38.5M	+39.5%

TOTAL ANNUAL SPEND 2014 – 2023

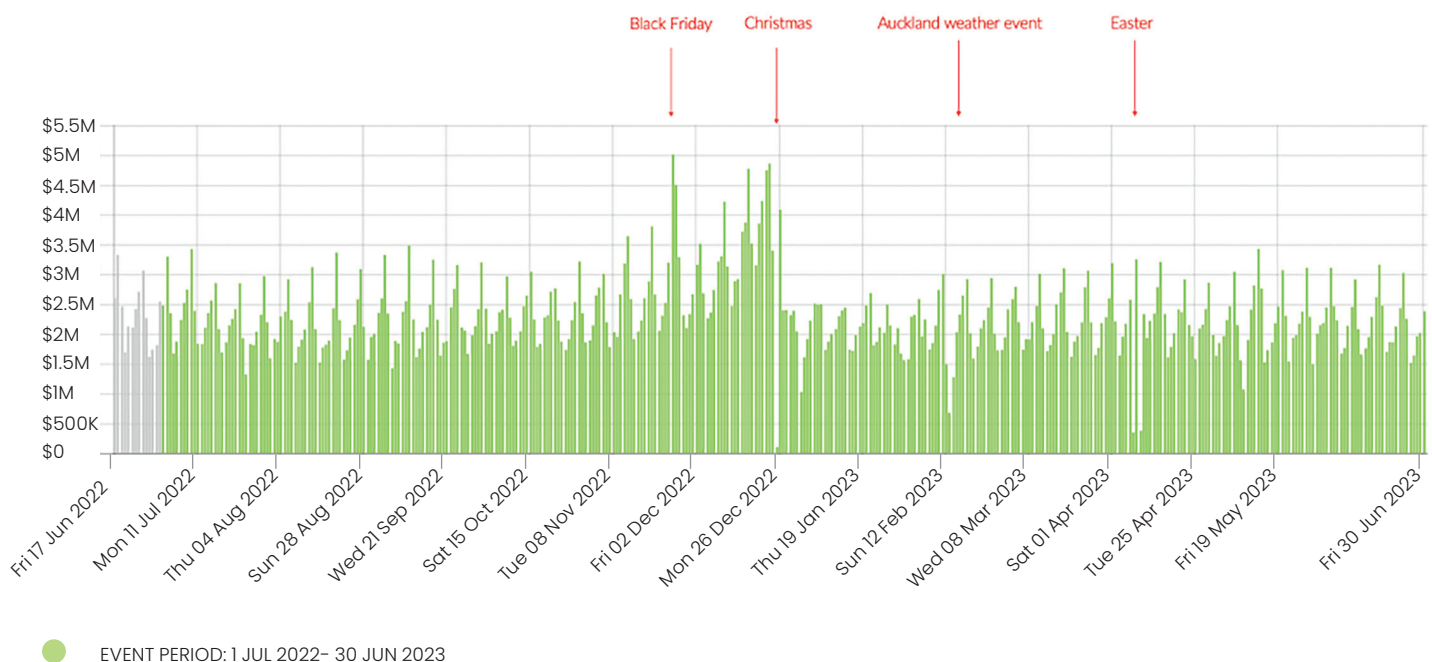
EOFY 30 JUNE	NEWMARKET	TREND
JUN '14	\$561.1M	
JUN '15	\$602.3M	↑
JUN '16	\$621.6M	↑
JUN '17	\$609.5M	↑
JUN '18	\$539.6M	↓
JUN '19	\$484.3M	↑
JUN '20	\$592.4M	↑
JUN '21	\$727.0M	↑
JUN '22	\$648.4M	↓
JUN '23	\$840.7M	↑



Chief Executive's Report 2023

Trading Results BID Annual Retail Snapshot (PROVIDED BY MARKETVIEW)

NEWMARKET DAILY SPEND 2022 /2023



KEY TAKEAWAYS

- Post-covid recovery is well underway
- We had our best year in recorded history to 30 June 2022
- However, consumer confidence has taken a hit
- Inflation realities are impacting discretionary spend
- Trade conditions likely to remain tough

Chief Executive's Report 2023

OTHER AREAS OF NOTE:

SECURITY

Crime has remained problematic for Newmarket, like many other parts of New Zealand. We have had meetings with multiple Ministers of Police and have continued to advocate at the very highest levels, and have strongly voiced our concerns in the media. We have also joined forces with a retail security roundtable that includes many large retailers, police and security stakeholders. Our collective voice and intel sharing is going some way to assist in the war against crime.

