

**CAPABILITY  
CAPACITY  
GROWTH**

# 2023 2024

Annual Report



Aotearoa New Zealand's Pacific economic development agency

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## Performance highlights

FOR THE FINANCIAL YEAR 2023/2024



**PLUS**



# Statement from the Chairman and Chief Executive



**“Sivi mada na veikau qai kalu” – it’s best first to go past the forest before you start whistling.**

A wise Fijian proverb and one that in many ways sums up 2024 and also one to be kept front of mind as we head into 2025.

**There are some positive signs for business and the economy and we are certain of the path Pacific Business Trust is on as it transforms into Aotearoa New Zealand’s Pacific Economic Development Agency.**

We have undergone significant and necessary changes as we adapt to the difficult conditions facing us and the growing and evolving Pacific business community we serve.

There is much to celebrate and be grateful for. We are receiving excellent feedback from Pacific business leaders, who appreciate the elevated levels of support we are providing their companies, the backbone of the Pacific economy in Aotearoa.

The feedback was not without constructive feedback, which has been more valuable than the praise and enabled us to better tailor our services to our Pacific business community to ensure we are providing the right support to accelerate business growth and build capability and resilience.

Business conditions have been difficult with the pandemic and severe weather emergencies significantly testing resilience and capabilities. There’s been inflation raising costs and eroding profitability and recessionary economic conditions weighing on consumer sentiment. Yet despite all of this, our businesses have survived, a great sign!

The work that PBT does – particularly the business workshops teaching leaders and managers the ins and outs of tax compliance, ACC, health and safety, pitching for contracts – may not generate headlines but the success of our clients does. We took particular pleasure in seeing the Tagi family of All Stone & Rock receiving some well-deserved limelight, with the Herald proclaiming them ‘Rock Stars’ and featuring on the nation’s top-rating radio show, Hosking on Newstalk ZB.

It is humbling to receive credit from the Tagi family for helping them on the path to prosperity and success.

We too have had our successes, with several large projects completed during the year and we are proud of our team for what they have achieved in the face of very difficult conditions.

A new strategy and outcomes framework has been developed and implemented and this will reposition the organisation and support the transition period to its Pacific economic development agency role.

We have also continued to broaden our scope of partnership by forging important relationships with iwi across the motu while joining with city and regional business organisations, Wellington and Auckland Business Chambers and Tātaki Auckland Unlimited

The unity and purpose of our team to play its role to deliver vital services and pastoral care to our community is uplifting and rewarding to the leadership of the Pacific Business Trust.



**“E so’o le fau I le fau” – unity is strength, and the Pacific Business Trust understands we are stronger, together.**



**Paul Retimanu**  
Board Chair  
Pacific Business Trust



**Mary Losé**  
Chief Executive  
Pacific Business Trust

## Executive Summary

**Our vision is to lift the Pacific business community and to increase its contribution to the overall economy. Our core role is lifting the capability and capacity of our Pacific business leaders from the more than 2000 businesses we serve and which generate more than \$300 million in annual revenue.**

To achieve this, we work closely with business owners, operators and senior management to upskill and support their business vision and ensure they have the resources required to succeed.

This year we have seen a significant and measurable improvement in Pacific Business Trust’s performance in delivering core services to our community, as you can see from our performance highlights.

The PBT team exceeded its targets for new client registrations, business assessments, grants approved and nearly doubled the target number of workshops conducted during FY24 (see Statement of Service Performance pgs 24-29). In addition to the workshops and networking events, four regional focus groups to build capability in Tokoroa, Oamaru, Whangarei and Manawatu-Wanganui as part of our regional economic development strategy.

The 211 grants approved amounted to a total of \$947,265. This was an excellent performance in what were challenging business conditions and conducted alongside a number of other large projects.

Our success is reflected in the client feedback received, both anecdotally and formally through our annual

client survey. Nearly 75% of respondents say they would recommend PBT, more than half rated PBT as good or excellent, nearly 60% said their business knowledge had been improved by PBT workshops and 42% said their business network had increased via PBT events.

We continue to increase PBT’s relevance and sphere of influence through partnerships, pathways and relationships, including urban chambers of commerce, Auckland Airport, BusinessNZ, Gas New Zealand, The Electricity Retailers’ Association of New Zealand (ERANZ), Infrastructure NZ, Beca and Downer NZ.

We have established good relations with a key Government partner, the Act Party, hosting Minister of Workplace Relations, the Hon Brooke van Velden as she announced changes to the Holidays Act. The announcement was a good fit for our organisation as it directly impacted the small-to-medium sized businesses we support.

Following the discontinuation of funding for our Pacific Procurement Support Service Programme, we have explored new investment and revenue opportunities.

This year our bid for Phase III of the RSE Worker Training Programme funded by the Ministry of Foreign Affairs and Trade made it to the final round. This was an encouraging result and a valuable learning experience for senior staff to participate in a request for proposal process for a large multimillion-dollar contract.

As Chair Retimanu said: “In true Pacific spirit, when one of us succeeds, we all succeed.”





# About Pacific Business Trust

## Aotearoa New Zealand's Pacific economic development agency

The Pacific Economic Development Agency of Aotearoa New Zealand is dedicated to supporting Pasifika businesses to increase revenue and employ more people.

It presently serves more than 2000 businesses, generating more than \$300 million across a wide spectrum of business sectors.

Pacific Business Trust supports all aspects of our clients' activities, increasing economic output and employment, as well as building capacity and resilience in the Pasifika economy in Aotearoa New Zealand.



# Operational performance

## Our key programmes and measuring our delivery

In addition to the PBT team's outstanding delivery of BAU programmes (see below), the final quarter saw the completion of several major pieces of mahi in order to set our organisation on a path to continued sustainable success in FY2025.

PBT's new strategy and outcomes framework was completed and presented to our team by Chairman Paul Retimanu. It will reposition the organisation and support the transition period to its Pacific economic development agency role.

The new approach and its resultant operational improvements (the 'one PBT' approach) will drive positive outcomes in building Pacific capability and resilience, maximising economic impact and strengthen our engagement with strategic partners to achieve our goals.

### ➤ Pathway to Green

**Pathway to Green was an internal project designed to address significant legacy liabilities that pre-date the present leadership.**

This project was a significant piece of mahi delivered by the PBT team, who conducted the work in addition to their ongoing responsibilities to deliver the programmes outlined below.

These historical liabilities dating back three years have now been resolved.

The Board and the executive would like to extend their warmest gratitude and praise to the team for their determination to ensure our organisation is set up to be sustainable, successful and starts FY24/25 without an inherited financial state.

### ➤ Kabasi Mentoring Programme

**The Kabasi Mentoring programme was an innovative trial programme designed to pair experienced business leaders with emerging business leaders and entrepreneurs so they might share their knowledge and help young owner operators navigate the many issues facing businesses during the financial year.**

The pilot programme has been completed, with follow-up workshops conducted (what worked; what did not).

The learnings from feedback received from mentees and mentors has informed the redesign of the programme that will re-launch during FY25.

