ANNUAL REPORT

BusinessCentral

ExportNZ

WELLINGTON CHAMBER OF COMMERCE

ANNUAL REPORT

CONTENTS

TOITŪ CARBON ZERO ISO 14064-1 ORGANISATION

We have been proudly Carbon Zero certified since 2016

REPORT OF THE ORGANISATION

Report from the Combined Council Chair: The 2021/2022 financial year at Business Central was overshadowed by the COVID-19 pandemic, which had a material impact on our ability to deliver the usual range of activities.

In a highly uncertain and challenging operating environment, the pandemic impacted all aspects of the business, including Learning and Development, International Trade and Events. One clear example of the limits that COVID-19 imposed on us was that we could only host networking events for three of our twelve operating months.

Despite these conditions, the Board and I are highly encouraged by the resilience of the organisation and the way in which it met the challenges of the past year. Through careful management, we retained strong membership revenue and have been able to return an overall operating surplus for 2021/22.

Supporting members during this difficult time has been at the core of our mission. There was significant impact on business activity during 2021-22 which included exporters, manufacturers and the tourism, hospitality and retail sectors. Mental health and well-being became a feature of the workplace, and adaptations for some industries – such as working from home – became a possible 'new normal'.

As New Zealand prepared to reopen to the world, our regular surveys of members demonstrated that loosening of restrictions has not yet materially translated into greater business confidence. Many of our members are now confronted with the challenges of stubborn inflation and elevated wage and salary expectations from employees. To meet cost of living concerns, growth in employee remuneration across the board was at a level not seen for decades.

With unemployment at record lows, labour shortages have been a constant challenge for members and no industry has been spared. A key focus for Business Central has been our advocacy work with central government to push for changes to the immigration settings to allow workers to come to our shores.

The Government has a significant reform programme across large sectors of the economy. As part of the Business New Zealand Network, we have been particularly vocal around the introduction of Fair Pay Agreements, which we do not support. We will continue to monitor, advocate and communicate on your behalf with central government across all matters.

Business Central's Board has undergone some changes throughout the year, and we would like to thank Mahi Tangaere for her service and contribution as a Board member.

I wish to thank the Board of Business Central for their work and support for me since I became Chair. I also want to acknowledge the work of our Chief Executive, Simon Arcus, and his team as they operated the business in highly challenging conditions.

Significant change has been made in the past year, including considerable modernisation at Business Central. During a year in which engagement was restricted by external factors, we have reviewed and improved the way we operate to position ourselves for a stronger future.

Of particular significance to us is the announcement of two new partnerships with Te Awe Wellington Māori Business Network and the Wellington Pasifika Business Network. We believe there are huge opportunities for our organisations to work more closely to lift the growth and value of all businesses throughout Wellington. The rationale for what we now often refer to as the "Power of Three" is a mutually beneficial network where an expanded number of businesses across our city and region will derive benefit from the products and services we offer.

Jo Healey
Chair, Business Central

REPORT FROM THE WELLINGTON CHAMBER OF COMMERCE PRESIDENT

As Wellington Chamber commemorated its 166th year of service to businesses and the city, we were keen to build on what had served us so well over that time but also implement several new initiatives in order to be more inclusive, relevant and impactful.

I want to acknowledge how challenging it has been for our member businesses of all kinds during the COVID-19 pandemic. We have worked hard to keep our communications strong with members and I congratulate all of you who showed such resilience and fortitude in uncertain times.

I also make note of the prolonged occupation of the Parliamentary precinct in Wellington over 23 days in February and March. While we respect the right to express diversity of views, we condemn the disruption to Wellington businesses and residents, as well as the violent way in which the protests ended. This did not need to be the case.

Our new partnerships, the "Power of Three", with Te Awe Wellington Māori Business Network and Wellington Pasifika Business Network, will make a notable difference across Wellington and together, sharing and learning from each other, we will increase our relevance and impact.

Wellington is blessed with businesspeople who dedicate their time to ensuring a strong and prosperous economy, with a number also contributing to social, cultural and sporting causes. Recognition of these further accomplishments is often not made public, and the Chamber is committed to hosting an annual celebration dinner and awards ceremony to address this.

The "Wellington Address" will be held later in 2022, and I'm proud to say that preparations are well-advanced. We look forward to sharing how the event unfolded in next year's commentary.

Our city has faced its fair share of challenges over recent years, and 2022's local elections are set to provide fresh impetus around infrastructure, local government funding and the contribution business makes to the city. Consequently, the Chamber commissioned "The Wellington Report", a summary of business views on our capital city and its future. When published, we will share these views with Wellington City Council and other interested stakeholders to ensure business has its voice heard.

Wellington has the fundamentals of a great modern city where people want to live. It is compact, connected and has many natural advantages. The most important thing is to have jobs in this city that are attractive to talented people. We must remember that prosperous Wellington businesses are the key to that. With the lifting of Covid restrictions and the return of cruise ships and tourists to the city, we have reason to be optimistic.

Karun Shenoy
President, Wellington Chamber of Commerce

REPORT FROM THE CHIEF EXECUTIVE

I echo comments from our Chair and President about the impact of the pandemic on our own business and the businesses we represent.

For our members, extended border closures and ongoing issues with supply chains and labour market constraints continue to significantly impact business operations. The threat of inflation and rising interest rates has added to that uncertainty. Our members have been required to be as resilient and adaptable as they have ever been.

Business Central continues to deliver services and knowledge to facilitate successful outcomes for our members. We have focused on supporting members through the pandemic, including ensuring the information they have is relevant and up-to-date as national rules and regulations change.

The pandemic impacted us all. Like many of our members, access to our own Business Central premises was entirely closed or restricted for a cumulative number of months. We were able to hold events in only three of the twelve months in the financial year. This required our team to be adaptable and to accept a highly uncertain operating environment.

Considerable progress was made on several key projects to modernise Business Central, including a new website which is to be launched before the end of 2022, a project to modernise accounting systems which is now complete, and a significant investment in a new member database (CRM) which will be completed in late 2022. These significant projects will give us the ability to better interact with members, personalise their experience and better serve member needs, while concurrently reducing significant cost and time in administration.

We are focusing on new and emerging areas, such as sustainability and diversity and inclusion, and we have also streamlined our onboarding experience.

We have been able to effectively leverage our role as one of the founding members of the BusinessNZ Network to advocate throughout New Zealand and this allows us to represent our members at a national level and draw on unparalleled resources and knowledge.

A highlight of the year was the signing of the kawenata and covenants with the Te Awe Wellington Māori Business Network and Wellington Pasifika Business Network. These arrangements are ground-breaking in the history of both the Chamber and Business New Zealand Networks and will see our organisations share knowledge, services and cultural expertise to help grow businesses in the Wellington region.

We report an operating surplus for the financial year of $229k. This is despite a significant pandemic-related impact on operations and revenue for events, sponsorship, international trade, and learning and development.

I am particularly proud of the quality of, and capability in, our team. I thank the team for their work and renewed focus on our purpose to serve and represent members and help businesses lift their capability.

I thank our Board Chair, Jo Healey, and Chamber President, Karun Shenoy, for their support and contribution to the organisation, and extend that thanks to the Board of Business Central which remains focused on our strategic future and adding value to the membership base. Thank you to our partners and sponsors, as well.

My particular thanks to our members who are at the heart of all we do, and I congratulate you on the determination and focus it has taken to make it through the challenges of this year.

Simon Arcus
Chief Executive, Business Central

THE LIONS

Any organisation is the culmination of the work of past leaders who motivated their teams to move the business forward. This is particularly the case for Wellington Chamber of Commerce, in operation since 1856, with a proud legacy of serving member businesses and the city of Wellington with honour, integrity and diligence.

It only seemed right then that we would honour previous Presidents and Chairs by organising the inaugural "Lions Lunch", to be held in our office in August 2022.

We look forward to hosting the following Lions:

- Barrie Saunders
- Charles Finny
- Nigel Gould
- Peter Cullen
- Peter Steel
- Vaughan Renner

MEMBERSHIP

Although we provide a range of products and services across multiple business support categories, membership sits at the very heart of our organisation. In a year where Covid continued to dominate headlines and the operations of business throughout our regions, we too endured challenges and had to overcome a number of hurdles to continue supporting our members.

Our communications centred on Covid received extremely positive feedback. In a media landscape where multiple news outlets reported the latest developments, and the Government's initiatives, we focused almost exclusively on how the latest news impacted businesses. We ensured we communicated promptly, accurately and comprehensively.