PATROLS, CCTV CAMERAS & TECHNOLOGY TOOLS

At this meeting last year, there was a strong voice from you all for increased investment into security. We heard you. We initially intended to increase investment from 1 July 2023, however we brought it forward as the need for us to do more became so strong. So, as has been well reported, in February we ended our contract with our security provider and established our very own Newmarket Security – with Brian, Ray, Lopeti and William. We kitted the team out with a car, PPE, branded uniforms, slash-proof vests, body cameras, and radios. Newmarket Security is dedicated team of professionals who quickly worked across the precinct to build rapport with members, as well as command a level of credibility that is hard to

achieve. The demand for their services is significant. The team work very closely with the police, and the wider security network with the precinct. Almost 90% of Newmarket landowners or tenants have now delegated Trespass Authority to Newmarket Security, meaning the team can trespass people on your behalf.

Our CCTV network has proved to be an invaluable tool in detecting crime, as well as investigating incidents after the event. Our surveillance is conducted by Brian, who sits inside the Newmarket Police Station and works alongside the police every day. We now also monitor the CCTV cameras of the Parnell Business Association, and continue to work on increased synergies and intel-sharing with them, along with several other central business associations. Our CCTV view extends far and wide, and thanks to Safer Cities we have access to vGrid which is a comprehensive network of cameras. vGrid also provides alerts of stolen vehicles and vehicles of interest, directly to the mobile phones of the security team. Criminals have no idea just how visible they are these days when they set foot in Newmarket.

GRAFFITI

Graffiti Solutions continue to manage the contract for the precinct and as always deliver an excellent service. This past

year has continued to be very challenging for them as the level of tagging has increased exponentially. I applaud Graffiti Guard's hard work.

I would like to express my sincere thanks to the board, chaired by Mark Hill-Rennie, Treasurer by Carl Sowter, Kalpana Reddy, Christina Yu, Matt Harray and Chris Dodd. I, as always, have been very grateful for the support they have provided to me and the NBA team. Thanks also to Genevieve Sage and Anahera Rawiri, our Waitemata Local Board representatives for their support and advice.

I'd also like to thank you, the businesses of Newmarket, for investing your time and money – and for helping the precinct to continually evolve. Newmarket is New Zealand's world-class destination.

Finally, thank you to my own team of Kelly, Portia, Francesca, Maia, Shani, Lana, Brian, Ray, Lopeti & William who continue to work so hard for this outstanding town centre.



Mark Knoff-Thomas
Chief Executive



Treasurer's Report 2023

Carl Sowter

FOR THE YEAR ENDED 30 JUNE 2023

My report is on the financial performance of the Newmarket Business Association for the year ended 30 June 2023.

The full audited accounts have been included in your booklets. Here are some explanations on certain line items in these accounts.

STATEMENT OF FINANCIAL PERFORMANCE

Income

Our main source of funding is from the Business Improvement District Levy, or BID Levy, which is collected by Auckland Council and passed on to us. Included in Commercial Income are NEWMARKET. advertising, Exclusive EDM's, Italian Festival, Associate Memberships and on billing other BIDs for costs incurred.

Expenses

Included in Advertising & Events are Standard Events (Italian Festival, Art & Heritage week, Day of Luxury, Anzac Day, Precinct Activations, Sponsorship and Christmas Fest), Generic Promotion includes Print and Digital marketing, Brochures, Creative, Website and NEWMARKET. Meeting Expenses include Member Events, Precinct meetings, Chief Executive networking, AGM, Board meetings, and Council meetings.