In addition, our customer experience team has completed the first phase of the service design process to refine our customer pathways and potential service offerings. This specifically incorporates one-on-one coaching, in addition to the refined FY25 Kabasi Mentoring programme.

## Business assessments, referrals and pastoral support services

Our business assessments, referrals and pastoral support services are part of PBT's core offering to the Pacific business community.

Its purpose is three-pronged:



- **Provide business health checks** to determine business needs



- **Monitor progress**, with reference to the PBT suite of support services available through our service providers



- **Provide pastoral care and support** to businesses to enable access to other government business support funding

Our team completed 364 business assessments during the financial year, an outstanding result that was enabled through a raft of changes implemented to improve PBT's service offering, as well as the sustained hard mahi of our team.

In addition, our team conducted 95 mini-assessments conducted as part of follow-ups with businesses who have previously been approved grants for services.

In terms of referrals, 178 were actioned during FY24, ensuring clients were matched with a service provider to help them grow the business.

This outstanding result stems from the strong focus of our team in providing pastoral care to our business owners, operators and managers via account management, follow-ups and connecting at PBT events.

## Business support services

PBT provides a suite of services to Pacific businesses and social enterprises, including (but not limited to):

- Grant funding
- Personalised service offerings
- Lead business ecosystem engagements via networking events
- Workshops on:
  - Accounting and tax services
  - Finance
  - Storytelling, pitching & digital marketing
- Development and implementation of a regional growth plan, including advisory groups
- Supporting capability to enable SMEs to increase employment
- Establishing an entrepreneurial programme, including Women in Trade

## Grants

For FY24, a total of 211 grants were enabled. This reflects the increased effort of the PBT team in supporting the Pacific business community.

The total value of grants approved for the year was \$947,265.

The three top trade grant recipients were: retail trade (18); other services (15) and education and training (12). Other services encompass a wide range of trades, including automotive services, automotive repairs, machinery repairs, hair dressing and beauty services, funeral services and religious services, among other offerings.

We also recorded a reduction in grants cancelled compared to the previous financial year, with three grants cancelled (totalling \$9,250) compared to eight in the previous period (totalling \$31,602).

### TOP THREE trade grant recipients

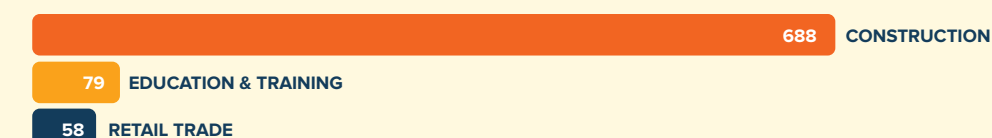


## Personalised and pastoral care services

The PBT team logged more than 1,143 pastoral engagements with businesses. These encompassed interactions with business owners, operators and managers; workshop attendees; event participants.

The top three industries our Business Navigators engage with were: construction (688 businesses); education & training (79 businesses); retail trade (58 businesses).

### TOP THREE industries engaged





## Workshops

The PBT team and its service providers delivered 50 workshops during the financial year. In addition, 26 procurement workshops were delivered in FY24.

There has been a significant uptake from the Pacific business community for our workshop services and a significant improvement in engagement with our clients, compared to previous years.

This is reflected in the excellent client feedback received via our annual client survey (see Case Studies on page 12-14).



## Business eco-system engagements and community networking events

A total of 10 events were held during FY24 in Auckland, Wellington and Christchurch.

The themes for events included Meet the Service Provider; Connect & Engage; Women Empowerment in Construction; Business Coffee Connect.



## Regional Growth Plan

Business support services for the regions is now an imperative, given the large demographic changes occurring in Aotearoa New Zealand, with 70% of the population forecast to be living in the top half of the North Island and a corresponding hollowing out of the regions.

PBT has developed a regional growth plan to support Pacific businesses in the regions and this financial year have begun implementation.

To date, four focus groups have been held in Tokoroa, Oamaru, Whangarei and Manawatu-Whanganui regions. Our team spoke to 58 members of the business community.

The insights gained from these focus groups have allowed us to further develop our strategy, operating model and organisational re-design in order to better meet the needs of the Pacific regional business community.

Delivery of our regional growth plan will be a focus of our team during FY25.



# Case Studies



## The Tongan family-owned rock company making its mark around Auckland and the Pacific



*Pictured: John Tagi at his graduation having completed his Master of Architecture, flanked by his parents Sisilia and Lemeki.*

The success of Tongan family business, All Stone & Rock, initially reported in the NZ Herald, was a major media event. The social media response from our community was immense.

The story was picked up by Newstalk ZB, with an interview on Hosking's morning show, the highest rating breakfast show in the country, while it was also reported by Pacific community news.

In all media iterations, PBT was credited as being critical to the company's success, a valuable public endorsement.

All Stone & Rock made news because it landed a multimillion-dollar contract with Auckland International Airport to provide stonework around the airport depicting the volcanic landscapes of Tāmaki Makaurau.

It is run by father and son Lemeki and John Tagi, whose family success with the company has brought them a long way from when the family of 11 was crammed into a one bedroom of an Auckland state house.

As Lemeki Tagi, 64, told the Herald: "We had some very tough times in the early days but I always had faith and always believed that if you work hard, good things will happen.

"When I arrived in New Zealand, the only jobs for Pacific Islanders was unskilled labour. I had a dream that one day I could start a construction company - and still have that dream."

In addition to John, Lemeki's other children Sioeli Tonga, 42, Kini Tuitufu, 40, Tongaketi Tagi, 35, Hanipale Tagi, 34, Anna Tagi, 33, Sainila Tagi, 32, Mauga Tagi, 31, Mele Tagi, 30 have all worked for the business and continue to do so.

*"When I arrived in New Zealand, the only jobs for Pacific Islanders was unskilled labour. I had a dream that one day I could start a construction company - and still have that dream."* Lemeki Tagi

## PBT provides trusted advice to successful entrepreneur

Dave Latele, a noted entrepreneur with a successful track record behind him, was not shy to seek advice about improving his business. As he told the Herald, his conversations with PBT directly led him to establish his recruitment agency, one which would better serve his business needs.

His generosity – a hallmark of Latele's business conduct – extended to sharing the limelight when he launched his business with a splash in the NZ Herald.

The full story can be found [here](#).

## Dave Latele links with Pacific Business Trust to start recruitment agency

NZ Herald  
6 Mar, 2024 01:00 PM 3 mins to read

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Pacific Business Trust CEO Mary Los'e is working with BBM boss Dave Latele to create a new recruitment agency.

*As Dave told the Herald, his conversations with PBT directly led him to establish his recruitment agency, one which would better serve his business needs.*

## Samoan inspired restaurant wins Aotearoa food award

5:09 pm on 20 September 2024

Share this    

Grace Tinitali-Fiavaai, RNZ Pacific Journalist  
[grace.tinitali-fiavaai@rnz.co.nz](mailto:grace.tinitali-fiavaai@rnz.co.nz)



### Taste the success

For the Pacific community, food is at the centre of family activities. Perhaps only the Asians rival Pasifika for the way food sits at the heart of familial relationships. It has taken a while but it is with great pride to see one of our own win a prestigious Cuisine Award.