At a time when there were a number of other headwinds for business, our membership base remained solid and we're grateful for the vote of confidence you have placed in us to continue supporting you. Without you, we simply couldn't do what we do.

Aside from our business as usual activities, we dedicated time during the year to modernising our offerings. We digitised a number of publications, with a significant portion of the savings going to one of our partners, Trees That Count. Carbon zero certified now for six years, we continue accurately measuring and taking action to reduce our carbon footprint.

Additionally, we've laid the groundwork for initiatives we're implementing later in the calendar year – upgrading our Customer Relationship Management platform to deliver better service to our members; renewing our collateral to be more targeted in our approach to meeting member needs; and renovating our 'digital storefront', aka our websites, to make it easier for members to find what they want, as well as encouraging new members to join us.

We look forward to sharing the outcome of these developments with you next year!

LEARNING AND DEVELOPMENT

Over the last twelve months, we had much to celebrate and we were excited to meet the challenge of providing record numbers of members attending our Health and Safety Roadshow – "Healthier you in 2022". We were also thrilled to have record numbers attending our Te Reo Māori courses, Introductory Business and Workplace Te Reo Māori. Finally, our inaugural Sustainability and Digital Programmes were also well received. Participation across our expanded range of Learning and Development courses continues to increase as members take advantage of the opportunities to upskill and motivate their teams.

We look forward to continuing this upward trajectory in learning and development for the benefit of our members for years to come.

"...the insights and tools you gave us were invaluable."

Attendee on an in-house course

Since July 1 2021, we have –

Facilitated in-house training sessions with 65 different organisations (an increase of almost a third from last year).

Run 178 training courses (an increase of 15 courses from last year).

Trained over 2,010 people around New Zealand (a 75% increase on last year).

Expanded by three to 18 the number of different and towns and cities we've conducted courses in.

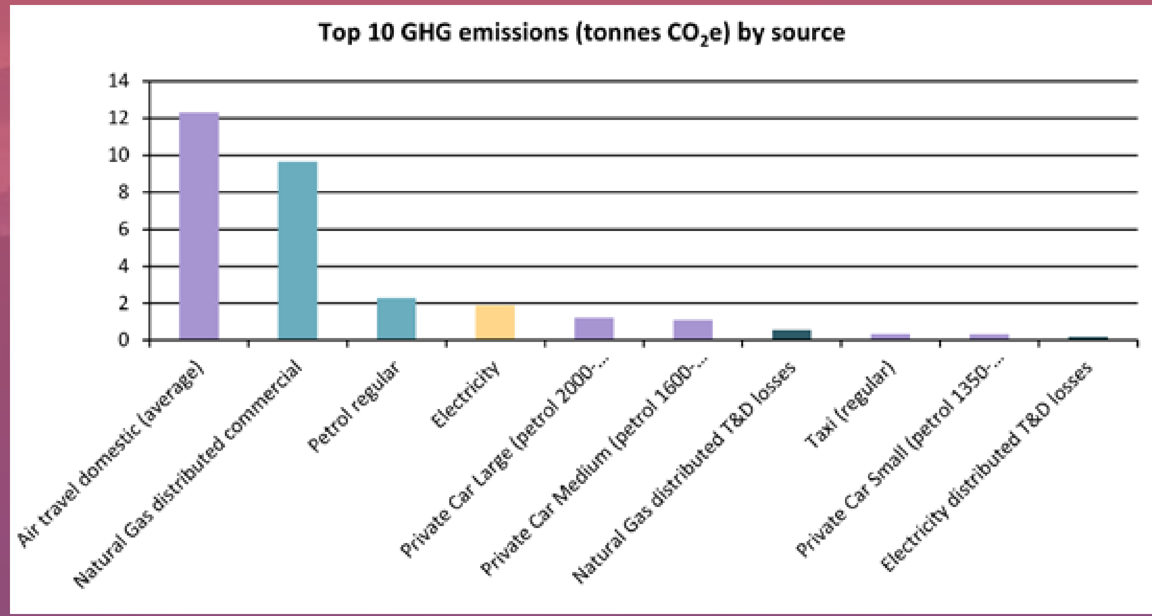
Almost doubled the range of courses conducted throughout the year, at 58 different courses.

Expanded our online training to 29 courses, assisting 500+ learners.

Introduced the concept of hybrid courses, which had been specifically requested by our members.

CARBON ZERO

Business Central has been Carbon Zero-certified through Toitū Envirocare since 2016. We continue to look for new ways to reduce our emissions and enhance our business practices. Our total emissions for the 2021 to 2022 reporting year were 30.38tCO2, a total reduction of 18.49tCO2 since our baseline in 2016.



EVENTS AND NETWORKING

With event restrictions in place for much of the year (nine months), it has been a challenging year to host in person events, and as a result most events have had to be rescheduled or moved online. Despite this, it was reassuring that our high-profile annual events still managed to take place in person.

Due to the lack of networking opportunities available during the year, we made it a focus that all in person events contained a significant networking component, something our attendees told us they enjoyed. An event which particularly benefited from this was our International Women's Day lunch, which had to be postponed from March until June. After taking on board feedback from previous years, we altered the format of the event to ensure networking was given a greater focus for the 150 attendees. We were fortunate to have two inspirational speakers on the day, and great relationships with a number of local producers meant all attendees took away a goodie bag of local produce worth over $130.

Two of our most popular event series, Beehive to Business and Westpac Smarts, were impacted significantly by the pandemic event restrictions in place at those times. While we were still able to host the six planned Westpac Smarts events, five of these events had to be moved online, including the two panel sessions, "Covid – one year on" and "Social Enterprise". By moving these events online, we were able to keep the momentum of the series going as well as reaching a large number of our regional members who would normally be unable to attend in person.

As the Beehive to Business series is all about enabling members to interact directly with local and national government, we were unfortunately only able to host one of the scheduled six events this year, with the speaker being Deputy Leader of the National Party, Nicola Willis.

Our six-monthly Member Briefings continue to be well-attended, and this year we added a new component – 'Meet the Member', an opportunity to learn more about a local business, their challenges and successes, and what makes them tick. This new component was very well-received.

In partnership with Te Awe Māori Business Network and Wellington Pasifika Business Network, we were delighted to host our first 'Power of 3' events this year. The inaugural joint event was a celebratory affair, where we hosted 200 members from all three networks. An important element to this first event was the signing of the Kawenata and Covenant which formalised the relationship. Adding to these new partnerships, we hosted our annual Pre-Budget Breakfast event with over 250 in attendance, on a bright morning at the always fantastic Te Papa.

Looking forward, next financial year will see us continue with a strong line-up of fresh content, speakers and formats, enabling us to continue to place an increased emphasis on networking. Attendees at our events are encouraged to provide feedback to us on how the day went for them, and we've been humbled this year to receive the following comments –

"What an awesome event, thank you for the huge effort you put in to making it such a success. The networking at the beginning worked so well and everyone enjoyed the speakers. The Goodie Bags were fabulous and were full of fun stuff." Women's Day

"It was great to be there to witness this historical event!"
Power of 3 Celebration.

Total Number of Attendees 3,018

Total Number of Events 39

GENERAL BUSINESS SUPPORT

GoZero – our sustainability initiative

In early 2022, we developed our GoZero initiative. The aim of this initiative is to connect businesses leading in sustainability with those just starting out on the journey. In creating a community of climate action champions, we can grow understanding and expertise. This enables our champions to share their challenges and successes with one another.

GoZero Sustainability Bootcamp
We were awarded a grant from Wellington City Council to deliver a sustainability bootcamp, helping other SMEs get started on their sustainability journey. Our first cohort commenced in June 2022. We take businesses through six sessions led by local specialists, covering a range of sustainability topics. Our next cohort commences in October 2022. Alongside the BusinessNZ Network, we also offer sustainability courses and workshops to support businesses across Aotearoa in this space.

Community outreach programmes

Job Search Connect
Our Job Search Connect Programme is aimed at connecting our members with finding the employees that they need. With the help of our partners at Immigration New Zealand and the Ministry of Ethnic Communities, we manage a pool of over 50 candidates who are currently in Aotearoa and looking for work. This service is free to those members who subscribe. Since July 2021, we have sent 243 candidate profiles to employers and assisted 115 people in finding employment. This year, we have also been working on upskilling our member businesses to enhance their employment practices for migrant workers.

