

SPORT NZ GROUP

ANNUAL

REPORT

—
1 JULY 2018 – 30 JUNE 2019



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**E AKU TŌTARA HAEMATA, AKU RINGA TŌHAU NUI
KOUTOU KUA TĪRAHA MAI KI TE TIKITIKI O RANGI
TĒNEI MĀTOU TE MAHUETANGA IHO E PARA TONU
I TE HUARAHI
NĀ KOUTOU TE WHAKATARANGIA
MĀ MATOU TE KAWEA
I RUNGA ANŌ I TE PONO, I TE TIKA ME TE AROHA NOA
TIHEI MAURIORA!**

**TO OUR GREAT LEADERS THAT HAVE GONE BEFORE US
YOUR LEADERS THAT HAVE ASCENDED TO THE HEAVENS
WE YOUR DESCENDANTS CONTINUE TO FOLLOW YOUR PATH
YOU LAID DOWN THE CHALLENGE
IT IS FOR US TO ACCEPT
WE SHALL ENDEAVOUR TO CONTINUE YOUR WORK
WITH HONOUR, INTEGRITY AND RESPECT
LET THERE BE LIFE!**

FROM THE CHAIR AND CHIEF EXECUTIVE

It is our pleasure to present this Annual Report for the Sport New Zealand Group (Sport NZ).

As the kaitiaki of the play, active recreation and sport system, our primary reason for being, and our vision for the future is clear and bold. It must be, as what we're aiming to achieve has and will continue to confront some significant challenges. Put simply, we want all New Zealanders to be more active and to remain active throughout life in whatever way best works for them. We also want to see our elite athletes continuing to enjoy success on the world stage, achieving their dreams whilst also inspiring our children and young people.

In order to achieve our vision, we must sustain what we currently have in terms of participation and winning on the world stage, but concurrently work to remove barriers for participation across Aotearoa New Zealand that exist now and will exist for future generations. This will give us the greatest possible chance of improving the wellbeing of New Zealanders whilst also growing the talent pool from which future elite athletes are found and nurtured to achieve their full potential.

We have been relentless in the pursuit of our vision throughout 2018/19 and some highlights are illustrated in the following paragraphs.

2018/19 Highlights

- Together with the Ministries of Health and Education, Sport NZ was successful in its Budget bid to secure funding for Healthy Active Learning, a national initiative aimed at improving the wellbeing of children in 800 lower decile primary and intermediate schools and kura over the next four years.
- We have witnessed some fabulous successes within high performance sport during 2018/19. Countless New Zealanders lost sleep watching the epic nail-biters that were the Cricket World

Cup and Netball World Cup semis and finals. Sophie Pascoe set three new world records while winning four gold medals at the Para Swimming World Series. Lisa Carrington's double gold at the ICF Canoe Sprint and Paracanoe World Championships means she has now won 17 world championship medals, including ten golds.

- We are also delighted to see the high performance sport gains that are being made off the courts and pitches, such as the Black Ferns 15s and White Ferns being awarded professional contracts and now playing doubleheaders alongside their male counterparts. Another example is New Zealand winning the hosting rights for the 2021 Women's Cricket World Cup and Women's Rugby World Cup.
- One of the most tangible illustrations of our commitment to youth in sport is the stand we are making in conjunction with five of the country's largest participation sports to bring the fun and skills development focus back into the game for all young people via Keep Up With The Play. Informed by our Balance is Better philosophy, it raises awareness of the harmful effects of early specialisation, over-emphasis on winning and other factors that are driving young New Zealanders away from sport. Sport NZ and the five sports – Cricket, Football, Hockey, Netball and Rugby – have signed and published a ground-breaking Statement of Intent that will pave the way for substantial change in the way youth experience sport in this country.
- Insights, physical literacy and locally led: when we launched our 2015-20 Community Sport Strategy, we put these three approaches front and centre and talked about how transformational we felt their inclusion could be for our system, helping to create better quality experiences for our young people. We

now have evidence to reinforce the value from these three approaches, and benefits across the country are being realised as a result.

- Cross-government relations: we've worked hard this year to strengthen meaningful connections across government. One example of this is the MOU we have signed with Oranga Tamariki to confirm our ongoing commitment of working together to improve the opportunity for children and young people in care to access quality play, active recreation and sport experiences.
- Kiwisport and secondary age reviews: for the first time since its launch in 2009, a comprehensive review of the \$8.49m Kiwisport Regional Partnership Fund was completed. Key to informing this review was the significant system and community consultation, involving over 600 people from 400 organisations. The review will inform our continuing work within the system supporting children and young people as will our secondary age review. This review has highlighted the fact that young people are increasingly seeking personalised, meaningful activity experiences that provide a sense of belonging, social connectedness, achievement and enhanced wellbeing.