Gratifying too that Tala Restaurant has made success on its own terms, albeit with a bit of help from PBT.

Its success rightly generated a bit of mainstream media coverage, with Radio NZ's Grace Tinitali-Fiavaai waxing lyrical about the olfactory experience: "Upon entering Tala, you are transported back to the Sunday umu in Samoa, surrounded by the aroma of charcoal smoke and the sight of the "ulu o le laulau" (Head Table setting) and the "sefe" (Samoan cupboard) displaying the finest dishes usually reserved for honoured guests.

As the judges say about Tala, two hats off to those folk. Read more about it [here](#).

*"Upon entering Tala, you are transported back to the Sunday umu in Samoa ....displaying the finest dishes usually reserved for honoured guests."* Grace Tinitali-Fiavaai

# Annual Client Survey

The PBT annual client survey produced a high response rate, plenty of humbling praise and some welcome constructive feedback on how PBT can improve its services.

There is significant appreciation for the efficacy of PBT services:

- **More than half** of respondents rated PBT as **good or excellent**
- **Nearly 60%** said their **business knowledge had been improved** by PBT workshops
- **42%** said their **business network had grown** via PBT events



### Feedback from our clients

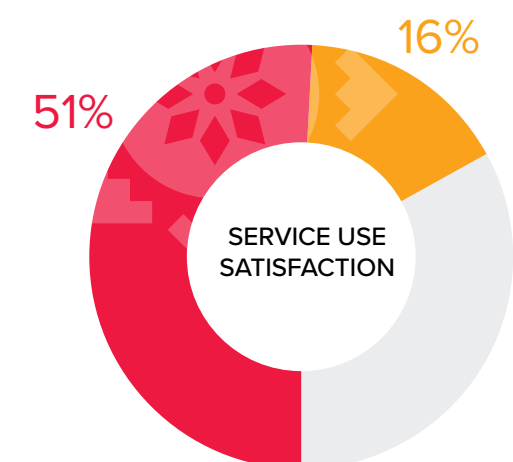
"Great advice and support from PBT over the years has been key to our success of all our family businesses."

"Our business has improved because of the specific tailored support from PBT."

"PBT's understanding of Pacific cultural systems has been a critical success factor."

### Service use satisfaction with the range of services and programmes provided by PBT

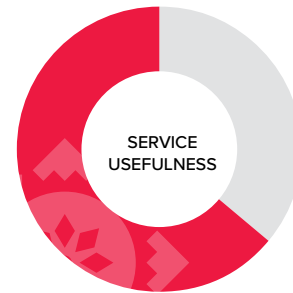
- **51%** of respondents rated the range as **good or excellent**
- with **16%** rating their satisfaction as **fair to good**





## Service usefulness

**64%** rated the usefulness of PBT's services to their business as **excellent, good or fair**



## Business health

Despite difficult business conditions, our clients report heartening resilience

➤ **70%** rated their business health as **excellent, good or fair**



In other results from the annual client survey, business owner/operators report:

- **More than 40%** rated their personal wellbeing as **good or excellent**
- **A further 37%** rated personal business owner wellbeing as **fair**
- **36%** experienced an **increase in wellbeing** during the financial year
- **Nearly a third** experienced a **decline in wellbeing**

# Media Activities

Pacific Business Trust's public profile has been significantly raised during the financial year, particularly among the business community, via a series of proactive and reactive media activities.

Our ambition is to establish a trusted Pasifika voice in mainstream and social media, with which to communicate Pacific business concerns and interests to the wider public.

## Building Bridges: PBT links with Auckland Business Chamber

One of PBT's key goals is to build business partnerships across the motu in order to increase its influence on behalf of its members.

The partnership with the Auckland Business Chamber has been a fruitful one and the formalisation of that agreement yielded a prominent article in the NZ Herald, which in turn has better enabled other partnerships with public and private sector organisations.

Bridges' comments were supportive of our organisation and helped place PBT in the boardroom of Auckland businesses.

"If we want to be relevant we have to do that [form a partnership with PBT]," Bridges told the Herald.

Los'e says the relationship is an important one for PBT and helps the organisation support the more than 2,000 businesses it serves.

Bridges paid tribute to Los'e, saying "Mary has literally transformed that business in a very short time too and she's leading it to operate as the Pacific economic development agency."

The full NZ Herald story can be read [here](#).



*"Mary has literally transformed that business in a very short time too and she's leading it to operate as the Pacific economic development agency."* Simon Bridges

PBT hosts Government’s Holidays Act announcement

The Government’s request that PBT host its announcement on changes to the Holiday’s Act presented a number of opportunities.

PBT was able to establish good relations with a key Government partner, the Act Party, and both its leader and the Prime Minister’s office were very pleased at the launch.

The announcement by Minister for Workplace Relations and Safety, the Hon Brooke van Velden, was a good fit for our organisation as it directly impacted the small-to-medium sized businesses we support.

Minister van Velden is promising to simplify the Holidays Act, making it easier for businesses to comply with the Act and for workers to understand their full legal entitlements. Consultation on the proposals has begun.

The event attracted a full media turnout, including OneNews, Newshub (3News), NZ Herald, Stuff and Radio NZ and was the leading item for the 6pm news on both television channels.

The media coverage prominently featured PBT branding, and engagement with the media at the event ensured a new awareness of the organisation, which will be helpful in future engagement, including advocacy work.

The OneNews lead story is [here](#); the lead Newshub story is [here](#); NZ Herald coverage is [here](#); Radio NZ coverage is [here](#).



Establishing a profile for the organisation

One of the important roles of PBT is to act as advocate for its business community. To do so requires a public profile and our Chairman and Chief Executive engineered these two pieces in order to put PBT on the media map. These articles have enabled easier access to the media and, through subsequent coverage, established PBT as the organisation to speak to on behalf of Pacific businesses.

Pacific Business Trust spreads its wings to hook up with businesses across Aotearoa

NZ Herald  
27 Mar, 2024 08:12 AM 2 mins to read

Save Share



Mary Los’e: From the Shortland Street green room to the boardroom

By James Mahoney  
NZ Herald · 4 Feb, 2024 07:00 AM 12 mins to read





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# Trust Directory

The Pacific Island Business Development Trust  
For the year ended 30 June 2024

**Legal Name of Entity**

The Pacific Island Business Development Trust

**Board of Trustees**

- Paul Retimanu – Chairman
- Luke Meredith – Trustee (appointed 01/08/2023)
- Dain Guttenbeil – Trustee (appointed 01/08/2023)
- Dana Youngman – Trustee (appointed 01/08/2023)
- Arti Chand – Trustee (appointed 01/08/2023)
- Lloyd Maole – Trustee
- Hana Halalele – Trustee
- Maria Fuata – Trustee (resigned 30/09/2023)
- Samuelu Sefuiva – Trustee (resigned 30/09/2023)

**Management**

Mary Los’e – Chief Executive Officer

**Bankers**

Westpac New Zealand Limited

**IRD Number**

020-905-760

**Auditors**

BDO Auckland on behalf of Auditor General

**Accountants**

Johnston Associates Chartered Accountants Limited

**Solicitors**

Dentons Kensington Swan

# Statement of Responsibility

The Pacific Island Business Development Trust  
For the year ended 30 June 2024

The board is responsible for the preparation of the annual financial statements and statement of service performance and the judgements used therein.