Statement of Financial Position

Items in Accrued Expenses are Audit fee and Payroll costs. Income in Advance is made up of the balance of the SLIPS funding for the new App and Heritage Signage, an Auckland Council grant for the Art Project, income from the delayed Newmarket Business Awards, one off Crime Fund funding and advertising income from the Newmarket magazine published after year end. Prepayments relate to Rent paid in advance and expenses prepaid for the delayed Newmarket Business Awards. During the year we spent \$341,977 on fixed assets, \$3,950 on Office Furniture & Equipment, \$10,128 relating to IT and \$327,899 relating to new CCTV. Of the CCTV purchase, \$268,539 has been funded over 4 years.

Budget Summary

Also attached is a summary of our Actual results compared to Budget for 2023, the 2024 Budget and the proposed 2025 Budget.

Carl Sowter
Treasurer



SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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Notes to the Special Purpose Financial Statements	5
Independent Auditor's Report	8



Newmarket Business Association Incorporated

BUSINESS ENTITY DIRECTORY AS AT 30 JUNE 2023

Established:	18th August 1994
Nature of Business Entity:	Business Association
Location of Business Entity:	PO Box 9374 Newmarket Auckland
Registered Office:	Level 2, 238 Broadway Newmarket Auckland
Bankers:	ANZ Bank Broadway Newmarket Auckland
Auditors:	JSA Audit Ltd Level 2, 155 Parnell Road Parnell Auckland

Newmarket Business Association Incorporated

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023	2022
ACCUMULATED FUNDS			
Accumulated Surplus		405,449	357,460
CURRENT LIABILITIES			
Trade Creditors		109,753	128,636
Accrued Expenses		30,657	41,932
Income In Advance		221,554	554,710
		361,964	725,278
NON CURRENT LIABILITIES			
Loan - Secured		234,340	-
TOTAL FUNDS EMPLOYED		\$1,001,753	\$1,082,738
CURRENT ASSETS			
ANZ Bank 00 Account		135,410	500,287
ANZ Bank 25 Account		132,665	161,108
ANZ Bank 30 Account		280,932	272,146
ANZ Credit Card		4,645	3,261
Prepayments		53,812	33,710
Trade Debtors		66,025	21,647
GST Refund Due		28,401	33,006
		701,890	1,025,164
NON CURRENT ASSETS			
At Book Value	5	299,863	57,575
TOTAL ASSETS		\$1,001,753	\$1,082,738
 Chairperson			
 Treasurer			
		22/9/23	Date
		22/9/23	Date

The accompanying notes form part of these special purpose financial statements and should be read in conjunction with the Independent Auditor's Report.

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
INCOME			
BID Levy		1,812,099	1,750,820
Commercial Income		212,004	199,607
Grants/ Slips Funding		6,500	-
		<u>2,030,603</u>	<u>1,950,427</u>
INVESTMENT AND OTHER INCOME			
Interest Received		16,124	1,986
TOTAL INCOME		<u>2,046,726</u>	<u>1,952,413</u>
EXPENSES			
ACC Levy		1,245	1,428
Accountancy Fees		4,000	4,000
Advertising & Events		656,619	553,661
Art Projects		132	51,600
Audit Fee		5,100	4,650
Bank Charges		619	155
Christmas Decorations		41,829	24,558
Cleaning		3,922	3,296
Customer Research		5,914	5,131
Depreciation		99,688	7,999
General Expenses		8,931	3,233
Graffiti Project		59,000	49,500
Heritage Projects		9,816	11
Insurance		8,998	7,589
Interest		11,160	-
IT Repair and Maintenances		10,928	10,451
Lease Payments		8,743	8,470
Legal Fees		6,921	6,859
Loss on Sale of Fixed Assets		1	511
Meeting Expenses		7,079	4,826
Postage		4,413	5,358
Power & Gas		3,896	3,399
Printing & Stationery		1,960	887
Public Relations		32,762	30,988
Rent		75,397	72,415
Repairs & Maintenance		2,395	2,261
Security Costs		101,239	189,310
Security Wages		116,181	-
Staff Advertising		6,510	6,252
Subscriptions		5,293	4,425
Telephone		11,644	9,342
Travelling Expenses		5,048	3,999
Wages		681,353	721,997
TOTAL EXPENSES		<u>1,998,737</u>	<u>1,798,562</u>
NET SURPLUS		<u>\$47,989</u>	<u>\$153,851</u>

The accompanying notes form part of these special purpose financial statements and should be read in conjunction with the Independent Auditor's Report.