System leadership

As the kaitiaki of the play, active recreation and sport system, we recognise that we need to be continually making steps towards improving the way in which the system operates. Highlights demonstrating progress in this area during 2018/19 include:

- The launch of our response to the Government's Women and Girls in Sport and Active Recreation Strategy in October 2018, outlining 24 commitments and an associated investment of \$10m.

- A review into sport integrity involving extensive public consultation which has helped to inform a set of 22 recommendations. We will work with the system to implement these during 2019/20 to further strengthen sport integrity within New Zealand across the areas of member protection, children's sport, organisational culture, anti-doping, corruption and match fixing.
- Significant work has also been undertaken together with the high performance sport system to establish the 2032 High Performance System Strategy. This work aims to provide a blueprint for sustainable sporting excellence at the highest level via a whole of system view, and sets out what the system should aspire to achieve between now and 2032 to drive repeatable success in pinnacle events for Olympic and non-Olympic, summer and winter sports.
- We've worked intimately with our NSO partners to help identify opportunities to strengthen their capability and capacity across the areas of governance, leadership, human resources, finance and technology. As part of this work, we are also exploring what the future of sport needs to look like in order to respond to the changing face of our society.
- As a result of our review into disability, we have committed to taking a stronger role and leading change through a plan for disability. We have made provision for a \$12m investment over four years in accessibility, leadership and collaboration, and confidence and attitudes. This will be highlighted in our Play, Active Recreation and Sport Disability Action Plan which is due to be published in October 2019.
- We've worked closely with the Department of Internal Affairs, the New Zealand Racing Board and our system partners over 2018/19 to respond to the Review of the New Zealand Racing Industry. This work helped shape the Racing Reform Act 2019 that commenced on 1 July 2019. This should result in a significant uplift in funding for the sport and recreation system, which is an outstanding result.

It's about the people

Notwithstanding the highlights and progress made throughout 2018/19, the year has not been without its challenges. Some of which played out publicly like the Heron Review of Cycling NZ, the Dew Review of Hockey NZ and the Muir Review of NZ Football. These confronting reviews relating to athlete welfare have reinforced the fact that our system cannot operate into the future the way it may have operated in the past. Supported by the Sport NZ Group, it has been heartening to see the way in which these three organisations, together with wider organisations within our system, have responded to the findings and recommendations made. There is no doubt in anyone's mind that collectively, we must do better into the future. And together, we have committed to just that.

The Māori proverb *he tāngata, he tāngata, he tāngata* could not be more accurate. Without our people, there is no play, active recreation and sport system. As a leader within this system, we must demonstrate a cultural shift in how we conduct business and work with our system partners to encourage and enable them to do the same. It is our hope that this challenging period is one that we will look back on in future years as being a pivotal moment in time that led to transformational, positive change.

Future focused

As we reflect on all that was 2018/19, we also turn our attention to 2019/20, which for Sport NZ is the final year in our Community Sport Strategy. During 2019/20, we need to realise as much of the potential from this current strategy as possible, while concurrently preparing for a seamless transition to our future strategic period.

We have already undertaken extensive consultation with our system partners to inform our Toward 2032 Strategic Direction and our 2020-24 Strategic Plan. As a result, we'll be retaining everything that has proved successful during 2015-20 and that resonates for the system and our target audiences. For at least the first four years of our new strategic period, we'll also be narrowing our focus. This focus will be on children and young people, as it is here where we believe we stand to have the greatest possible impact on wellbeing.

And we won't just talk about impact, we will demonstrate it. Linked to the Government's wellbeing approach and the Living Standards Framework, we've developed an Outcomes Framework which outlines how we'll measure the impact of our work moving forward.

Keeping with the theme of positive impact, there are bold aspirations for the Tokyo 2020 Olympics, and less than twelve months out, we are cautiously optimistic. We've been working with our targeted NSOs, their coaches and athletes since the start of the cycle, providing specialist support, helping them with campaign strategies and doing everything we can to maximise performance and success. This has included the development and implementation of a heat strategy, to prepare for what is expected to be the hottest Olympics ever.

As a Crown agency, we are conscious of ensuring a continual focus on driving

efficiencies with our operating model. An example of this is the recent Shared Service Review to look at where functions within Sport NZ could be more streamlined.