Business Mentors
Since 1992, Wellington Chamber of Commerce has been helping small business owners find business mentors through Business Mentors New Zealand. We support small- to medium-sized enterprises and start-up businesses by connecting them with a voluntary business mentor. Each mentoring relationship lasts for 12 months. We have a pool of more than 120 mentors who provide in person and virtual mentoring to the wider Wellington and Wairarapa business community. Since July 1 2021, we have assisted 137 small businesses to find mentors.

INTERNATIONAL TRADE

Carnets

Carnets this year have been a strong performer. The complete opening of New Zealand's borders and the dropping of all Covid mandates has allowed for not only our regular carnet clients, but a large number of new clients, to engage with us. An average of 25 carnets issued per month this year favourably compared to an average of around 10 carnets issued per month last year. Among those industries that issue carnets with us, the top three are film, sports and miscellaneous electronic equipment. Australia has been the top destination for our carnet clients this year, with the United States also featuring highly.

Certificates of Origin

Certificates of Origin have remained steady this year, although there has been a slight decrease in volumes compared to the previous year. Our top exports for Certificates have been meat, seafood and processed food products. Over two-thirds of our certificates go to China, with the remainder going to Australia and the ASEAN countries. This year, we started to issue a new certificate type for the Regional Comprehensive Economic Partnership Free Trade Agreement.

REPRESENTING THE MEMBER VOICE

During the 2021/22 year, the Policy & Advocacy team focused on two key issues – helping business navigate the arrival of Covid-19 in New Zealand, and preparing an agenda for the 2022 Local Elections.

Covid-19, and the New Zealand Government's response, set the agenda for much of our advocacy over the past year. With the arrival of both the Delta and Omicron variants, plus the introduction of the Traffic Light System and vaccination mandates, members exhibited a pressing need for information and guidance on changes introduced by the Government.

Building on the success of our Covid communications from the earliest stages of the pandemic, we continued to be a trusted, concise and immediate source of information for members, breaking down a rapidly-changing regulatory environment as government policy changed. We also operated as a feedback loop, providing examples of member experiences to officials, all of which helped to create more workable policies in response.

The twin crises of the Wellington parliamentary protests and the onset of the Omicron variant created a particular need for focused advocacy support. Working with both Wellington City Council and central government, we helped develop support packages for CBD businesses, including temporary $1 weekend parking and a first quarter rates deferral package, the latter generating positive feedback from businesses.

The advocacy team set out a proactive agenda heading into the 2022 Local Elections. The creation of "The Wellington Report: A Voice for Business" formed a centrepiece of our advocacy agenda, both for the 2022 elections, and into future engagement with Wellington City Council. The report was pulled together through interviews and workshops with over 50 top businesspeople in the Wellington region and focused on why they do business in Wellington and what help they needed from government to succeed.

We also participated in wider BusinessNZ network campaigns, submitting against Fair Pay Agreements and offering an alternative to the proposed national Unemployment Insurance Scheme. We garnered feedback from members to help national advocacy on improving the new Accredited Employer Work Visa scheme, making it more employer-friendly and responsive to the needs of our members.

EXPORTNZ

Export New Zealand, delivered in both Wellington and the Hawke's Bay by Business Central, has gone from strength to strength this past year. "Exporters helping Exporters" continues to be the focus, and that spirit of cooperation ultimately benefits NZ Inc.

The highlight of each year in both locations is the ExportNZ ASB Export Awards. In Wellington this year, at the always fantastic Te Papa, a wonderful night celebrated the efforts and achievements of local exporters. Brands as diverse as Native Sparkling, The Floeting Diamond, Matta Products, Tom & Luke and Goodnature fought it out for the ultimate prize, ASB Wellington Exporter of the Year, with Goodnature taking out top honours.

The Hawke's Bay Awards were equally competitive. The exporters fighting it out were Starboard Bio, Pultron Composites, The New Zealand Casings Company and Rockit Global. The ASB Hawke's Bay Exporter of the Year was Rockit Global, who then went on to win New Zealand's overall top award.

Above: Goodnature

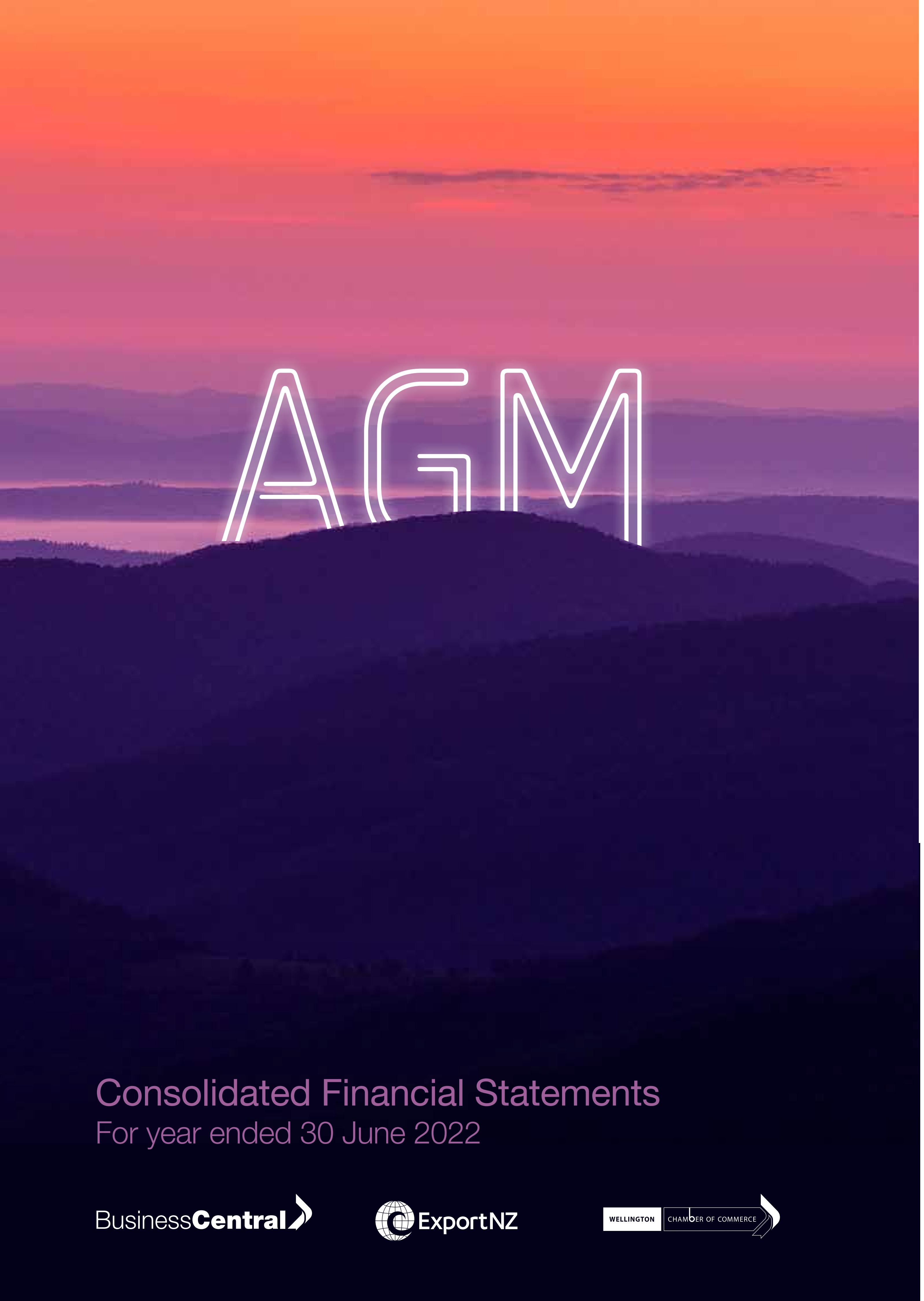
Left: Rockit Global

THANK YOU TO OUR SPONSORS

Connect: Talks to Inspire	bnz, St Johns Bar & Eatery
Member Briefings	ANZ
Westpac Smarts	Westpac
Women's Day	Bloomsbury Associates, AV Media
Pre-Budget Address	Deloitte.
	Jetstar

OBITUARIES

It is with sadness that we mark the passing of Mike Olsen on January 21 in Kapiti after a short illness. Mike was a company director and former deputy mayor of Dannevirke Borough Council who served two terms on the Board of the Wellington Chamber.