Newmarket Business Association Incorporated

STATEMENT OF MOVEMENTS IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
Net Surplus for the Period		47,989	153,851
Total Recognised Revenue and Expenses		47,989	153,851
ACCUMULATED FUNDS AT START OF PERIOD		357,460	203,609
		405,449	357,460
ACCUMULATED FUNDS AT END OF PERIOD		\$405,449	\$357,460

The accompanying notes form part of these special purpose financial statements and should be read in conjunction with the Independent Auditor's Report.

Newmarket Business Association Incorporated

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1 REPORTING ENTITY

Newmarket Business Association Incorporated is an Incorporated Society established under the Incorporated Societies Act 1908.

2 BASIS OF PREPARATION

a) Statement of Compliance

The Newmarket Business Association Incorporated is not required to prepare financial statements that comply with generally accepted accounting practices and as a result has elected to prepare special purpose financial statements. These special purpose financial statements have been prepared for management, the members, and financiers of Newmarket Business Association Incorporated. As a result, the special purpose financial statements may not be suitable for another purpose.

b) Basis of Measurement

These special purpose financial statements have been prepared on a historical cost basis, except as noted otherwise below. The special purpose financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

3 SUMMARY OF SIGNIFICANT ACCOUNTING PARTIES

a) Property, Plant and Equipment

Plant and equipment is measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Additions and subsequent costs

Subsequent costs and the cost replacing part of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the acquisition date.

All repairs and maintenance expenditure is charged to statement of financial performance in the year in which the expense is incurred.

Disposals

When an item of plant or equipment is disposed of, the gain or loss recognised in the statement of financial performance is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

Newmarket Business Association Incorporated

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Depreciation

Depreciation is charged on a diminishing value (DV) basis on all plant and equipment over the estimated useful life of the asset. Depreciation is charged to statement of financial performance and disclosed within expenses. The following depreciation rates have been applied at each class of plant and equipment.

Building Fitout	10 – 25% DV
Office furniture and equipment	4 – 67% DV
Computer software and equipment	40 – 50% DV
Plant & Equipment	40% DV

The residual value and useful life of property, plant and equipment is reassessed annually.

- b) **Accounts Receivable**
Accounts receivable are stated at their estimated realisable value.
- c) **Goods and Services Tax**
Financial information in these accounts is recorded exclusive of GST with the exception of receivables and payables, which include GST. GST payable or receivable at balance date is included in the appropriate category in the Statement of Financial Position.
- d) **Leased Assets**
With the exception of the CCTV Camera's, the annual costs associated with leasing items which would otherwise be classed as fixed assets have been included in the Statement of Financial Performance as expenses. For the CCTV Camera's, these have been recognised as a fixed asset along with the corresponding Non Current Liability.
- e) **Liabilities**
Liabilities are stated at the estimated amounts payable and include obligations which can be reliably estimated. Current liabilities include the amounts payable in the next financial period.
- f) **Changes in Accounting Policies**
There have been no specific changes in accounting policies and they have been applied on a consistent basis with those of the previous period.

4 TAXATION

No tax has been provided as the Newmarket Business Association Incorporated is exempt for tax.

5 PROPERTY, PLANT AND EQUIPMENT SUMMARY

2023	Cost	Accum Depn	Book Value
Building Fitout	6,735	3,954	2,781
Office Furniture & Equipment	40,553	31,384	9,169
Computer Software & Equipment	113,956	81,726	32,230
Plant & Equipment	327,898	72,215	255,683
	<u>\$489,142</u>	<u>\$189,279</u>	<u>\$299,863</u>
2022			
Building Fitout	6,735	3,446	3,289
Office Furniture & Equipment	36,958	29,514	7,444
Computer Software & Equipment	103,828	56,986	46,842
Plant & Equipment	-	-	-
	<u>\$147,521</u>	<u>\$89,946</u>	<u>\$57,575</u>

Newmarket Business Association Incorporated

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

6 EVENTS OCCURRING AFTER BALANCE DATE

No events subsequent to balance date. Covid 19 has no impact on Newmarket Business Association Incorporated.