We are focused on ensuring we are upholding the mana of the Te Tiriti o Waitangi and its principles of partnership, protection and participation. Tū Te Ihi, the bespoke internal cultural program we deliver for our employees, is a great example of this, as is the fact that our commitment to the Treaty is highlighted up front in our Towards 2032 Strategic Direction.

Our sincere thanks

In 2018/2019, the Board of Sport NZ changed significantly. We welcomed Raewyn Lovett and Rowan Simpson, and in late 2019, we welcomed Cameron Leslie, as a Future Director Intern. Our new directors each bring a diversity of thought and experience. We also bid farewell to Chelsea Grootveld, who reached the end of her Future Director term. Testament to her growing governance contribution, we were delighted to see Chelsea recognised by Women on Boards NZ and Governance NZ as their 2019 Emerging Leader.

Our most heartfelt thanks are extended to Lotto NZ for their ongoing support which funds our work across the system, and also to our partners who work tirelessly within communities across Aotearoa New Zealand to understand and meet the needs of their unique audiences.

Finally, we want to acknowledge and thank the many New Zealanders who have volunteered in any form of play, active recreation and sport this year. Without you, our system would not exist and thrive as it does today. May your commitment continue into the future, together with ours, on our quest to see Every Body Active within Aotearoa New Zealand.

Yours in play, active recreation and sport,



Bill Moran, MNZM
Chair



Peter Miskimmin
Chief Executive

ABOUT THE SPORT NZ GROUP

Sport NZ is the kaitiaki of Aotearoa New Zealand's play, active recreation and sport system. We seek to increase participation and ensure there are more New Zealanders winning on the world stage. The Sport NZ Group comprises the parent entity, Sport and Recreation New Zealand (Sport NZ), and its wholly-owned subsidiary, High Performance Sport New Zealand Limited (HPSNZ).

VISION: THE WORLD'S MOST SUCCESSFUL SPORTING NATION

Our vision is to be the world's most successful sporting nation, as measured by more young people and adults participating in play, active recreation and sport, and more winners on the world stage. We believe that play, active recreation and sport can increase the wellbeing of New Zealanders regardless of age, gender, ethnicity or ability.

WHO WE WORK WITH: LEAD, ENABLE, INVEST

Due to our unique perspective, we have a strong leadership role in areas such as direction setting and alignment, intelligence curation and sharing. We have a strong focus on diversity and inclusion, and in particular growing the visibility and participation of women and girls in sport and recreation.

Sport NZ works closely with partners who can make the biggest difference to our play, active recreation and sport system for the greatest number of people, and those with the greatest potential to win and excel on the world stage. We have a responsibility to be partners, connectors, enablers and champions in the communities we work with and invest in.

To use our resources wisely and for maximum impact, we typically partner with sector representative bodies at the national and regional levels. Most commonly, these are Regional Sports Trusts (RSTs), National Sports Organisations (NSOs) and National Recreation Organisations (NROs).

Collectively, we work across government to ensure there is a strong legislative and regulatory framework that supports participation and winning, and with key agencies where there are opportunities for shared outcomes to support the Government's wellbeing approach.

LEGISLATION AND GOVERNANCE

Sport NZ was established as a Crown entity on 1 January 2003 under the Sport and Recreation New Zealand Act 2002. HPSNZ is Sport NZ's wholly owned subsidiary, established by the Sport NZ Board in August 2011.

Sport NZ is governed by a board whose members and chairperson are appointed by the Minister for Sport and Recreation. HPSNZ is governed by its own board of directors who are appointed by the Sport NZ Board, following Ministerial approval. The Sport NZ Board is responsible to the Minister for Sport and Recreation; and has accountability for the functions of the entire Sport NZ Group.

HOW WE'RE FUNDED

In 2018/19, the Sport NZ Group received \$85.5m from Vote Sport and Recreation. Sport NZ was allocated \$19.1m to fund Sport NZ operations and the Kiwisport Regional Partnership Fund. HPSNZ received \$62.2m, which funds high performance sport including direct investment in NSOs, the New Zealand Olympic Committee, Paralympics New Zealand, individual athletes and coaches, and HPSNZ's sector facing activity.

In addition, Sport NZ is fortunate to receive more than \$45m each year from the New Zealand Lottery Grants Board. We invest this across our play, active recreation and sport partners, focusing on outcomes that contribute to us achieving our Community Sport Strategy.

OUR SYSTEM

A 'system' means the collection of regulations, organisations, places and people who directly or indirectly participate in, support, contribute to, or influence play, active recreation and sport in Aotearoa New Zealand.