Directory
For the year ended 30 June 2022

Registered Number:
2504351
Registered Office:
Level 7, 3-11 Hunter Street, Wellington

Directors:
Joanne Healey
Siah Hwee Ang (appointed 23 November 2021)
Jonathan Dean (appointed 23 November 2021)
Mark Oldershaw (appointed 23 November 2021)
Brad Olsen (appointed 23 November 2021)
Adele Rose
Karunakar Shenoy
Mahi Tangaere (retired 17 June 2022)
Vaughan Renner (retired 23 November 2021)
Sophie Braggins (retired 23 November 2021)
Catherine Ellis (retired 23 November 2021)

Auditor:
BDO Wellington Audit Limited, Wellington

Bankers:
ANZ Banking Group, ASB, Wellington

Solicitors:
Minter Ellison Rudd Watts,Wellington

Directors' Report
For the year ended 30 June 2022

The Board of Directors present their Annual Report including the Consolidated Group Financial Statements of Business Central (Incorporated) for the year ended 30 June 2022, and the auditor's report thereon.

For and on behalf of the Board on 10 November 2022

President

Director

Consolidated Statement of Comprehensive Revenue & Expense

For the Year Ended 30 June 2022

	NOTE	2022	2021
			Restated (Note 24)
		$	$
Revenue From Non-Exchange Transactions			
Grant Funding COVID-19 Wages Subsidies		13,200	110,599
Other Grant funding		-	20,000
Total revenue from non-exchange transactions		13,200	130,599
Revenue From Exchange Transactions			
Subscriptions		1,562,931	1,630,994
Trading Revenue	7	1,744,469	1,951,294
Dividend Income from Available-for-sale Financial Assets		132,934	113,533
Interest Income from Available-for-sale Financial Assets	5	139,667	146,647
Total Revenue from exchange transactions		**3,580,001**	**3,842,468**
Other Income	6	129,139	132,632
Gains reclassified from Other Comprehensive Revenue and Expense upon Disposal of Available-for-sale Financial Assets		436,893	238,805
Total Revenue		**4,159,233**	**4,344,504**
Expenses			
Employee Related Costs	8	(2,134,764)	(2,306,218)
Other Staff Costs		(91,916)	(73,791)
Trading Expenditure	7	(516,950)	(428,492)
Business NZ Levies	10	(439,614)	(439,615)
Occupancy Costs including Rent		(275,577)	(264,466)
Computer Support and Communications		(276,604)	(216,958)
Postage, Publications, Printing & Stationery		(48,327)	(51,361)
Fees Paid to Auditor's Firm	11	(39,525)	(42,585)
Advertising and Promotion		(33,683)	(54,074)
Depreciation of Property, Plant and Equipment	14	(38,632)	(54,273)
Executive Meetings		(9,633)	(9,870)
Insurance		(21,292)	(32,890)
Legal Fees		(2,070)	(41,122)
Carbon Zero		(8,709)	(7,594)
Travel Costs		(21,840)	(22,458)
Other Costs		(104,499)	(102,602)
Total Expenses		**(4,063,635)**	**(4,148,369)**
Surplus/(Deficit) Before Share of Equity Accounted Investees		**95,598**	**196,135**
Share of Equity Accounted Investees Surplus/(Deficit) for the Year	10	49,821	59,876
Surplus/(Deficit) for the Year before Taxation		**145,419**	**256,011**
Income Tax Expense	21	84,140	18,761
Surplus/(Deficit) for the Year before Taxation		**229,559**	**274,772**

Other Comprehensive Revenue and Expense		
Gain/(Loss) on Revaluation of Available-for-sale Financial Assets	(1,478,857)	1,943,304
(Gains) Reclassified from Other Comprehensive Revenue and Expense upon Disposal of Available-for-sale Financial Assets	(436,893)	(238,805)
Total Other Comprehensive Revenue and Expense for the Year	**(1,915,750)**	**1,704,499**
Total Comprehensive Revenue and Expense for the Year	**(1,686,191)**	**1,979,271**

Consolidated Statement of Changes in Net Assets/Equity

For the year ended 30 June 2022

	Available-for-sale Financial Assets Fair Value Reserve	Accumulated Revenue and Expense	Total Net Assets / Equity
	$	$	$
Opening Balance at 1 July 2020 – as previously stated	-	11,051,243	11,051,243
Restatement - see note 24	3,703,357	(3,684,828)	18,529
Opening Balance at 1 July 2020 - Restated (see note 24)	**3,703,357**	**7,366,415**	**11,069,772**
Surplus/(Deficit) for the Year after Taxation - Restated (see note 24)	-	274,772	274,772
Other comprehensive revenue and expense			
Gain/(Loss) on revaluation of available-for-sale financial assets - Restated (see note 24)	1,943,304	-	1,943,304
(Gains) Reclassified from Other Comprehensive Revenue and Expense upon Disposal of Available-for-sale Financial Assets - Restated (see note 24)	(238,805)	-	(238,805)
Closing Balance at 30 June 2021 – Restated (see note 24)	**5,407,856**	**7,641,187**	**13,049,043**
Surplus/(Deficit) for the Year after Taxation	-	229,559	229,559
Other comprehensive revenue and expense			
Gain/(Loss) on revaluation of available-for-sale financial assets	(1,478,857)	-	(1,478,857)
(Gains) Reclassified from Other Comprehensive Revenue and Expense upon Disposal of Available-for-sale Financial Assets	(436,893)	-	(436,893)
Closing Balance at 30 June 2022	**3,492,106**	**7,870,746**	**11,362,852**

THE ACCOMPANYING NOTES FORM PART OF THE CONSOLIDATED FINANCIAL STATEMENTS.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Consolidated Statement of Financial Position
As at 30 June 2022

	NOTE	2022	2021
			Restated (Note 24)
		$	$
Current Assets			
Cash and Cash Equivalents	15, 16	995,075	506,026
Term Deposits	15, 17	642,405	1,302,690
Debtors	15, 18	1,104,436	542,435
Prepayments		49,693	76,769
Securities – Available for sale investments	15	755,707	625,000
Deferred Tax Asset	21	169,812	85,672
Total Current Assets		**3,717,128**	**3,138,592**
Non-Current Assets			
Securities – Available for sale investments	15	9,049,241	11,155,217
Investment in Equity Accounted Investees	10	377,146	327,325
Property, Plant and Equipment	14	102,048	142,365
Intangible Assets	13	28,472	28,472
Total Non-Current Assets		**9,556,907**	**11,653,379**
Total Assets		**13,274,035**	**14,791,971**
Current Liabilities			
Employee Benefits		84,002	77,033
Revenue in Advance		1,268,372	1,150,214
Creditors	15	474,938	499,421
GST		83,870	16,258
Total Current Liabilities		**1,911,183**	**1,742,928**
Total Liabilities		**1,911,183**	**1,742,928**
NET ASSETS		**11,362,852**	**13,049,043**
Equity			
Available-for-sale Financial Assets Fair Value Reserve		5,407,856	5,407,856
Accumulated Revenue and Expense		5,954,996	7,641,187
TOTAL EQUITY		**11,362,852**	**13,049,043**

Approved for and on behalf of the Board

10 November 2022

10 November 2022

Consolidated Statement of Cash Flows
For the year ended 30 June 2022

	NOTE	2022	2021
			Restated (Note 24)
		$	$
Cash Flows From Operating Activities			
Cash was received from:			
Subscriptions		1,042,473	1,686,111
Trading Revenue		1,947,967	1,904,464
Interest Received		128,497	149,689
Dividends Received		134,118	112,349
Other Revenue		161,017	143,768
Net GST Payments		13,520	-
		3,427,592	**3,996,381**
Cash was applied to:			
Payments to Suppliers & Employees		4,070,708	4,146,247
Net GST Payments		-	7,397
		4,070,708	**4,153,644**
Net Cash (used in) / from Operating Activities		**(643,116)**	**(157,263)**
Cash Flows From Investing Activities			
Cash was received from:			
Proceeds from Maturing Term Deposits		850,000	550,000
Proceeds from Securities – Available for sale investments		1,183,768	1,419,860
		2,033,768	**1,969,860**
Cash was applied to:			
Purchase of Securities – Available for sale investments		692,361	1,726,415
Purchase of Term Deposits		189,715	598,168
Purchase of Property, Plant & Equipment		42,072	40,322
		924,148	**2,364,905**
Net Cash from / (used in) Investing Activities		**1,109,620**	**(395,045)**
Net increase / (decrease) in Cash & Cash Equivalents		**466,504**	**(552,308)**
Cash & Cash Equivalents at the Beginning of the Year		**506,026**	**1,068,414**
Exchange Rate gain / (loss)		22,545	(10,080)
Cash & Cash Equivalents at the End of the Year	**15, 16**	**995,075**	**506,026**

THE ACCOMPANYING NOTES FORM PART OF THE CONSOLIDATED FINANCIAL STATEMENTS.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1) STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

Business Central (Incorporated) is a New Zealand incorporated society registered under the Incorporated Societies Act 1908 (the "Act"), domiciled in New Zealand. The consolidated financial statements comply with that Act.