The Board is responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the financial reporting.

In the opinion of the Board, the annual financial statements and the statement of service performance, for the year ended 30 June 2024 fairly reflect the financial position and operations of the Pacific Island Business Development Trust.

On behalf of the Board,

Signed by the Trustees:



**Paul Retimanu**  
Chair, PBT Board

24 March 2025

Date:



**Arti Chand**  
Audit, Risk and Finance Committe Chair

24 March 2025

Date:



# Statement of Service Performance

Pacific Business Trust (PBT) is dedicated to empowering New Zealand’s Pacific business community through a range of dynamic programs and services that are current, culturally appropriate, and relevant. During the year, PBT has developed and expanded its network of partnerships across its stakeholder matrix to improve our responsiveness to our businesses and enhance our service offering.

Ensuring our services are tailored to the needs of the different Pacific ethnicities we serve is a critical capability underpinning our delivery. Our in-house cultural capability – nearly all of our team is of Pacific ethnicity – ensures our approach and interactions incorporate Pacific beliefs, worldviews, values and protocols. We developed our cultural competency framework to ensure the suppliers of services to our clients deliver services that are consistent and culturally appropriate.

This provides a strong foundation for our Statement of Service Performance report for the financial year starting from 1st July 2023 and ending on 30th June 2024. Our focus areas of building capability and capacity to boost economic growth are supported in the short and medium terms by:

- Providing Pacific entrepreneurs with improved access to support, skills, expertise, and funding to build their capability and capacity
- Supporting providers to improve the quality and relevance of their advice and support to Pacific businesses
- Increasing the understanding of the issues the impact Pacific businesses and entrepreneurs
- Assisting procurers to understand the capabilities of Pacific businesses
- Growing the understanding of ‘what works’ in Pacific economic development intervention

The Board and the Executive believe the service performance of PBT’s key roles has hit a new high point in the financial year ending 30 June 2024. It has exceeded its targets for provision of services across its programme of works.

In addition to its core roles, the team has several major pieces of work, as set out in Operational Performance. These include Pathway to Green, an internal project to address historical liabilities that pre-date the present leadership. These matters were resolved and PBT can now start FY24/25 without an inherited financial state.

The team also participated in a major request for proposal issued by the Ministry of Foreign Affairs, which manages the seasonal migrant worker scheme, and was a multimillion-dollar contract. The team’s submission was exceptional and made the final round of a highly competitive bidding process. Although ultimately unsuccessful, this was a valuable learning experience for the PBT team and one which will stand them in good stead for future opportunities as we continue to seek new sources of funding.

Our service performance for the financial year starting from 1st July 2023 and ending on 30th June 2024 demonstrates we have delivered to the contractual requirements of our funders, Ministry for Pacific Peoples (MPP), Ministry of Business, Innovation and Employment (MBIE), Ministry of Social Development (MSD), Employers Manufacturing Association (EMA).

Key Outputs and Measures Identified from New Performance Framework	Target 2023/2024	Actual 2023/2024	Comparative 2022/2023	Commentary providing further detail on why these measures are important, and connections with other areas of focus
<div>Framework Focus Area: SUPPORT ENTREPRENEURSHIP AND BUSINESS GROWTH</div> <div><div>1. Number of completed PBT client registrations</div><div>200282507</div><div>Pacific businesses can register with PBT at any time by providing their contact and business details that we require of them to access PBT’s services and to support PBT’s reporting obligations to funders. Note: The number of completed registrations includes Base Business and Procurement registrations <i>In FY23, client registrations were high as a reflection of strong promotion across all programmes in action at the time: Hatch, PSS, Activate Tamaki Makaurau, Market Stallholder fees. In FY24, there were only 3 active programmes: Hatch, PSS and BAU. Due to the limited budget in these programmes, there was decreased promotion of their services.</i></div></div>				
<div><div>2. Number of completed Business Assessments conducted</div><div>200364445</div><div>All new and re-engaging clients will undertake Business Health Checks at different stages of their journey with PBT. These assessments help PBT to understand the current state of a business across different aspects of their business and to help us track their progression over time. Assessments identify which areas of the business a client would benefit from the support of a Service Provider and/or PBT’s other Programmes and Services. They also provide a basis for understanding the funded support a client can receive and provides insight into the goals and challenges of the Pacific businesses. Note: The number of completed registrations includes Base Business and Procurement registrations</div></div>				

Key Outputs and Measures Identified from New Performance Framework	Target 2023/2024	Actual 2023/2024	Comparative 2022/2023	Commentary providing further detail on why these measures are important, and connections with other areas of focus
3. Number of clients who have been matched with a service provider (Referral Plans)	200	178	335	<p>Referral plans are a set of recommendations (referrals) that a PBT Business Advisor makes for a client. These are based on the needs and challenges of the business based off the conducted assessment. Business advisors may include referrals to workshops, service providers or other PBT programmes where they believe a business would benefit most from the support of PBT's offerings.</p> <p><i>Fewer clients matched with a Service Provider, reflecting the limited budget in FY24 for the active programmes.</i></p>
4. Number of grants approved (Grants for Services)	100	211	194	<p>An eligible client can receive a grant for service to access support and tools to help build their capability and capacity to operate their business. Grants are approved to assist clients with the areas of need identified by a business advisor in the assessment.</p>
5. Number of Certified Service Providers	12	11	118	<p>Service Providers deliver a range of specialised skills and services across 5 main functional areas of business that we assess client on. Potential Service Providers are required to undertake a cultural competency assessment and pass technical and business advisory vetting to become a Preferred PBT Service Provider.</p> <p>PBT Service Provider Network hosts a range of services including marketing, accounting and finance, business planning and HR advice.</p> <p><i>We only onboarded 11 service providers during FY24 because there were fewer eligible applicants than the previous year. However, our Service Provider list prior to this was already quite large so there was no desire to increase this number extensively. Cultural competency was revised and will not begin until FY25.</i></p>