A 'system' is all encompassing – it is the sum of all the parts and their interactions. It can, and will operate without us.

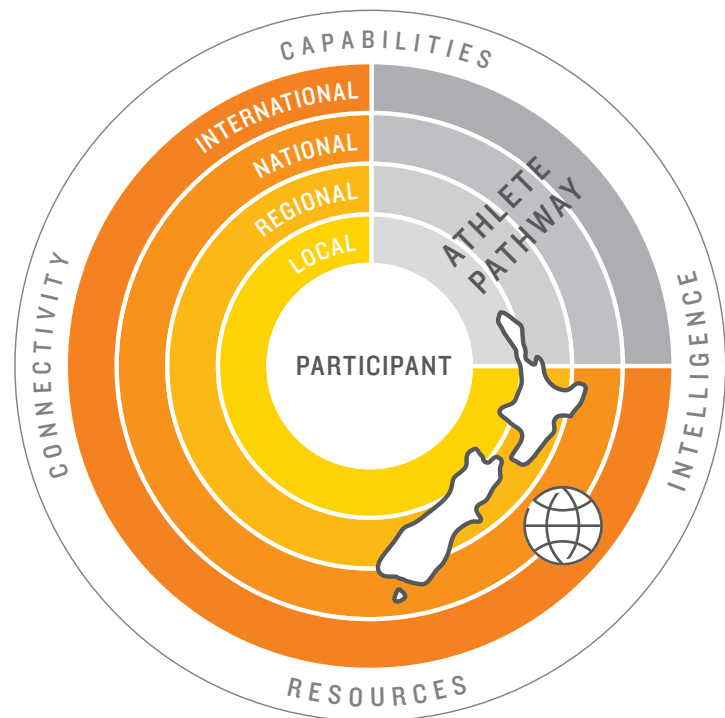
The play, active recreation and sport system includes central and local government agencies, sport and active recreation organisations, private and commercial providers, schools, teams, funders, social groups and families. Each has a unique system, and the attitudes, knowledge, beliefs and personal objectives that individuals bring to each of these systems are hugely varied.

As the only agency with a national lens, our mandate involves making sense of the system and making it easy to connect and share information and insights between the many agents within the system.

We must also understand the impact we have through our investments, activity, and operating principles. How quickly we realise our vision depends on how influential we are in mobilising the collective resources of the wider system in a chosen direction.

OUR WORLD-LEADING SPORT SYSTEM

ENRICHING LIVES AND INSPIRING OUR NATION



STRATEGIC FRAMEWORK 2018-20

The Sport NZ Group strategic framework is based on a common purpose: to enrich lives and inspire the nation. We know that being physically active increases wellbeing, by bringing about a host of health and educational benefits, as well as better connected and more inclusive communities. Success on the world stage provides national identity and pride that inspires future generations.

Children and young people are at the heart of our Community Sport Strategy. We believe that delivering quality experiences and opportunities will bring about a lifelong love of play, active recreation and sport. In turn, this will attract and support more people to participate at each stage of their lives.

We're working with our partners to adapt and evolve our play, active recreation and sport system – to keep pace with a rapidly changing world and reduce barriers to participation. We are leading the system to ensure access and fairness for all New Zealanders, and to safeguard the integrity of sport across Aotearoa New Zealand.

To be successful, we need to understand and work with the components that shape and influence people's behaviour. We are working with our partners to embed three approaches that focus on people in the system:

- Insights – using multiple sources of evidence and information, encourages ongoing evaluation and continuous feedback.
- Locally Led – supporting communities to take the lead.
- Physical Literacy – supporting physical activity experiences that respond to the holistic nature of people.

These approaches are crucial for long term impact. Alongside this, we are working with partners to build their capability to provide young people with quality experiences. We provide advice, guidance, tools, training and investment in five specific areas, which we call our system build priorities.¹