7 CONTINGENT LIABILITIES

There are no contingent liabilities at year end (30 June 2022: \$Nil).

8 CAPITAL COMMITMENTS

There are no capital commitments at year end (30 June 2022: \$Nil).

9 RELATED PARTIES

Carl Sowter (Treasurer) is also a director of Marley Loft 2012 Limited. Marley Loft 2012 Limited received \$4,000 (2022, \$4,000) from Newmarket Business Association Incorporated for the preparation of monthly and annual accounts.

During the year, Board members have used the services of the Association. These have been charged at normal market rates.

10 SECURITIES AND GUARANTEES OF LIABILITIES

The ANZ Bank has issued Newmarket Business Association Incorporated with 1 Visa credit card with a total limit of \$1,000.





JSA Audit Limited
is a CPA Practice



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INDEPENDENT AUDITOR'S REPORT

To the Members of Newmarket Business Association Incorporated

Opinion

We have audited the special purpose financial statements of Newmarket Business Association Incorporated (the "Association") on pages 2 to 7, which comprise the statement of financial position as at 30 June 2023 and the statement of financial performance and statement of movements in accumulated funds for the year then ended, and notes to the special purpose financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose financial statements of the Association for the year ended 30 June 2023 are prepared, in all material respects, in accordance with the accounting policies as disclosed in Note 3 of the special purpose financial statements.

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 in the *Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements* section of our report. We are independent of the Association 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, Newmarket Business Association Incorporated.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 2(a) to the special purpose financial statements, which describes the basis of accounting. The special purpose financial statements are prepared for management, the members, and financiers of the Association. As a result, the special purpose financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Board's Responsibilities for the Special Purpose Financial Statements

The Board is responsible on behalf of the Association for the preparation of the special purpose financial statements in accordance with the accounting policies as disclosed in Note 3 of the special purpose financial statements and for such internal control as the Board determines is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, the Board is responsible for assessing the Association'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 Board either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose financial statements 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 decisions of users taken on the basis of these special purpose 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 special purpose 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 Association'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 those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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 special purpose 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 Association to cease to continue as a going concern.

We communicate with those charged with governance 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.

Restriction on Use

This report is made solely to the Association's Members, as a body. Our audit has been undertaken so that we might state to the Association's 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 Association and the Association's Members as a body, for our audit work, for this report, or for the opinions we have formed.

JSA AUDIT LTD

JSA Audit Limited
Parnell, Auckland
22 September 2023

NEWMARKET.

SECURITY

Protecting
our precinct

Funded by Newmarket Business Association

Budget Summary

INCOME	ACTUAL 2023	BUDGET 2023	BUDGET 2024	BUDGET 2025
BID Income – Auckland Council	1,812,099	1,812,099	1,938,946	1,938,946
BID Levy Increase 2024–2025				67,863 *
Commercial Income	212,004	173,113	251,050	262,000
Other Income	22,623	59,968	176,518	125,000
TOTAL INCOME	2,046,726	2,045,180	2,366,514	2,393,809
EXPENDITURE				
OPERATING EXPENSES				
Wages & Salaries	681,353	721,906	750,000	772,500
Rent & Overheads	79,481	84,163	80,125	85,000
Other	114,628	102,986	93,174	95,000
OPERATING EXPENSES TOTAL	875,462	909,055	923,299	952,500
SECURITY				
Wages	116,181	33,094	335,000	345,050
CCTV (Patrols)	90,396	140,000		
CCTV Lease	94,219	90,000	77,780	77,780
Graffiti Removal	59,000	59,000	59,000	59,000
Other			87,000	87,000
SECURITY EXPENSES TOTAL	359,796	322,094	558,780	568,830
ADVERTISING & PROMOTION				
Generic Promotion	331,312	345,550	368,000	398,000
Standard Events	311,443	323,500	253,000	333,000
ADVERTISING & PROMOTION TOTAL	642,755	669,050	621,000	731,000
BUSINESS DEVELOPMENT				
Business Activator	40,512	48,350	42,000	48,500
Other	28,435	37,035	31,700	35,000
BUSINESS DEVELOPMENT TOTAL	68,947	85,385	73,700	83,500
URBAN DESIGN & HERITAGE				
Christmas Decorations	41,829	45,000	45,000	35,000
Other	9,948	15,000	47,018	20,000
URBAN DESIGN & HERITAGE TOTAL	51,777	60,000	92,018	55,000
TOTAL EXPENDITURE	1,998,737	2,045,584	2,268,797	2,390,830
NET OPERATING SURPLUS/(DEFICIT)	47,989	- 404	97,717	2,979