Key Outputs and Measures Identified from New Performance Framework	Target 2023/2024	Actual 2023/2024	Comparative 2022/2023	Commentary providing further detail on why these measures are important, and connections with other areas of focus
6. Number of business development workshops	24	50	47	<p>Business development workshops are PBT's 'One-to-many' service offering that provides entrepreneurs with current business practices and skills to build their knowledge and confidence in operating their business. PBT has a range of workshops spanning across general business topics, social enterprise, and procurement readiness.</p>
<div><div>Framework Focus Area: CREATING PLATFORMS FOR GROWTH</div><div><div>7. Number of businesses registered for PBT's Procurement Support Programme</div><div>-5999</div><div>PBT's Procurement programme aims to provide Pacific businesses with the skills and knowledge to participate in procurement opportunities. This programme is delivered through a series of procurement-specific workshops and specialised funded services with support from our partners and service providers.</div></div></div>				
8. Number of users on PBT's Digital Platform (PBT Portal)	-	106	245	<p>The PBT Portal allows clients to access support and resources for their business in real-time. Clients can execute their referral plans by accessing the service provider network and apply for funding, access PBT-exclusive business articles and resources, and network with other Pacific business owners on the portal.</p>
9. Proportion of clients who are satisfied with PBT's Services	80%	67%	72%	<p>PBT sends out an annual survey to collect feedback from clients on the programmes and services PBT has provided. For the FY24 survey, PBT received 237responses to the survey with generally positive feedback. 67% of respondents scored 3 or higher out of 5 for satisfaction with services.</p>



Key Outputs and Measures Identified from New Performance Framework	Target 2023/2024	Actual 2023/2024	Comparative 2022/2023	Commentary providing further detail on why these measures are important, and connections with other areas of focus
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**Framework Focus Area:**  
**PROVIDING LEADERSHIP ON PACIFIC ECONOMIC DEVELOPMENT**

<b>10. Number of ecosystem engagements</b>	10	10	7	Ecosystem engagements are a 'one-to-many' PBT service, designed to meet business needs around ecosystem visibility and collaboration, understanding the role of PBT. These engagements may consist of networking/mentoring, community engagements, ideation sessions and special events.
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# Statement of Comprehensive Revenue and Expenses

The Pacific Island Business Development Trust  
For the year ended 30 June 2024

	Notes	2024	2023
<b>Revenue</b>			
<b>Revenue from exchange transactions:</b>			
Government Funding	5	6,313,392	5,961,261
Investment Income		163,412	85,179
<b>Total Revenue from exchange transactions</b>		<b>6,476,804</b>	<b>6,046,439</b>
<b>Revenue from non-exchange transactions:</b>			
Other General Funding/Grants	6	-	102,561
Other Income		16,064	2,510
<b>Total Revenue from non-exchange transactions</b>		<b>16,064</b>	<b>105,071</b>
<b>Total Revenue</b>		<b>6,492,868</b>	<b>6,151,510</b>
<b>Expenses</b>			
Advertising and Marketing Costs		240,330	323,170
Amortisation	10	97,325	248,247
Audit Fees	9	81,577	76,839
Costs Related to Providing Services	7	1,934,717	1,839,589
Assets - Depreciation	11	33,870	35,734
Employee Costs		2,247,582	1,859,885
Lease Expenses		331,902	275,622
Other Expenses	8	1,072,933	1,085,783
Trustee Fees		76,792	67,292
<b>Total Expenses</b>		<b>6,117,028</b>	<b>5,812,162</b>
<b>Total Surplus for the Year</b>		<b>375,839</b>	<b>339,349</b>
<b>Other Comprehensive revenue and expense for the year</b>			
Other comprehensive revenue and expense		-	-
<b>Total Comprehensive Revenue and Expenses for the Year</b>		<b>375,839</b>	<b>339,349</b>

The financial statements should be read in conjunction with the notes to the financial statements and independent auditor's report.

# Statement of Changes in Net Assets/Equity

The Pacific Island Business Development Trust  
For the year ended 30 June 2024

Account	2024	2023
<b>Net Assets (Accumulated Revenue and Expenses)</b>		
Opening Balance	3,850,033	3,510,684
Total comprehensive revenue and expense for the year	375,839	339,349
<b>Balance as at 30 June</b>	<b>4,225,872</b>	<b>3,850,033</b>

The financial statements should be read in conjunction with the notes to the financial statements and independent auditor's report.



# Statement of Financial Position

The Pacific Island Business Development Trust  
For the year ended 30 June 2024

Account	Notes	30 Jun 2024	30 Jun 2023
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	13	1,681,709	2,003,993
Receivables from Exchange Transactions		3,242,855	2,566,696
Receivables from Non-Exchange Transactions		9,675	-
Prepayments		32,879	10,335
<b>Total Current Assets</b>		<b>4,967,118</b>	<b>4,581,024</b>
<b>Non-Current Assets</b>			
Intangible Assets	10	327,066	424,391
Westpac Bank Bond Deposit		100,000	100,000
Property, Plant and Equipment	11	83,378	85,020
<b>Total Non-Current Assets</b>		<b>510,444</b>	<b>609,411</b>
<b>Total Assets</b>		<b>5,477,562</b>	<b>5,190,435</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables		492,514	366,525
Employee Entitlements		109,749	67,761
Goods and Services Tax		258,270	219,124
Grants approved but not paid		285,557	555,393
Provisions	16	105,600	131,600
<b>Total Current Liabilities</b>		<b>1,251,690</b>	<b>1,340,403</b>
<b>Total Liabilities</b>		<b>1,251,690</b>	<b>1,340,403</b>
<b>Total Assets Less Total Liabilities (Net Assets)</b>		<b>4,225,872</b>	<b>3,850,033</b>
<b>Trust Equity</b>			
Accumulated Revenue and Expense		4,225,872	3,850,033
<b>Total Trust Equity</b>		<b>4,225,872</b>	<b>3,850,033</b>

The accompanying notes form part of and should be read in conjunction with the Financial Statements.

# Statement of Cash Flows

The Pacific Island Business Development Trust  
For the year ended 30 June 2024

Account	2024	2023
<b>Cash Flows from Operating Activities</b>		
Revenue from exchange transactions	5,728,088	5,140,086
Revenue from non-exchange transactions	14,739	123,346
Other Revenue - Interest	161,095	85,179
GST received/(paid) (net)	(40,245)	11,515
Payments to Suppliers	(3,877,925)	(4,865,076)
Payments to Employees	(2,277,259)	(1,958,881)
<b>Total Cash Flows from Operating Activities</b>	<b>(291,508)</b>	<b>(1,463,831)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(30,776)	(13,314)
<b>Total Cash Flows from Investing Activities</b>	<b>(30,776)</b>	<b>(13,314)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(322,284)</b>	<b>(1,477,145)</b>
<b>Cash Balances and Cash Equivalents</b>		
Cash and cash equivalents at beginning of year	2,003,993	3,481,138
Net change in cash for year	(322,284)	(1,477,145)
<b>Cash and Cash equivalents at end of year (refer to note 13)</b>	<b>1,681,709</b>	<b>2,003,993</b>

The accompanying notes form part of and should be read in conjunction with the Financial Statements.