These consolidated financial statements comprise the financial statements of The Business Central Incorporated Group ("the Group") for the year ended 30 June 2022 and the comparative year of the year ended 30 June 2021. The Group consists of Business Central Incorporated (BC or the Parent) and the following entities:

	Country of Incorporation	Percentage of Share-holding/Ownership	
Entity		2022	2021
The Employers & Manufacturers Association (Central) Incorporated ("EMAC")	New Zealand	100%	100%
Wellington Regional Chamber of Commerce Limited ("WRCC")	New Zealand	100%	100%
Commerce Building Limited ("CBL"), a wholly-owned subsidiary of WRCC	New Zealand	100%	100%

The Group also holds the following interests in entities which are not consolidated:

- Business New Zealand Incorporated ("BNZI"), an associate for which the Group has a 26.02% interest and which is an equity accounted investee of the Group
- Taiwan New Zealand Trade Development Limited, which is 100% owned by WRCC on the basis that the shares are held in a fiduciary capacity only, and that the Group has a 100% non-controlling interest. Accordingly, transactions or balances relating to this company are not consolidated

The Group is a Public Benefit Entity by virtue of its primary activities being for community or social benefit, including the provision of professional services and business support to its members throughout the Central region of New Zealand, such as training and events for enterprise and networking, access to regional and national initiatives, advocacy, representation and resources to build enterprise capability.

These financial statements were authorised for issue by the Directors on 10/11/22

2) BASIS OF PREPARATION

a) Statement of Compliance

The Group's consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, and disclosure concessions have been applied.

The Group qualifies as a Tier 2 reporting entity as it does not have public accountability and annual expenditure does not exceed $30 million. All transactions in the financial statements are reported using the accrual basis of accounting.

The Group is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

b) Basis of Measurement

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of investments which are carried at fair value.

c) Functional and presentation currency

The consolidated financial statements are presented in New Zealand dollars ($) which is the controlling entity's functional and Group's presentation currency, rounded to the nearest dollar.

d) Changes in Accounting Policies

The accounting policies adopted are consistent with those of previous financial years, except for what is described below. Otherwise, the impact of new and amended standards and interpretations applied during the year was limited to additional note disclosures.

As a result of the International Financial Reporting Standards Interpretations Committee's agenda decision clarifying its interpretation of how current accounting standards apply to upfront configuration and customisation costs incurred in implementing Software as a Service (SaaS) arrangements, the Group has changed its accounting policy from capitalisation of these costs to expensing them when incurred.

Due to the accounting policy change, prior year financial statements had to be restated, per note 24.

e) Comparatives

Comparatives have been reclassified from that reported in the 30 June 2021 financial statements where appropriate to ensure consistency with the presentation of the current year's position and performance. Some of these values have also been restated per note 24.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements, estimates and assumptions is provided in the relevant accounting policy or provided in the relevant note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected.

The following are significant management judgements in applying the accounting policies of the Group that have a significant effect on the financial statements:

Grant revenue

The Group receives grant income to provide support for the community or social benefit for the Central region of New Zealand. Management have assessed there is no equal exchange provided in return for the revenue, and therefore has been accounted for as non-exchange revenue.

Deferred tax assets

The Group has recognised $169,812 of deferred tax assets at 30 June 2022. The tax effect of unrecognised tax losses at 30 June 2022 ($7,680,323) is $2,150,490. The tax losses recognised with deferred tax assets reflect the amount that Management have determined is probable to be utilised against the Group's future taxable profits.

Acting as Agent in Respect of Carnets

Management have determined that the Group acts as an agent in all aspects for transactions related to carnets because the transactions that take place between the Group and the customer for holding a deposit or bank indemnity for the duration of the arrangement are in substance the Group acting as an agent between the International Bureau of Chamber and the customer. The amounts collected on behalf do not result in increases in net assets/equity for the Group (see note 19).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Group have been applied consistently to the year presented in these financial statements.

The significant accounting policies used in the preparation of these financial statements are summarised below.

a) Basis for Consolidation

The consolidated financial statements comprise the financial statements of Business Central (Incorporated) and its controlled entities ("the Group") at 30 June 2022. The Group financial statements consolidate the financial statements of the Parent and all Entities over which the Parent is exposed, or has rights, to variable benefits from its involvement with the other entities and has the ability to affect the nature or amount of those benefits through its power over the other entities.

The financial statements of controlled entities are included in the consolidated financial statements from the date that control commences until the date that control ceases.

All controlled entities have a 30 June balance date and consistent accounting policies are applied.

All significant intra-group balances are eliminated on consolidation of the Group financial position, performance and cash flows.

b) Associates

Associates are entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of an entity. Investments in associates are accounted for using the equity method and are recognised initially at cost, including directly attributable transaction costs. This includes the Group accounting for its 26.02% interest in Business New Zealand Incorporated as an associate and equity-accounted investee.

The consolidated financial statements include the Group's share of the surplus or deficit and other comprehensive revenue and expense of its equity accounted associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in its equity accounted associates, the carrying amount of the investment, including any long-term investments that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

c) Revenue

Revenue is recognised when the amount of revenue can be measure reliably and it is probable that economic benefits will flow to the Group, and measured at the fair value of consideration received or receivable.

The following specific recognition criteria in relation to the Group's revenue streams must also be met before revenue is recognised.

Revenue from non-exchange transactions

Non-exchange transactions are those where the Group receives an inflow of resources ((i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

With the exception of services-in-kind, inflows of resources from non-exchange transactions are only recognised as assets where both:

- It is probable that the associated future economic benefit or service potential will flow to the entity, and
- Fair value is reliably measurable.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be reliably estimated.

The following specific recognition criteria in relation to the Group's non-exchange transaction revenue streams must also be met before revenue is recognised.

Non-exchange grants

Non-exchange grant income is recognised as a revenue when received and all associated obligations have been met. Where non-exchange grants have been given with conditions attached, income is not recognised until agreed upon services and conditions have been satisfied. Non-exchange grants received for which the conditions have not been met is treated as "income in advance" under current liabilities.

Revenue from exchange transactions

Revenue is classified as exchange when the Group receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Subscriptions

Revenue is recognised over the period of subscription. Amounts received in advance for subscriptions relating to future periods are recognised as a liability until such time that period covering the subscription occurs.

Contract Revenue

Revenue is recognised over the period of the contract and completion of agreed milestones. Amounts received in advance for contract revenue are recognised as a liability until such time that the contracted goods or services are provided.

Export Revenue

Revenue is recognised when the export event occurs. Amounts received in advance for export revenue are recognised as a liability until such time that the service is delivered.

Event and Sponsorship Revenue

Revenue is recognised when the event occurs, including amounts received from event attendees and event sponsors. Amounts received in advance for event and sponsorship revenue are recognised as a liability until such time that the service is delivered.

International Trade Revenue

Revenue arises from the provision of ATA Carnets and Certificates of Origin and is recognised when the agreed service has been provided. Amounts received in advance for international trade revenue are recognised as a liability until such time that the service is delivered.

Secretariat and Facilitation Revenue

Revenue is recognised over the period of the agreement for secretariat and facilitation services. Amounts received in advance for secretariat and facilitation revenue are recognised as a liability until such time that the services are provided.

Training and Conference Revenue
Revenue is recognised when the training event or conference occurs. Amounts received in advance for training and conference revenue are recognised as a liability until such time that the service is delivered.

Other Revenue from Rendering of Services
Revenue from services rendered is recognised in surplus or deficit in proportion to the stage-of-completion of the transaction at the reporting date. Amounts received in advance for services to be provided in future periods are recognised as a liability until such time as the service is provided.

Other Revenue from Sale of Goods
Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

Interest income
Finance income comprises interest income on financial assets. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method.

Dividends
Income from dividends is recognised when the Group's right to receive payment is established, and the amount can be reliably measured.

d) Intangible Assets

Intangible assets are initially measured at cost. All of the Group's intangible assets are subsequently measured in accordance with the cost model, being cost less accumulated amortisation and impairment, except for intangible assets with indefinite useful lives, including the trademarks and logos of the Group, which are not amortised and instead tested for impairment.