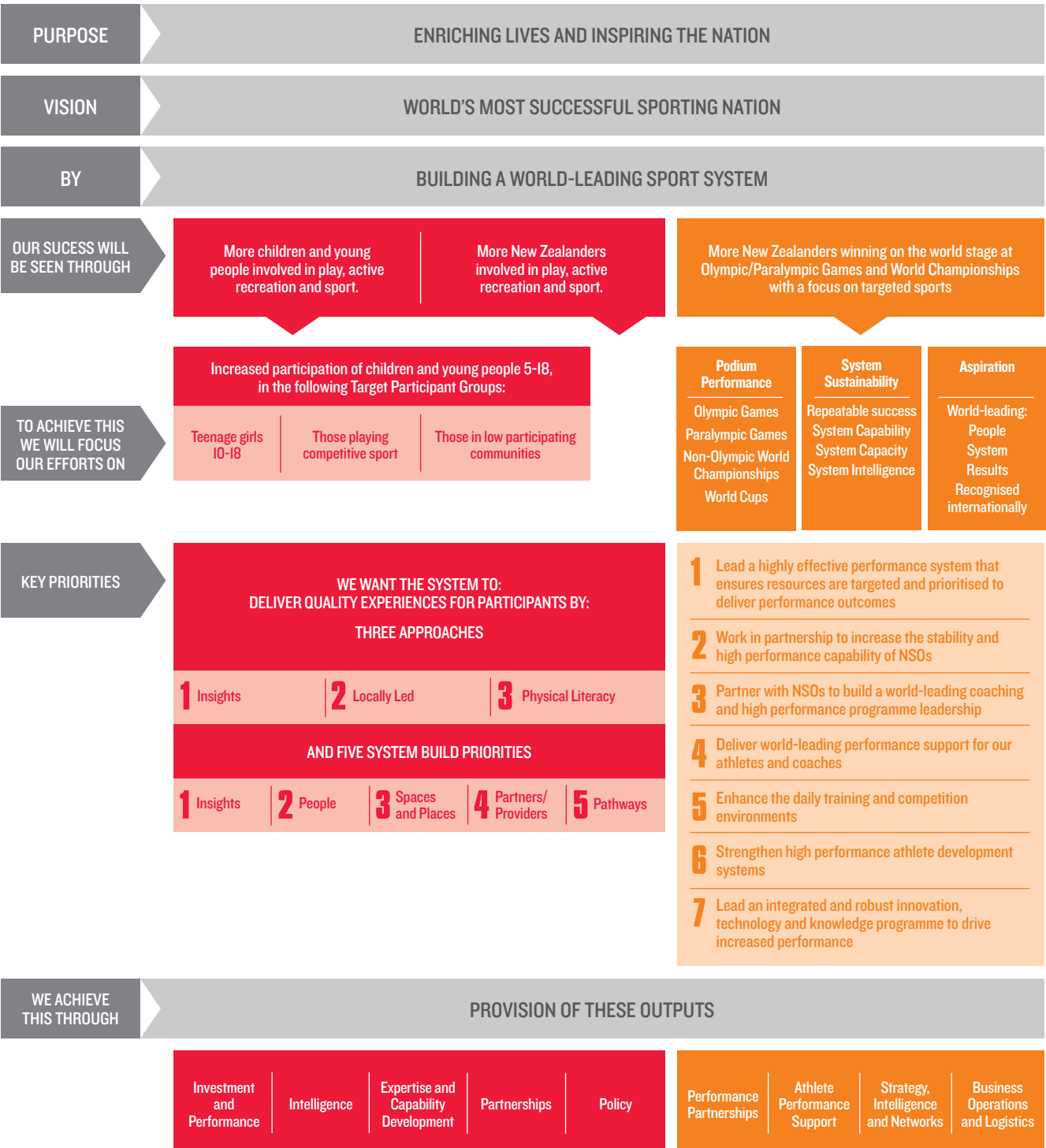
HPSNZ's success is seen through more New Zealanders winning on the world stage at Olympic, Paralympic Games, and at World Championships. To make the most of the resources available, we concentrate on targeted sports. Our focus is on repeatable podium performances, system sustainability and our aspiration to having our people, system, and results recognised internationally.

To do this, we have seven priorities that set our direction to lead the high performance system, work with our partners, and deliver high performance athlete support and development. The continued success of the high performance system requires a strong systems approach, a commitment to safeguard the wellbeing of all involved, and collaboration with our partners.

HPSNZ invests directly into sports, athletes, coaches and their high performance programmes. We provide best practice sport science, medicine and strategic decision making. HPSNZ's targeted investment approach requires a strong understanding of what sports need, and as such works in partnership with NSOs to achieve the desired results. We are fully committed to looking after the welfare of coaches, athletes and all involved in the high performance system.

¹ The five system build priorities are Insights, People, Spaces and Places, Partners/Providers and Pathways.