# Notes to the Financial Statements

The Pacific Island Business Development Trust  
For the year ended 30 June 2024

## 1. Reporting Entity

The Pacific Island Business Development Trust (the “Trust”) is a Charitable Trust incorporated in New Zealand under the Charitable Trusts Act 1957 and is domiciled in New Zealand. The Trust is listed in Schedule 4 of the Public Finance Act 1989 which means it is treated for certain financial reporting requirements as if it was a crown entity under the Crown Entities Act 2004. The Trust is also a charity registered under the Charities Act 2005 and is therefore exempt from income tax.

The financial statements are presented for the year ended 30 June 2024.

These financial statements and the accompanying notes summarise the financial results of activities carried out by the Trust. The principal activity of the Trust is to develop a strong economic base for Pacific Island people in New Zealand.

The Trust is a national organisation with offices in Auckland, Christchurch and Wellington. The organisation exists to provide support and services to Pacific businesses and Pacific entrepreneurs in New Zealand.

The Trust is governed by a board of trustees who are appointed by the Minister for Pacific Peoples. The organisation’s Trust Deed makes provision for a minimum of five and a maximum of eight trustees. The Trust is primarily funded under an outcome Agreement with the Ministry for Pacific Peoples (MPP).

Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

These financial statements have been approved and were authorised for issue by the Board of Trustees.

## 2. Basis of Preparation

### Statement of compliance

The Trust’s financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (“NZ GAAP”). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR) as appropriate for Tier 2 public sector public benefit entities, and disclosure concessions have been applied.

For the purposes of complying with NZ GAAP, the Trust is a public benefit public sector entity and is eligible to apply PBE Standards RDR on the basis that it does not have public accountability and its annual operating expenditure is less than \$33 million.

### 2.1 Basis of Measurement

These financial statements have been prepared on the basis of historical cost.

### 2.2 Functional and Presentational Currency

The Trust’s financial statements are presented in New Zealand dollars (\$), which is the Trust’s functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

## 3. Summary of Accounting Policies

### Changes in Accounting Policies

There have been no changes in accounting policies in the year ended 30 June 2024.

### 3.1 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. The following specific recognition criteria must be met before revenue is recognised.

### Revenue from exchange transactions

#### Interest Revenue

Interest revenue is recognised as it accrues, using the effective interest method.

#### Government Funding

Government contracts where the funding is based on the achievement of detailed milestones and mutually agreed KPIs has been classified as revenue from exchange transactions. This is because the services provided by the Trust constitute the performance of agreed tasks over an agreed period of time, with the direct exchange of approximately equal value, being the provision of services on behalf of government (central and local) entities. The

funding is recognised as revenue by reference to the stage of completion of the agreed KPIs and milestones in the relevant funding agreement.

### Revenue from non-exchange transactions

Non-exchange transactions are those where the Trust 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 Trust, and
- Fair value is reliably measurable.

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

### Other General Funding/Grants

The recognition of other funding/grants revenue depends on the nature of any stipulations to the inflow of resources received, and whether this creates a liability (i.e. present obligation rather than the recognition of revenue).

Stipulations that are ‘conditions’ specifically require the Trust to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue when the ‘conditions’ are satisfied.

Stipulations that are ‘restrictions’ do not specifically require the Trust to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

Grant funding that is not based on the achievement of detailed milestones and mutually agreed KPIs does not result in a direct exchange of approximately equal value. Therefore, funding from these sources is classified as non-exchange revenue.

### 3.2 Employee Benefits

#### Short-term employee benefits

Liabilities for wages and salaries (including non-monetary benefits), annual leave and accumulating sick leave are recognised in surplus or deficit during the period in which the employee rendered the related services, and are

generally expected to be wholly settled within 12 months of the reporting date. The liabilities for these short-term benefits are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Defined contribution plans (including Kiwisaver) are post-employment benefit plans under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees.

### 3.3. Financial Instruments

#### Recognition and initial measurement

Receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Trust becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. At initial recognition, short-term receivables and payables may be measured at the original invoice amount if the effect of discounting is immaterial.

#### Classification and subsequent measurement

##### Financial assets

All of the trust’s financial assets meet the definition of financial assets at amortised cost. A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Trust’s financial assets comprise cash and cash equivalents, term deposits, and receivables.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with original maturities of three months or less. Term deposits with an original maturity of more than three months are separately disclosed as term deposits.

Notes to the Financial Statements (Cont'd)

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

Financial liabilities

All of the Trust’s financial liabilities meet the criteria to be classified as measured at amortised cost. These financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expenses is recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

Impairment of financial assets

The Trust recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. When determining whether the risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Trust considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the trust’s historical experience and informed credit assessment and including forward-looking information.

The Trust assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Trust considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Trust in full, without recourse by the Trust to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

3.4 Goods and Services Tax

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

3.5 Leases

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of

ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

3.6 Intangible Assets

Intangible assets that are acquired by the Trust, which have finite useful lives, are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment losses.

Subsequent expenditure is only capitalised when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss when incurred.

Amortisation is recognised in surplus or deficit on a straight line basis over the estimated useful lives of intangible assets from the date they are available for use. The useful lives and associated amortization rates of major classes of assets have been estimated as follows:

Website & Software Development	5 Years
Digital Platform	10 Years

The amortisation period and the amortisation method for an intangible asset with finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits or service potential embodied in the asset are treated as changes in accounting estimates in accordance with PBE IPSAS 3: Accounting Policies, Changes in Accounting Estimates and Errors. Such changes are applied prospectively from the date of the reassessment.

3.7 Property, Plant and Equipment

Items of property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a straight line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost of the asset less any estimated residual value over its remaining useful life.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

Account	Rate
Artworks	20%
Computer Equipment - Assets	33% - 50%
Furniture & Fittings	9% - 30%
Leasehold Improvements	unexpired lease period plus right of renewal
Office Equipment	13.5% - 67%

3.8 Impairment of non-financial assets

The carrying amounts of the Trust’s non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit (CGU) is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows (for cash-generating assets) or future remaining service potential (for non-cash-generating assets) are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Cash-generating assets and non-cash-generating assets are distinguished by the purpose designated for the asset.

For the purpose of the impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets of CGU’s. Impairment losses are allocated to the assets in the CGU on a pro-rata basis.

Impairment losses are recognised in surplus or deficit. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.9 Grants Approved But Not Paid

The Trust provides grants to a number of organisations in the ordinary course of its operations. Where a grant has been approved by the trustees and communicated to the grant recipient prior to the reporting date but has not been paid, the grant payment is accrued as a liability.

3.10 Provisions

A provision is recognised if, as a result of a past event, the Trust has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost within surplus or deficit. A provision has been made, refer to note 16.