Amortisation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of each intangible asset. Impairment losses are recognised in surplus or deficit.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

e) Property, Plant and Equipment

Items of property, plant and equipment are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The Group does not own any buildings.

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, it is probable that future economic benefits or services potential will flow to the Group 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 initially 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 surplus or deficit in the year in which the expense is incurred.

Disposals
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal.

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

Depreciation
Depreciation is recognised as an expense in the reported surplus or deficit and measured on a straight-line basis, unless stated otherwise on all property, plant and equipment over the estimated life of the asset. The following depreciation rates have been applied:

Asset Category	Depreciation Rate and Method
Office Fit-out	10 – 11% SL
Furniture	8 – 40% SL
Equipment	4 – 67% SL
Computer Hardware	30 – 40% SL

The residual value, useful life, and depreciation methods of property, plant and equipment are reassessed annually.

f) Operating Leases

Leases where the Group does not assume substantially all the risks and rewards of ownership are classified as operating leases.

Operating leases are not recognised in the Group's statement of financial position. Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

h) Term Deposits

Term deposits are short term investments which have a term of greater than three months but less than twelve months and do not fall into the category of cash and cash equivalents.

i) Financial Instruments

The Group initially recognises financial instruments when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The Group also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies financial assets into the following categories:

- Loans and receivables
- Available-for-sale

The Group classifies financial liabilities as amortised cost.

Financial instruments are initially measured at fair value plus directly attributable transaction costs. Subsequent measurement is dependent on the classification of the financial instrument and is specifically detailed in the accounting policies below.

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices, without any deduction for transaction costs. In the absence of an active market, the fair value of financial instruments is measured using valuation techniques with the objective of estimating what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations.

Loans and receivables
Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, term deposits, and debtors, including amounts held to meet liabilities for carnet indemnities.

Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified as cash and cash equivalents.

Available-for-sale financial assets are subsequently measured at fair value with gains or losses (other than foreign exchange gains or losses) recognised in other comprehensive revenue and expense.

Available-for-sale financial assets comprise equity securities and debt securities.

Amortised cost financial liabilities
Financial liabilities classified as amortised cost are subsequently measured at amortised cost using the effective interest method.

Financial liabilities classified as amortised cost comprise creditors.

Impairment of non-derivative financial assets
A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

For an equity security classified as an available-for-sale financial asset, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

For financial assets classified as loans and receivables and measured at amortised cost, the Group considers evidence of impairment at both a specific asset and collective level.

All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised.

When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through surplus or deficit.

Individual debtors that are known to be uncollectible are written off when identified, along with associated allowances. Loans, together with associated allowances are written off when there is no realistic prospect of future recovery and all collateral has been mortiza or has been transferred to the Group.

For financial assets classified as available-for-sale, impairment losses are recognised by reclassifying the losses accumulated in the fair value reserve in net assets/equity to surplus or deficit.

In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

In the case of debt instruments classified as available-for-sale, the impairment is assessed based on the same criteria as financial assets at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in surplus or deficit.

The cumulative loss that is reclassified from the fair value reserve in net assets/equity to surplus or deficit is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in surplus or deficit.

Changes in impairment provisions attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed, with the amount of the reversal recognised in surplus or deficit. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive revenue and expense.

j) Goods and Services Tax (GST)
The Consolidated Statement of Comprehensive Revenue & Expense and the Consolidated Statement of Financial Position have been prepared on a GST exclusive basis except for Accounts Receivable and Accounts Payable which are GST inclusive.

k) Foreign Exchange
Foreign currency transactions are translated to New Zealand Dollars (NZD) at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to NZD at the foreign exchange rate ruling at the date. Foreign exchange differences arising on their translation are recognised in the surplus or deficit.

l) Short Term Employee Benefits
Employee benefits previously earned from past services, that the Group expect to be wholly settled within 12 months of reporting date are measured based on accrued entitlements at current rate of pays.

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

m) Statement of Cash Flows

For the purpose of the Consolidated Statement of Cash Flows, cash flows include cash and cash equivalents and term deposits.

The following terms are used in the Consolidated Statement of Cash Flows:

- **Operating activities** are the principal revenue producing activities and other activities that are not investing or financing activities.
- **Investing activities** are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.
- **Financing activities** are the activities that result in changes in the size and composition of the contributed equity and borrowings.

n) Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in surplus and deficit loss except to the extent that it relates to items recognised directly in equity or in other comprehensive revenue and expense, when it will be recognised in equity or other comprehensive revenue and expense respectively.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Any deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

5. INTEREST INCOME

	2022	2021
	$	$
Interest income – From loans, receivables and available-for-sale financial assets	139,667	146,647
Total Interest Income	**139,667**	**146,647**

6. OTHER INCOME

	2022	2021
	$	$
Advertising	3,711	2,706
Miscellaneous Income	106,112	81,761
Rebates	3,759	31,126
Room Hire Revenue	15,557	17,039
Total Other Income	**129,139**	**132,632**

7. TRADING ACTIVITIES

	2022	2021
	$	$
Trading Revenue		
Contract Revenue	195,017	195,017
Export Revenue	168,627	97,049
Event & Sponsorship Revenue	107,887	164,388
International Trade	460,103	464,059
Secretariat and Facilitation Revenue	158,833	278,000
Training & Conferences	646,747	748,431
Other trading revenue	7,255	4,350
Total Trading Revenue	**1,744,469**	**1,951,294**
Trading Expenditure		
Contract Expenses	671	857
Export Expenses	80,388	18,717
Event and Sponsorship Expenses	53,737	70,254
International Trade Expenses	66,263	49,546
Training and Conference Expenses	297,240	287,028
Other trading expenses	18,651	2,090
Total Trading Expenses	516,950	428,492
Net Trading Activities	**1,227,519**	**1,522,802**

8. EMPLOYEE RELATED COSTS

	2022	2021
	$	$
Salaries and Wages	2,077,897	2,254,017
KiwiSaver Contributions	56,867	52,201
Total Employee Related Costs	**2,134,764**	**2,306,218**

9. ASSOCIATES

The Group holds significance over the following entities, all of which are accounted for using the equity method:

	Voting Rights	
	2022	2021
	%	%
Business New Zealand Incorporated	26.02	26.02

All associates have the same reporting date as the Group, being 30 June.

There are no significant restrictions regarding the distribution of dividends or repayments of loans from associates.

There were no contingent liabilities in relation to the Group's associates as at reporting date (2021: nil)

The Group holds a 26.02% interest in Business New Zealand Incorporated (2021: 26.02%). Management have determined that the Group has significant influence over Business New Zealand Incorporated, but not control, as another entity has a 51.60% interest in Business New Zealand Incorporated (see note 10).

10. RELATED PARTY TRANSACTIONS

The key management personnel of the Group are the Directors, Chief Executive Officer, Programmes & Capability Development Manager, and Marketing & Membership Manager. The positions of Marketing Manager and Membership Manager were merged into the position of Marketing & Membership Manager during the year ended 30 June 2022.

There was no Directors remuneration paid for the year ended 30 June 2022 (2021: $nil).

The Chief Executive Officer, Programmes & Capability Development Manager, and Marketing & Membership Manager are employed as employees of the Group, on normal employment terms. The aggregate level of remuneration paid and number of persons (full time-equivalents' (FTE's)) are as follows:

	2022	2021
Total remuneration	578,911	548,712
Number of persons	4	4

Remuneration/compensation provided to close family members of key management personnel

Total remuneration and compensation of $Nil (2021: $Nil) was provided by the Group to employees who are close family members of key management personnel during the reporting period.

Group Interest in Business New Zealand Incorporated (see note 9)

The Group has a 26.02% interest in Business New Zealand Incorporated. Business New Zealand Incorporated is an associate and equity-accounted investee of the Group.

The Group has accounted for its investment in Business New Zealand Incorporated at $377,146 for the reporting period (2021: $327,325). The respective share of profit in Business New Zealand Incorporated of $49,821 for the reporting period (2021: $59,876) is reported in the consolidated Statement of Comprehensive Revenue & Expense for the year.

During the reporting period, the Group paid levies to Business New Zealand Incorporated of $439,614 (2021: $439,615). At 30 June 2022 the Group owed levies of $42,130 to Business New Zealand Incorporated (2021: $4,130). Amounts owed are on normal commercial terms and no interest is charged between the entities.