SPORT NZ GROUP STRATEGIC FRAMEWORK







COMMUNITY SPORT

SPORT NZ PERFORMANCE AGAINST 2018/19 KEY PRIORITIES

01

SYSTEM LEADERSHIP

Developing our system leadership role

- To further our cross-government partnerships, we've signed MOUs with Oranga Tamariki and the Ministry of Health.
- We are leading new ways of working, through the Innovations for Young Women Fund, our new Outcomes Framework and the Sport Social Value Bank.
- Sport NZ is increasingly being recognised as a lead agency in sport and recreation places and spaces. The six guiding principles of Sport NZ's New Zealand Sporting Facilities Framework are universally accepted by the system as best practice.

02

ACTIVE NZ

Building the data and sharing insights

- We created the Active NZ Data Visualisation tool, to help users explore and understand the data.
- We published the Spotlight on Disability, providing input for the Disability review and for the wider sector.
- Based on the 2018 data, we published the Spotlight on Deprivation report looking at the impact of deprivation on participation.

03

YOUNG PEOPLE

Putting young people at the heart of everything we do

- We launched a successful pilot, Ngā Hapori, with Oranga Tamariki to increase the participation of young people in care in play, active recreation and sport.
- The year three evaluation of Play.sport was very positive, and we've since expanded into two new sites in Southland and the Waikato.
- Through the Ministry of Youth Development, we are working with young people directly to hear their voice and empower them to be part of the solution.

04

WOMEN AND GIRLS IN SPORT

Enabling women and girls to realise their potential through sport and active recreation

- We launched the Women and Girls Government Strategy and Sport NZ's commitments to that strategy.
- We launched two funds specifically targeting young women aged 12 to 18: the Young Women's Activation Fund and the Innovations for Young Women Fund.
- We are working with Sport NZ partners to ensure that they meet a board gender target of at least 40% self identified female and 40% self identified male on their boards by December 2021.

05

SYSTEM BUILD

Gaining momentum to bring about system change

- Sport NZ partners are using insights effectively, and the reach of the Physical Literacy Approach has increased through the Play.sport expansion and Healthy Active Learning. The Locally Led Approach is gaining more traction in communities.
- We are seeing change in how partners are using insights to drive decision making, growing the capability of their regional workforce and developing facilities plans. Our partners are trying new ways to engage stakeholders and provide quality experiences for young people.

06

MEASURING PERFORMANCE

Sharpening our focus on impact

- We have worked to bring our performance framework to life, incorporating this into reporting and decision making.
- There is greater emphasis on reporting impact aligned with our strategic priorities.
- We developed an Outcomes Framework aligned with the Treasury's Living Standards Framework. We are developing a new Sport Social Value Bank to help measure impact under our new strategy.

07

MĀORI PARTICIPATION

Improving our responsiveness

- We established Te Tuarā, which developed our Te Tiriti commitment statement, and is a guiding principle in Sport NZ's 'Towards 2032 – Strategic Direction'.
- We launched an internal Sport NZ cultural competency programme, Tū Te Ihi with an 83% completion rate, which resulted in a significant shift in employee cultural competence.

08

WORKING IN PARTNERSHIP

Collaboration to achieve the Government's wellbeing priorities

- We were successful in our 2019 budget bid in collaboration with the Ministries of Health and Education to implement the Healthy Active Learning initiative.
- We signed an MOU with the Ministry of Health to reaffirm our commitment to working together.

09

OVERSEAS COUNTERPARTS

Working together for international best practice

- We have built connections with our counterparts in Wales, England, Scotland and Australia on strategy development, as well as coaching and intelligence.

10

FOUNDATION REVIEWS

Building an evidence base to inform future state

We carried out a number of reviews to inform future strategy including:

- Integrity
- Disability
- Kiwisport
- Secondary Age.

MEASURING PARTICIPATION

We want to see more New Zealanders in play, active recreation and sport because we know it creates happier, healthier people, better connected communities, and a stronger Aotearoa New Zealand.

2018 ACTIVE NZ FINDINGS

Sport NZ's Value of Sport research has told us that participating in play, active recreation and sport helps increase wellbeing, brings communities together and feeds the high performance sport system.

Play, active recreation and sport has a valuable contribution to make to the Government's wellbeing approach, an intergenerational approach that seeks to maintain and improve New Zealanders' living standards over the long term.

We monitor levels of participation through the Active NZ survey. In the long term, our goal is to see an increase in participation of both young people and adults.

Active NZ surveys more than 30,000 children and adults per year to measure nationwide participation in play, active recreation and sport. Redesigned in 2017, the survey is a point-in-time snapshot of participation, using a continuous data collection method over the course of the calendar year. The survey provides us with rich information through the lenses of age, gender, ethnicity and deprivation.