4. Significant Accounting Judgments, Estimates and Assumptions

4.1 Use of Judgement and Estimates

The preparation of financial statements requires management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(a) Judgments

Judgement made in applying accounting policies that have had the most significant effects on the amounts recognised in the financial statements include the following:

- The leases for the Trust at Level 2/45 O’Rorke Road, Penrose, Auckland, and Unit 8, 14 Acheron Drive, Riccarton, Christchurch have been recognised as an operating lease for the full term and expenses on a straight line basis over the term of the lease. The trust has determined, based on an evaluation of the terms and conditions of the arrangements, such as not transferring substantially all the risks and rewards incidental to ownership of the asset, that they are operating leases.
- The intangible asset of the Digital platform arose from development has been determined as having a finite useful life and is amortised. The Digital Platform is the hub of the Trust and captures all client record. Functional improvement costs to the Digital Platform are capitalised. Amortisation is recognised in a surplus



Notes to the Financial Statements (Cont'd)

or deficit on a straight line basis over the estimated useful life of the intangible asset. Amortisation method, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

• The Trust has made a judgement regarding the classification of its government grant revenue between exchange and non-exchange revenue. The rationale for the classifications made are set out in the Trust's revenue policy in note 3.1.

	2024	2023
<b>5. Government Funding - exchange</b>		
Auckland Unlimited	-	9,053
Digital Facilitation Scheme (MBIE)	-	20,000
Revenue - Employers' and Manufacturers' Association (EMA)	32,000	48,360
Revenue - Ministry of Health	-	76,840
MPP Funding (MPP)	4,800,000	3,160,000
Ministry for Social Development (MSD)	201,400	274,900
Ministry of Business, Innovation & Employment (MBIE)	1,279,992	2,322,107
Temporary Migrant Worker Exploitation (MBIE)	-	50,000
<b>Total Government Funding - exchange</b>	<b>6,313,392</b>	<b>5,961,261</b>
<b>6. Other General Funding/Grants - non-exchange</b>		
MPP Business Awards Ticket Sales/Donations	-	12,561
Sponsorship Revenue	-	90,000
<b>Total Other General Funding/Grants - non-exchange</b>	<b>-</b>	<b>102,561</b>
<b>7. Costs Related to Providing Services</b>		
Direct Cost - Contractors	457,961	819,635
Events Venue Hire and Supplier Fees	102,070	52,683
Grants ATM Advisory & Implementation	-	(30,050)
Grants - Digital Devices	-	14,121
Grant for Services	947,265	547,135
Other Expenses	363,096	244,506
Workshops & Seminars	64,325	191,559
<b>Total Costs Related to Providing Services</b>	<b>1,934,717</b>	<b>1,839,589</b>

	2024	2023
<b>8. Other Expenses</b>		
Business Awards	-	289,764
Consultancy	103,065	143,915
Other Miscellaneous Expenses	687,138	434,862
Provision for Legal Claims	-	131,600
Sponsorships	81,191	5,000
Staff Expenses	201,538	80,643
<b>Total Other Expenses</b>	<b>1,072,933</b>	<b>1,085,783</b>

**9. Auditors Remuneration**  
Total amount recognised for audit services is \$81,577 (2023: \$76,839). Audit services are provided by BDO Auckland.

<b>10. Intangible Assets</b>		
<b>Digital Platform</b>		
Opening Balance	385,127	613,092
Amortisation	(77,044)	(227,966)
<b>Net book value (refer to Depreciation Schedule)</b>	<b>308,083</b>	<b>385,127</b>
<b>Website &amp; Software Development</b>		
Opening Balance	39,265	59,546
Amortisation	(20,282)	(20,282)
<b>Net book value Website &amp; Software Development (refer to Depreciation Schedule)</b>	<b>18,983</b>	<b>39,265</b>
<b>Total Intangible Assets</b>	<b>327,066</b>	<b>424,391</b>

During the current financial year, management reviewed the useful life of the digital platform and determined that, based on its remaining economic benefits, the asset's useful life has been extended by an additional five years from the previous year-end. This change in estimate has been applied prospectively from 1 July 2023.

As a result of the reassessment, amortization expense for the current year decreased by \$150,922 compared to what it would have been under the original useful life assessment. Future amortization expenses are expected to be \$77,044 per year over the remaining useful life.

Notes to the Financial Statements (Cont'd)

	2024	2023
<b>11. Property, Plant and Equipment</b>		
<b>Computer Equipment</b>		
Opening Balance	22,939	31,277
Additions	28,825	8,424
Depreciation	(20,242)	(16,761)
<b>Net book value Computer Equipment (refer to Depreciation Schedule)</b>	<b>31,522</b>	<b>22,939</b>
<b>Furniture and Fittings</b>		
Opening Balance	46,745	54,440
Depreciation	(6,508)	(7,695)
<b>Net book value Furniture &amp; Fittings (refer to Depreciation Schedule)</b>	<b>40,237</b>	<b>46,745</b>
<b>Leasehold Improvements</b>		
Opening Balance	656	759
Depreciation	(103)	(103)
<b>Net book value Lease Improvements (refer to Depreciation Schedule)</b>	<b>553</b>	<b>656</b>
<b>Office Equipment</b>		
Opening Balance	14,680	20,965
Additions	3,403	4,890
Depreciation	(7,017)	(11,175)
<b>Net book value Office Equipment (refer to Depreciation Schedule)</b>	<b>11,065</b>	<b>14,680</b>
<b>Total Property, Plant and Equipment</b>	<b>83,378</b>	<b>85,020</b>

12. Commitments

As at the reporting date, the Board of Trustees has entered into the following operating lease commitments:

1. The premises at Level 2/45 O’Rorke Road, Penrose, Auckland, are leased from James Kirkpatrick Limited on a five (5) year term commencing 3 May 2021 with a further one (1) five (5) year right of renewal, and the annual rent is \$125,300 plus GST paid monthly.
2. The premises at Unit 8, 14 Acheron Drive, Riccarton, Christchurch are leased from Markian Limited. The lease was extended to 27 February 2026 with a further one (1) two (2) year right of renewal and the annual rent is \$22,040 plus GST paid monthly.
3. The premises at Level 4, 90 Symonds Street, Auckland, are leased from Auckland Regional Chamber of Commerce & Industry Limited on a two (2) year term commencing from 13 May 2024 with a further one (1) two (2) year right of renewal, and the annual rent is \$38,541 plus GST paid monthly.
4. The premises at Level 13, NTT Tower, 157 Lambton Quay, Wellington are leased from Business Central Incorporated on a one (1) year term commencing 1 November 2023, and the annual rent is \$36,000 plus GST paid monthly.