During the 30 June 2022 reporting period, Business New Zealand Incorporated paid $95,833 to the Group for accounting services provided (2021: $215,000). At 30 June 2022 Business New Zealand Incorporated owed $nil to the Group for accounting services (2021: $31,721). Amounts owed are on normal commercial terms and no interest is charged between the entities.

Group Interest in Taiwan New Zealand Trade Development Limited

Taiwan New Zealand Trade Development Limited is 100% owned by Wellington Regional Chamber of Commerce Limited on the basis that the shares are held in a fiduciary capacity only. Accordingly, transactions or balances relating to this company are not consolidated.

11. FEES PAID TO AUDITOR'S FIRM

BDO Wellington Audit Limited was appointed as the Group's auditor for the 2022 reporting period. Total fees paid to the previous auditor, Deloitte, during the year ended 30 June 2022 were $39,525 (2021: 42,585). The fees for the year ended 30 June 2022 were comprised of $27,410 (2021: $26,398) for audit fees and $12,115 (2021: $16,187) for tax compliance and consultancy services.

12. LEASES

As at the reporting date, the Group has entered into the following non-cancellable operating leases (as the lessee):

	2022	2021
	$	$
Within one year	196,037	200,090
Within two years	39,676	188,976
Within three years	9,202	29,513
Within four years	3,664	-

The Group's lease of its premises at Level 7, JacksonStone House, Wellington, comprises a significant portion of its non-cancellable operating leases.

As at the reporting date, the Group had not entered into any non-cancellable operating sublease (as lessor).

13. INTANGIBLES ASSET

Cost	Trademarks and Logos	Totals
Balance at 1 July 2020	28,472	28,472
Balance as at 30 June 2021	**28,472**	**28,472**
Accumulated Amortisation		
Balance at 1 July 2020	-	-
Amortisation for year	-	-
Balance as at 30 June 2021	-	-
Cost	**28,472**	**28,472**
Accumulated Amortisation	-	-
Book Value at 30 June 2021	**$28,472**	**$28,472**
Cost		
Balance at 1 July 2021	$28,472	$28,472
Balance as at 30 June 2022	**$28,472**	**$28,472**
Accumulated Amortisation		
Balance at 1 July 2021	-	-
Amortisation for year	-	-
Balance as at 30 June 2022	-	-
Cost	$28,472	$28,472
Accumulated Amortisation	-	-
Book Value at 30 June 2022	**$28,472**	**$28,472**

14. PROPERTY, PLANT AND EQUIPMENT

Cost	Office Fit Out	Furniture & Equipment	Computer Hardware	Totals
Balance at 1 July 2020	76,094	283,985	149,423	509,502
Disposals	-	(72,103)	(13,745)	(85,848)
Balance as at 30 June 2021	76,094	211,882	135,678	423,654
Accumulated depreciation				
Balance at 1 July 2020	24,660	182,166	115,460	322,286
Depreciation for year	10,565	19,070	24,638	54,273
Disposals	-	(71,019)	(22,140)	(93,159)
Balance as at 30 June 2021	33,115	130,217	117,958	281,290
Cost	76,094	211,882	135,678	423,654
Accumulated depreciation	(33,115)	(130,217)	(117,958)	(281,290)
Book Value at 30 June 2021	$42,979	$81,665	$17,720	$142,365
Cost				
Balance at 1 July 2021	76,094	211,882	135,678	423,654
Disposals	-	(34,744)	(15,236)	(49,980)
Balance as at 30 June 2022	76,094	177,138	120,442	373,674
Accumulated depreciation				
Balance at 1 July 2021	33,115	130,217	117,958	281,290
Depreciation for year	8,455	16,424	13,754	38,633
Disposals	-	(33,060)	(15,237)	(48,297)
Balance as at 30 June 2022	41,570	113,581	116,475	271,626
Cost	76,094	177,138	120,442	373,674
Accumulated depreciation	(41,570)	(113,581)	(116,475)	(271,626)
Book Value at 30 June 2022	$34,524	$63,557	$3,967	$102,048

15. FINANCIAL INSTRUMENTS

The tables below show the carrying amount of the Group's financial assets and financial liabilities.

GROUP – 30 JUNE 2022				
		Carrying amount ($)		
		Financial assets		Financial liabilities
	Notes	Loans and receivables	Available for sale	Amortised Cost
Subsequently measured at fair value:				
Securities:				
Debt (New Zealand publicly listed)			3,733,847	
Equity (New Zealand publicly listed)			2,513,772	
Equity (Australia publicly listed)			1,194,880	
Equity (Global (excl. Australia) publicly listed)			2,362,449	
Subsequently not measured at fair value				
Cash and cash equivalents	16	995,075		
Term Deposits	17	642,405		
Debtors	18	1,104,436		
Creditors				474,938
		2,741,916	**9,804,948**	**474,938**

GROUP – 30 JUNE 2021				
		Carrying amount ($)		
		Financial assets		Financial liabilities
	Notes	Loans and receivables	Available for sale	Amortised Cost
Subsequently measured at fair value:				
Securities:				
Debt (New Zealand publicly listed)			3,506,406	
Equity (New Zealand publicly listed)			3,642,396	
Equity (Australia publicly listed)			1,258,687	
Equity (Global (excl. Australia) publicly listed)			3,372,728	
Subsequently not measured at fair value				
Cash & cash equivalents	16	506,026		
Term Deposits	17	1,302,690		
Debtors	18	542,435		
Creditors				499,421
		2,351,151	**11,780,217**	**499,421**

	2022	2021
	$	$
Securities – Current vs. Non-Current		
Current	755,707	625,000
Non-Current	9,049,241	11,155,217
	9,804,948	**11,780,217**

16. CASH AND CASH EQUIVALENTS

	2022	2021
	$	$
Cash and Cash Equivalents		
Cash at Bank	342,770	131,209
Cash in Jarden Call Accounts	652,305	374,817
Total Cash and Cash Equivalents	**995,075**	**506,026**

There are no restrictions over any of the cash and cash equivalent balances held by the Group.

17. TERM DEPOSITS

	2022	2021
	$	$
Term Deposits		
Term Deposits – maturing within 12 months of reporting date	642,405	1,302,690
Total Term Deposits	**642,405**	**1,302,690**

Term deposits held by the Group at 30 June 2022 had effective interest rates between 1.40% and 2.70%, and terms of 92 days to 365 days.

18. DEBTORS

	2022	2021
	$	$
Trade Debtors	1,016,213	448,491
Other Debtors	88,223	93,944
Total Debtors	**1,104,436**	**542,435**

Trade debtors are generally payable on invoice, of a short term duration and not discounted.

19. CARNET INDEMNITIES

An ATA Carnet is an international customs document that facilitates the temporary export of goods overseas and is valid for up to one year.

Carnets are issued and guaranteed by national organisations around the world. Wellington Regional Chamber of Commerce Limited, an entity within the Group, is the sole guaranteeing and issuing association for New Zealand.

Entities that have been issued with a carnet from the Group are either required to lodge a deposit with the Group until the carnet is returned, or to provide a bank indemnity for the Group to make an appropriate recovery if required to do so.

As the Group acts as an agent in all aspects for transactions related to carnets, no amounts arising from carnets are recorded in the Group's Consolidated Statement of Comprehensive Revenue & Expense, Consolidated Statement of Changes in Net Assets/Equity, Consolidated Statement of Financial Position or Consolidated Statement of Cash Flows. This includes cash at bank and term deposits held for Carnet Indemnities, which have restrictions on their use.

As the reporting date the Group held the following assets for carnet indemnities:

	2022	2021
	$	$
Term Deposits		
Cash at bank	617,073	455,680
Term Deposits – maturing within 12 months of reporting date	1,350,000	1,100,000
Bank indemnities valid for 31 months	7,754,466	21,053,889
Bank indemnities valid indefinitely	703,535	1,062,193
Total	**10,425,074**	**23,671,762**

The Group has corresponding liabilities for these assets.

20. GUARANTEES

The Group has provided a bond option to the International Bureau of Chamber for $100,000 USD (2021: $100,000 USD) as a guarantee to conduct international trade activities. This bond option expires on 22 February 2024 but continues to roll over yearly.

As the bond option is not yet exercised, the Group has not recognised any financial assets or liabilities in respect of the financial guarantee provided. The Group has not recognised any loss allowance for expected credit losses (2021: nil) for this guarantee.