* to partially fund Italian Festival



Business Plan
2024-2025

Commercial In
Confidence

Business Plan 2024-2025

Introduction

The Newmarket Business Association 'NBA' represents a group of over 3,000 building and business owners and is one of 50 Business Improvement District (BID) bodies within the Auckland region.

Our Vision is for the Association to be the authority on all matters related to Newmarket for all stakeholders, and at all times.

Our Goal is for Newmarket to be positioned as New Zealand's premier urban lifestyle destination to shop, dine, play, work and live.

The core work of the NBA is to advance the economic and business interests of our members within the Newmarket BID. This includes promotions, events, and ensuring the safety and security of the area.

However, we understand that economic development is much broader and more complex than this. To enable the development of the Newmarket area, we work widely with the whole

community, recognising that we all have a part to play in our town's success.

We continue to build on the stable foundation that has been set during the previous 9 years. We will continue to exercise fiscal responsibility while adding the most value we can to members across all sectors within the Newmarket business community.

Our success is not achieved by any one group, nor any one initiative. We work in an environment of large external influence and diverse stakeholders and must take a broad approach to effecting change. We see it as our role to make connections, to represent diverse voices, to critique proposals, and to focus on doing what we know we can achieve. These persistent efforts will yield the Newmarket of the future.



OUR STRATEGIC PRIORITIES

Priority One: Drive foot traffic and commercial conversion rates

- We will market Newmarket and its events through a number of different means
- We will promote and prioritise safety within the precinct
- We will prioritise the beautification of Newmarket and will work with the relevant local government stakeholders to deliver this
- We will work with relevant landlords, leasing and sales agents and developers to attract and retain valuable businesses to Newmarket
- We will measure this through pedestrian foot traffic (via cameras), MarketView data, and event attendance.

Priority Two: Optimise engagement across our diverse stakeholder groups

- We will develop proactive strategies for our key stakeholder groups
- We will promote visibility for diverse stakeholder groups
- We will ensure we have a diverse, engaged, and representative Board
- We will aim to influence the private sector developments and tenancies
- We will measure this through narrative research, Council and MarketView Data, the mix of businesses in the area, business confidence in the area, and engagement surveys with diversity communities and consumers.

Priority Three: Be primary advocates for and on behalf of Newmarket

- We will communicate our advocacy positions to members
- We will champion positive outcomes for Newmarket with local and central government
- We will be the primary voice of Newmarket
- We will measure this through voluntary and tangible invitations for comment, member engagement and satisfaction, and levels of social media activity.

Resources Available

Each of our Priorities is measured on a monthly basis and reported to the NBA Board. Each imperative is implemented with tactics; these tactics are reviewed regularly, and on not less than an annual basis. To help achieve these imperatives we have an annual budget of approximately \$2.25M in revenue, a combination of BID income plus an additional \$250k of commercial income.



OUR ACTIONS IN 2024-2025 (JULY – JUNE)