	2024	2023
<b>Operating Commitments</b>		
Not later than 12 months	252,824	186,453
Between 12 months and five years	652,272	313,720
<b>Total Operating Commitments</b>	<b>905,096</b>	<b>500,173</b>

13. Cash and Cash Equivalents

	2024	2023
<b>Cash and Cash Equivalents</b>		
Westpac Cheque Account (On Call)	884,925	21,269,538
Westpac Savings Account (On Call)	777,250	730,840
Westpac Credit Card 5507	7,342	5,217
Westpac Credit Card 2676	(1,602)	(1,602)
Westpac Credit Card 6250	13,794	0
<b>Total Cash and Cash Equivalents</b>	<b>1,681,709</b>	<b>2,003,993</b>

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

The applicable interest rate on Westpac Cheque account for funds in credit was 5.55% (2023: 5.25%)

The applicable interest rate on Westpac Savings account for funds in credit was 5.55% (2023: 5.25%)

14. Related Party Transactions

1. Key management personnel remuneration

The Trust classifies its key management personnel into one of two classes:

\* Members of the governing body:

- Business South Incorporated - Lloyd Ma’ole is a business Navigator of the company. Lloyd, is also a board member of the Trust. As at balance date the Trust paid \$317 to Business South Incorporated (2023: Nil).
- Manaaki Management Limited - Paul Retimanu is the director of the company. Paul is also a chairman of the Board of the Trust. As at balance date the Trust paid \$25,138 for various services to Manaaki Management Limited. (2023: \$6,392)
- Hospitality New Zealand - Paul Retimanu is the president of the organisation. Paul is also a chairman of the Board of the Trust. As at balance date the Trust paid \$40,250 to Hospitality New Zealand. (2023: \$Nil)
- Ringa Hora - Paul Retimanu is a member of the organisation. Paul is also a chairman of the Board of the Trust. As at balance date the Trust paid \$1,000 to Ringa Hora. (2023: \$Nil)
- JLo Consultants - Joseph Los’e is related to CEO of the Trust. As at balance date the Trust paid \$8,500 to JLo Consultants. (2023: \$Nil)
- LV Simple Accounting & Business Consulting Services - Lesley Vehekite is the director of the company. Lesley is also a staff member of the Trust. As at balance date the Trust paid \$225 to LV Simple Accounting & Business Consulting Services.

\* Chief executive officer, responsible for reporting to the governing body and for the operation of the Trust’s business

The aggregate level of remuneration paid and number of persons measured in ‘people’ for Members of the governing body, and ‘full-time-equivalents’ (FTE’s) in each class of key management personnel is presented in the schedule below:

Key management personnel did not receive any remuneration or compensation other than in their capacity as key management personnel (2023: Nil).

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

The Trust did not provide any loans to key management personnel or their close family members (2023: \$Nil).

	2024	2023
Members of the governing body and management	357,151 (9 People)	316,272 (6 People)

Notes to the Financial Statements (Cont'd)

15. Categories of Financial Assets and Liabilities

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	2024	2023
Financial Assets		
At Amortised Cost		
Cash and Cash Equivalents	1,681,709	2,003,993
Receivables from Exchange Transactions	3,242,855	2,124,952
Receivables from Non-Exchange Transactions	9,675	-
Term Deposit	100,000	100,000
Total At Amortised Cost	5,034,239	4,228,945
Total Financial Assets	5,034,239	4,228,945

There is no allowance for impairment as accounts receivable will be fully collected.

Financial Liabilities

At Amortised Cost		
Trade and Other Payables	492,514	366,525
Grants approved but not paid	285,557	555,393
Total At Amortised Cost	778,071	921,918
Total Financial Liabilities	778,071	921,918

16. Provisions

Opening Balance (1 July)	131,600	-
Increases due to Employee Claims	-	131,600
Decreased due to Settlement Paid	26,000	-
Closing Balance (30 June)	105,600	131,600

At the reporting date, the Trust has two personal grievances matters remaining. It is anticipated to be \$105,600 in settlement costs, including legal fees.

17. Changes in Accounting Estimates

In accordance with PBE IPSAS 3, management reassessed the useful life of the Digital Platform, which was previously estimated to have three years remaining. Following the reassessment, the useful life has been extended by five additional years from 1 July 2023, based on the expected service potential of the platform. This change in accounting estimate has been applied prospectively from 1 July 2023. As a result, the amortisation expense for the current year decreased by \$150,922 compared to the previous estimate. Future amortisation expenses are expected to be \$77,044 per year for the next five years.

18. Capital Commitments

There were no capital commitments at the reporting date. (2023: \$Nil).

19. Contingent Liabilities and Contingent Assets

At the reporting date the trust has no contingent assets or liabilities. (2023: \$Nil).

20. Events after the Reporting Period

The Board of Trustees and management is not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the Trust. (2023: \$Nil).

21. Breach of Law – Statutory Reporting Deadline

The Trust was required to complete its audited general purpose financial report by 31 December 2024 in accordance with section 41 and 42C (2) (a) of the Charities Act 2025 and by 31 October 2024 in accordance with Section 156 of the Crown Entities Act 2001. The breach of these deadlines was due to delays in completing the final audit and full annual report.

Depreciation and Amortisation Schedule

The Pacific Island Business Development Trust  
For the year ended 30 June 2024

Cost Account	Cost	Opening Accum Dep	Opening Value	Purchases	Disposals	Depreciation	Closing Accum Dep	Closing Value
Artworks	18,097	18,097	-	-	-	-	18,097	-
Computer Equipment	139,075	87,311	22,939	28,825	-	20,242	107,553	31,522
Digital Platform	1,139,828	754,702	385,127	-	-	77,044	831,746	157,161
Furniture & Fittings	81,843	35,098	46,745	-	-	6,508	41,606	40,237
Leasehold Improvements	8,671	8,014	656	-	-	103	8,117	553
Office Equipment	34,733	16,651	14,680	3,403	-	7,017	23,668	11,065
Website & Software Development	101,408	62,143	39,265	-	-	20,282	82,424	18,983
Total	1,523,655	982,016	509,411	32,228	-	131,195	1,113,211	410,444



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF PACIFIC ISLAND BUSINESS DEVELOPMENT TRUST'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2024

The Auditor-General is the auditor of Pacific Island Business Development Trust (the Trust). The Auditor-General has appointed me, Matthew Coulter, using the staff and resources of BDO Auckland, to carry out the audit of the financial statements and the performance information of the Trust on his behalf.

#### Opinion

We have audited:

- the financial statements of the Trust on pages 30 to 43, that comprise the statement of financial position as at 30 June 2024, and the statement of comprehensive revenue and expenses, statement of changes in net assets/equity and statement of cash flows for the year then ended, and notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Trust on pages 24 to 29.

In our opinion:

- the financial statements of the Trust on pages 30 to 43:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2024; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board; and
- the performance information of the Trust on pages 24 to 29:
  - presents fairly, in all material respects, the Trust's performance for the year ended 30 June 2024, including for each class of reportable outputs:
    - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
    - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
  - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 28 March 2025. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Trustees and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

#### Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of the Trustees for the financial statements and the performance information

The Trustees are responsible on behalf of the Trust for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand.

The Trustees are responsible for such internal control as they determine is necessary to enable them to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Trustees are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Trust or to cease operations, or there is no realistic alternative but to do so.

The Trustees' responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

#### Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Trust's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, 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.
- We 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 Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- We evaluate the appropriateness of the reported performance information within the Trust's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information 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 Trust to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees 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.

Our responsibilities arise from the Public Audit Act 2001.

#### Other information

The Trustees are responsible for the other information. The other information comprises the information included on pages 3 to 19, but does not include the financial statements and the performance information, and our auditor's report thereon.

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

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Independence

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.



Matthew Coulter  
BDO Auckland  
On behalf of the Auditor-General  
Auckland, New Zealand