21. INCOME TAX

	2022	2021
	$	$
Current Tax	-	-
Deferred Tax Income / (Expense)	84,140	18,761
Total Income Tax Expense	**84,140**	**18,761**
Profit before taxation	(1,770,331)	1,960,510
Tax Expense @28%	**(495,693)**	**548,943**
Plus / (less) tax effect of:		
Non-assessable (Gains) / Losses from Available-for-sale Financial Assets	410,637	(560,890)
Non-assessable Foreign Investment Fund distributions	(441,317)	(493,246)
Foreign Investment Fund Income	(8,537)	(8,921)
Non-assessable Portfolio Investment Entity Income	50,587	39,891
Non-deductible expenses	505,783	530,849
PIE Income	(3,575)	(3,686)
Imputation Credits converted to loss	(21,700)	(16,822)
Recognition of tax losses	(148,112)	(50,128)
Utilisation of tax losses	62,440	-
Prior Period Adjustment	5,347	(4,751)
Total Income Tax Expense/(Income)	(84,140)	(18,761)

Deferred Tax Asset / (Liability)		
Recognition of prior period tax losses	-	18,722
Recognition of tax losses	148,112	50,128
Imputation Credits converted to loss	21,700	16,822
Deferred Tax Balance	**169,812**	**85,672**

At 30 June 2022 the Group had $7,680,323 of unrecognised tax losses (2021: $7,984,909).

22. EVENTS SUBSEQUENT TO BALANCE DATE

There is no other matter or circumstance that has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Group.

23. CAPITAL EXPENDITURE COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2022 there was no committed capital expenditure (2021: nil).

As at 30 June 2022 there was no contingent liabilities (2021: nil).

24. PRIOR PERIOD ADJUSTMENTS

During the preparation of the Group's financial statements, a number of historical errors were identified and resolved, including correcting a number of investments that had been incorrectly accounted for through surplus and deficit, when gains and losses should have been recorded in other comprehensive revenue and expense, recognition of deferred tax assets for the reporting period ended 30 June 2021, removing amounts relating to carnets due to the Group acting only as agent, and removing term deposits from the Group's Consolidated Statement of Cash Flows, as the term deposits did not meet the definition of cash and cash equivalents. A number of items were also identified as requiring reclassification.

The correction and reclassification of items for the 30 June 2021 reporting period have been adjusted to align with the presentation of the 30 June 2022 reporting period.

The 30 June 2021 Consolidated Statement of Comprehensive Revenue & Expense, Consolidated Statement of Changes in Net Assets/Equity, Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows have been restated to correct the errors and reclassifications. The below tables show the Group's Consolidated Statement of Comprehensive Revenue & Expense, Consolidated Statement of Changes in Net Assets/Equity, Consolidated Statement of Financial Position, and Consolidated Statement of Cash Flows as stated in the 30 June 2021 financial statements, the adjustments and the restated 30 June 2021 amounts.

	Note	As stated at 30 June 2021	Adjustments	Restated at 30 June 2021
		$	**$**	**$**
Consolidated Statement Of Comprehensive Revenue & Expense				
Revenue				
Other Income	1	263,231	130,599	132,632
Non-exchange Revenue	1	-	130,599	130,599
Gains reclassified from Other Comprehensive Revenue and Expense upon Disposal of Available-for-sale Financial Assets	5	-	238,805	238,805

Expenses				
Staff Costs	2	(2,380,009)	(2,380,009)	-
Employee Related Costs	2	-	(2,306,218)	(2,306,218)
Other Staff Costs	2	-	(73,791)	(73,791)
Computer Support and Communications	6	(186,536)	(30,422)	(216,958)
Audit Fees	3	(26,398)	26,398	-
Fees Paid to Auditor's Firm	3	-	(42,585)	(42,585)
Other Costs	3	(118,789)	16,187	(102,602)
Depreciation of Property, Plant and Equipment	6	(57,189)	2,916	(54,273)
Realised Loss on Sale of Financial Assets	5	(90,678)	90,678	-
Income Tax Expense	8	-	18,761	18,761
Other Comprehensive Revenue and Expense				
Gain on Revaluation of Available-for-sale Financial Assets	5	2,033,982	(90,678)	1,943,304
(Gains) Reclassified from Other Comprehensive Revenue and Expense upon Disposal of Available-for-sale Financial Assets	5	-	(238,805)	(238,805)
Consolidated Statement Of Changes In Net Assets/Equity				
Accumulated Revenue and Expense and Total Net				
Assets / Equity - Opening Balance at 1 July 2020	3, 8	11,051,243	18,529	11,069,772
Available-for-sale Financial Assets Fair Value Reserve	7	-	5,407,856	5,407,856
Accumulated Revenue and Expense for the Year Ended 30 June 2021	3, 7, 8	13,039,259	(5,398,072)	7,641,187
Consolidated Statement Of Financial Position				
Current Assets				
Cash and Cash Equivalents	4	131,209	374,817	506,026
Term Deposits & Call Accounts	4	1,677,507	(1,677,507)	-
Term Deposits	4	-	1,302,690	1,302,690
Assets held for Carnet Indemnity	9	1,555,680	(1,555,680)	-
Debtors	9	541,110	1,325	542,435
Deferred Tax Asset	8	-	85,672	85,672
Non-Current Assets				
Property, Plant and Equipment	6	218,251	(75,886)	142,365
Current Liabilities				
Carnet Indemnity	9	1,554,355	(1,554,355)	-

CONSOLIDATED STATEMENT OF CASH FLOWS

Cash Flows from Investing Activities

Cash was received from:				
Proceeds from Maturing Term Deposits	10	-	550,000	550,000
Proceeds from Securities – Available for sale investments	10	2,021,261	(601,401)	1,419,860

Cash was applied to:				
Movement for Carnet Indemnity	9	1,316	(1,316)	-
Purchase of Term Deposits	10	-	598,168	598,168
Purchase of Securities – Available for sale investments	10	2,327,816	(601,401)	1,726,415

Cash & Cash Equivalents, and Term Deposits at the Beginning of the Year	10	2,322,936	(1,254,522)	1,068,414
Cash & Cash Equivalents, and Term Deposits at the End of the Year	10	1,808,716	(1,302,690)	506,026

Notes for Prior Period Adjustments

Reclassifications

1) Non-exchange revenue has been reclassified
2) Staff Costs have been reclassified to Employee Related Costs and Other Staff Costs
3) Fees paid to Deloitte as the Group's auditor have been reclassified to show all amounts paid, including for audit fees and tax compliance and consultancy services
4) Financial assets have been reclassified, with cash at bank and Jarden call accounts now reported within Cash and Cash Equivalents, instead of Jarden call accounts being included within Term Deposits & Call Accounts

Errors

5) The Group's realised gains on the sale of financial assets were understated, due to the realised gain previously being calculated based on the difference between the financial asset's sale price and its opening fair value, instead of the difference between the financial asset's sale price and its historical cost
6) Amounts previously capitalised as Property, Plant and Equipment were found to be Software as a Service (SaaS) expenditure. As a result, amounts have been expensed, including a reduction in the opening balance of Accumulated Revenue and Expense and Total Net Assets / Equity at 1 July 2020. Depreciation previously recognised on Property, Plant and Equipment assets has been reversed. SaaS expenditure is now reported through Computer Support and Communications
7) An Available-for-sale Financial Assets Fair Value Reserve has been transferred from Accumulated Revenue and Expense
8) Deferred tax assets have now been recognised for the reporting period ended 30 June 2021
9) All amounts relating to carnets have been removed from the Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows, as the Group acts as agent in all aspects for transactions related to carnets
10) Term Deposits have been removed from the Group's Consolidated Statement of Cash Flows, as the term deposits did not meet the definition of Cash and Cash Equivalents

Independent Auditor's Report to the Members of Business Central Incorporated Group

Opinion

We have audited the consolidated financial statements of Business Central Incorporated Group ("the Society") and its subsidiaries (together, "the Group"), which comprise the consolidated statement of financial position as at 30 June 2022, and the consolidated statement of comprehensive revenue and expense, consolidated statement of changes in net assets/equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued 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 in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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, Society or any of its subsidiaries.

Other Matter

The consolidated financial statements of the Group for the year ended 30 June 2021 were audited by another auditor who expressed an unmodified opinion on those statements on 20 October 2021.

The Boards Responsibilities for the Consolidated Financial Statements

The Board is responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with PBE Standards RDR, and for such internal control as the Board determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board is responsible on behalf of the Group for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/.

This description forms part of our auditor's report.

Who we Report to

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

BDO WELLINGTON AUDIT LIMITED
Wellington
New Zealand
10 November 2022