Priority One: Drive foot traffic and commercial conversion rates

INITIATIVE	ANNUAL BUDGET	TIMING	OWNER	MEASURE / KPI
NEWMARKET. magazine 60,000 copies distributed	\$230,000	Seasonal – ongoing	Marketing Manager	Distribution carried out; readership high; members onboard; advertising revenue targets achieved
eDM 'The Edit' sign up Prize Draw	\$350 p/m	Fortnightly – ongoing	Marketing Associate	Number of new subscribers; eDM open rate
eDM 'The Bite' – hospo-specific	\$350 p/m	Fortnightly – ongoing	Marketing Associate	eDM open rate; MarketView data
Precinct Activations	\$100,000	Ongoing	CEO/ Marketing Manager	Increase in foot traffic; MarketView reports; number of events/activations
Generic digital promotions (with call to action)	\$35,000	As required	Marketing Associate	Number of entries; social media engagement; foot traffic increased.
Generic print promotions (with call to action)	\$35,000	As required	Marketing Associate	Number of entries; social media engagement; foot traffic increased.
Matariki	Precinct Activations	June	Marketing Associate	Engagement with diverse communities increased; foot traffic increased
Māori Language Week	Precinct Activations	September	Marketing Associate	Engagement with the Māori language increased. Events held and foot traffic increased.
Art & Heritage Weeks	\$6,000	October	Arts and Heritage Manager	Event attendance; foot traffic increased.
Christmas Decorations	\$25,000	October	Marketing Manager	New Christmas installations purchased in Q2 2020
Christmas Fest #ChristmasWishList	\$20,000	December	Marketing Manager	Event attendance; foot traffic increased.
Creative photo shoot	\$25,500	March	Marketing Manager	New creative stock available for brand campaign / ATL promotion.
ANZAC Day	\$4,000	April	CEO / Arts and Heritage Manager	Event attendance; foot traffic increased.
Domestic Tourism Campaign	Precinct Activations	August	Marketing Associate	Marketing Manager
General Precinct Activations	Precinct Activations	January – onwards	Marketing Manager	Marketing Manager
Heritage Fund	\$5,000	July onwards	CEO / Ngati Whatua Ōrākei / Waitematā Local Board	2
Italian Festival * (see notes below)	\$125,000 (*\$67,863 – 3.5% Levy increase; \$20,000 Local Board; \$20,000 sponsorship; \$17,000 Precinct Activations)	November	CEO/ Italian Society/ Commercial Manager	Event attendance; precinct sales increased; foot traffic increased.

* The return of the Italian Festival in 2024-2025 will be partly funded by the proposed 3.5% BID Levy increase of \$67,863, with additional funds from the Waitematā Local Board, commercial sponsorship, and funding from the Precinct Activations budget. The benefits to Newmarket from the Festival include: increased foot traffic; a cultural celebration; community engagement; an increase in consumer spend on the day of an estimated 100k; and the chance to expand the event into a week long festival and activate the whole precinct.



OUR ACTIONS IN 2024-2025(JULY – JUNE)

Priority Two: Optimise engagement across our diverse stakeholder groups

INITIATIVE	ANNUAL BUDGET	TIMING	OWNER	MEASURE / KPI
Increased engagement with the property sector	\$-	Ongoing	CEO / Commercial Manager	Increased engagement; voluntary and tangible interactions with developers and landlords.
An engaged, diverse, and representative Board	\$-	Board election process; ongoing	CEO / Commercial Manager	Board has senior businesspeople that represent both existing and desired split of Newmarket businesses.
Diversity-related workshops for members	\$2,000	2 per year	Commercial Manager	High attendance and good feedback. Attendance increases over the year.
Research Project	\$7,500	May/ October	CEO / Strategic Business Manager	Up-to-date information on Newmarket consumer opinions and behaviours.
Members Pack	\$2,000	October	Marketing Manager / Commercial Manager	A new, professional, factual information pack/ attraction tool on Newmarket available for members, landlords, realtors and other stakeholders.
The Hub – network meetings	\$2,000	Quarterly meetings from March	CEO / Commercial Manager	Continual enjoyment, supported by a good number of members with interest strong from hosts.
Newmarket Business Awards	\$110,000	June / July	Marketing Manager / Commercial Manager	High attendance; number of entries media mentions.
Inclusion Strategies for Māori/ Chinese/ Youth and LGBTIQ+ communities	Precinct Activations	Ongoing	CEO / Strategic Business Manager	Feedback from key stakeholders

OUR ACTIONS IN 2024-2025 (JULY – JUNE)