Overall, the 2018 survey results reinforce what we saw from the 2017 baseline survey. As expected, the results against our key measures for success, young people and adult participation, are generally the same as 2017, or within the margin of error. The second year of the survey is too early to identify trends. However, we expect to be able to observe and report on trends after the third Active NZ survey, which will enable us to report against outcomes in the final year of the 2015-20 Community Sport Strategy.

81%

of young people participated in at least three hours of organised or informal activity in the last seven days, compared with 82% in 2017

51%

of young people participated in at least three hours of organised sport over the last seven days, the same as 2017

60%

of young people participated in at least three hours of informal sport over the last seven days, compared to 59% in 2017

72%

of adults participated in sport and active recreation in the last seven days, compared with 73% in 2017

24%

of adults volunteered for sport and active recreation activity over the last 12 months, compared with 25% in 2017

YOUNG PEOPLE

Young people are at the heart of our Community Sport Strategy. We want to create a lifelong love of play, active recreation and sport by ensuring young people's experiences are high quality, stage appropriate and fun, and that they can access quality opportunities.

ENSURING QUALITY OPPORTUNITIES AND EXPERIENCES

Sport NZ's Young People Plan provides leadership and direction for those working with young people in the play, active recreation and sport system. It advocates and influences across government for positive outcomes that enable young people to be more active. It ensures that young people are empowered to be part of finding the solution and decision making. In 2018/19, we made progress in the following areas:

- **Improving youth wellbeing through a collaborative agency approach**
Sport NZ established a relationship with the Ministry of Youth Development (MYD), to enable us to work with young people directly. Sport NZ staff met with the MYD Partnership Board to discuss the challenges and opportunities for young people in sport and active recreation and we funded a Youth Impact Forum prototype in the Tasman area.
- **Sport NZ worked with Oranga Tamariki on a pilot programme, Ngā Hapori**
The successful pilot programme was aimed at reducing the barriers that can prevent children in care from engaging in sport and active recreation. Results from Oranga Tamariki show that children involved in the pilot are five times more likely to remain engaged in sports and active recreation than those not involved in the Ngā Hapori programme.
- **Partnering with Healthy Families for play**
We have established a more formal partnership with Healthy Families NZ, influencing the addition of three Play System Innovator roles within existing Healthy Family sites across Aotearoa New Zealand. We have a close relationship which includes providing professional development to the play staff inside Healthy Family sites and including them as part of our network promoting the power of play in communities.

In addition, we published our Kiwisport and secondary age reviews, which have informed our future strategy and will guide the work of our partners.

We are seeing our partners trying out new approaches to meet the needs of young people, and in particular, our three Target Participant Groups, that is, girls aged 10 to 18, young people playing competitive sport, and those in low participating communities. They are enabling young people to shape their own experience through participant forums, asking what activities young people want to try, and providing alternative methods of delivery. We're also seeing more non-traditional activities being offered, such as skateboarding for girls. For those in competitive sport, our Balance is Better programme is working to ensure that there is a focus on fun and development rather than winning, and providing opportunities for all, not just those perceived to be the most talented.

WOMEN AND GIRLS

In 2018/19, Sport NZ launched the Government's Strategy for Women and Girls in Sport and Active Recreation. The strategy aims to ensure that all women and girls, in all roles, are visible, feel positive about the contribution they make, and value being involved and participating in all levels of sport and active recreation.

WOMEN AND GIRLS IN SPORT AND ACTIVE RECREATION GOVERNMENT STRATEGY

Through Sport NZ, the Government will invest at least \$10m over the next three years on 24 initiatives to enable more women and girls to realise their potential in and through sport and active recreation. We will lead from the front in mobilising the strategy and giving momentum to that collective action.

The strategy development process included engaging extensively with our partners and other stakeholders, both within and outside the sport and active recreation system. All organisations in the sector have a role to play by considering who they can work with to create equity for women and girls.

Developing the strategy, and working towards achieving our commitments against it has been a key priority for Sport NZ in 2018/19 and we are making strong progress. This has included providing support for the International Working Group (IWG) on Women in Sport (2018-22), sponsoring the 2018 TP McLean Sports Journalism Awards and working with partners to increase their focus on women and girls. The three strategic priorities of the strategy: leadership, participation, and value and visibility, are shown on p17, along with Sport NZ's commitments for each of these.

WOMEN AND GIRLS ACTIVATION FUNDS

We launched two funds specifically targeting young women aged 12 to 18: the Young Women's Activation Fund and the Innovations for Young Women Fund. The Young Women's Activation Fund is for projects that provide opportunities for young women to increase their time spent being physically active and/or to take up leadership opportunities in play, active recreation and sport.