Priority Three: Be primary advocates for and on behalf of Newmarket

INITIATIVE	ANNUAL BUDGET	TIMING	OWNER / PARTNER	MEASURE / KPI
Increased engagement with Council and CCOs	\$TIME	Ongoing on an as needed basis	CEO / Commercial Manager	Voluntary and tangible interactions by wider stakeholders. Involvement in all major proposals that directly or indirectly affect Newmarket.
Media and PR	\$35,000	Monthly	CEO / PR Partner	Share of voice; media mentions; social media engagement
Diversity and Inclusion Strategies	Precinct Activations	2024/2025 Financial year	CEO / Strategic Business Manager / Others	Cohesive strategies to embed diverse stakeholders in NBA events; projects and wider community
Laneways Masterplan Project (New Targeted Rate proposed)	\$TBC	2024/2025 Financial year	CEO / WLB / AC / AT / Members	Targeted rate approved and implemented
Security: Graffiti Removal	\$59,000	Weekly	CEO / Commercial Manager / Members	Tagging is proactively removed on a regular basis. Feedback from members and others
Security: Personnel	\$270,000	Ongoing	CEO/ CCTV Surveillance Officer/ Mobile Patrol Officers/ Newmarket Police/ Members	Police requests are responded to in a timely manner. Proactive monitoring of the precinct 7 days a week during business hours and proactive responses to crime issues 7 days a week during business hours, in coordination with precinct-wide security stakeholders. Daily Reports to CEO
Security: Car, Body Cams, Radios, CCTV Cameras and Maintenance	\$140,000	Ongoing	CEO/ Technology Providers	Technology tools functions perform at 95% or better at all times;



Business Plan 2024-2025

Staff Retention Plan

- Provide a fulfilling, flexible and effective work environment
- Celebrate successes and recognise loyalty
- Provide training and developmental opportunities
- Increase team diversity
- Regular team building activities and events

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">→ Reputation and credibility→ Brand recognition→ Longevity / trading history→ Transport hub – buses, trains, motorways→ Many public car parks→ Catchment area / demographic→ \$1billion + in new developments→ Westfield's offering→ Burgeoning hospitality sector	<ul style="list-style-type: none">→ Lack of youth space→ Ongoing disruption/ civil works/ development construction→ Lack of stakeholder engagement in some sectors→ Lack of green public space
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">→ Significant development pipeline→ Inflow of new retail, hospitality & commercial brands→ Refreshed offering, best in class→ Newfound epicentre of retail, fashion and hospitality→ New commercial brands and HQs→ New premium hospitality brands→ Precinct beautification/ upgrades→ Stakeholder engagement strategies.	<ul style="list-style-type: none">→ Geo-political environment→ Lack of labour supply→ Increasing competition→ Volatile retail sector→ Reduction in on-street parking→ Further streetscape upgrade causing disruption→ Technological disruption

AGM Resolution 1:

To approve the 2024-2025 budget which includes a BID targeted rate grant amount of \$2,006,809, including a 3.5% increase [or \$67,863] to the BID targeted rate grant for 2024-2025 financial year. Further ask the Waitematā Local Board recommend to the governing body the amount of \$2,006,809 be included in the Auckland Council draft 2024/2025 annual budget consultation process.

Proposed wording for Minutes:

To approve the 2024-2025 budget which includes a BID targeted rate grant amount of \$2,006,809, including a 3.5% increase [or \$67,863] to the BID targeted rate grant for 2024-2025 financial year. Further ask the Waitematā Local Board recommend to the governing body the amount of \$2,006,809 be included in the Auckland Council draft 2024/2025 annual budget consultation process.)

AGM Special Resolution 1:

Newmarket Business Association Constitution
September 2023
Special Resolution 1:
That the Newmarket Business Association receive and approve the Newmarket Business Association constitution dated September 2023.

Reason:

Auckland Council updated and approved the Council's Business Improvement District (BID) Policy in July 2022. The current Newmarket constitution (approved February 2013) now needs to be updated, including the rules around the governance and management of the Newmarket Business Improvement District (BID) programme to align with the Auckland Council's new BID Policy (2022).

Copies of the current and proposed constitutions are available as handouts at the AGM or on the member's portal on the website newmarket.co.nz/member-home



NEWMARKET.