The Innovations for Young Women Fund has been created to encourage and support the development of new and bright ideas. It is designed for smaller organisations or teams to submit their best innovative ideas which target young women aged 12-18 to get and stay active. Successful teams developed their ideas at a design challenge weekend, which included advice from innovation experts.

Through these funds, Sport NZ is investing in the capability of individuals and providers so that we can help all women and girls realise their full potential in and through play, active recreation and sport. These funds reflect a flexible, innovative approach where we are trialling new ways of working.

BOARD GENDER TARGET

Developing the strategy, and working towards achieving our commitments against it, has been a key priority for Sport NZ in 2018/19, and we are making strong progress.

We are working with Sport NZ partners to ensure that they meet a board gender target of at least 40% self-identified female and 40% self-identified males on their boards by December 2021. As at December 2018, 48% of the 60 tracked boards had a minimum of 40% women (and 92% with a minimum of 40% men). Sport NZ will be working with partners to meet the minimum targets, which will be a formal condition of investment for Sport NZ Group partners.

ME ARO KI TE HA O HINEAHUONE ENSURE THE BREATH OF HINEAHUONE

In a Māori context, Hineahuone was the first human female; shaped from the scared earth of Papatūānuku. Her presence provided both companionship and balance to Tāne. The whakataukī reminds us of the status and roles of women within Aotearoa. It asks us to ensure that her breath, her essence is present in all we do.

The breath of Hineahuone lives on in all women. Her breath is made manifest through the thoughts, ideas, role and contribution that women make. Let us empower women to acknowledge te hā o Hineahuone and take up roles where leadership, guidance and balance is required.

STRATEGIC PRIORITIES

LEADERSHIP HIKITIA TE HĀ O HINEAHUONE

UPLIFT THE PRESENCE
OF HINEAHUONE

Females are underrepresented in decision making roles within sport and active recreation in the areas of management, coaching and governance. Strong, diverse and gender balanced leadership brings breadth of perspective, better decision making and creates stronger organisations.

SPORT NZ COMMITMENTS

Sport NZ will:

- Role model change
- Support funded partners to make organisational change
- Support women and girls to progress their ambitions

PARTICIPATION HĀPAITIA TE HĀ O HINEAHUONE

TAKE HOLD OF THE
PRESENCE OF HINEAHUONE

There are clear participation differences between males and females in New Zealand. On average females spend less time participating than males, and this is further reflected by females being less likely to meet the national physical activity guidelines. Females want to participate more and it is important that these experiences are fun, social and improve physical wellbeing.

SPORT NZ COMMITMENTS

Sport NZ will:

- Develop and support initiatives to increase the quantity and quality of opportunities available to girls
- Develop and support targeted initiatives to enhance self-confidence and self-image for women and girls

VALUE AND VISIBILITY TAU AI TE HĀ O HINEAHUONE

MAKE MANIFEST THE
PRESENCE OF HINEAHUONE

Opportunities for females in sport and active recreation are not always fair and equal. Females and their achievements are less visible, and they are frequently stereotyped in the media. Increasing the visibility of females as athletes, participants, coaches and leaders, not only provides role models for the future but demonstrates that society values their contribution.

SPORT NZ COMMITMENTS

Sport NZ will:

- Support the production of content that represents a diverse range of women and girls being active in any way they choose
- Collaborate with key partners and funders to advocate for equitable investment into women and girls
- Work with key partners to generate more media content focusing on women's sport and recreation

THE THREE APPROACHES

Sport NZ has developed three community sport approaches: Insights, Locally Led and Physical Literacy. These approaches provide a participant-centred way of thinking and working.

INSIGHTS



The Insights Approach encourages evaluation and learning that informs ongoing practice to ensure that initiatives continue to be effective in meeting the needs of participants.

In 2018/19, we continued to support partners through data collection and analysis to identify what New Zealanders want and need. To make the Active NZ data more accessible, we developed an interactive online visualisation tool for interested parties to explore the data themselves.

We published the Spotlight on Disability, which fed into Sport NZ's disability review and also developed the Spotlight on Deprivation. We released research on Active NZ: Recreational Physical Activity and Mental Wellbeing, as well as providing a submission to the Government Inquiry into Mental Health and Addiction.² In addition, we worked closely with partners on another survey, the Voice of the Participant, which helps NSOs to better understand the needs of club members and improve their experiences. Results from the 2018 Voice of the Participant survey can be seen on the following page.

Partners are showing confidence with the Insights Approach, which is starting to take on a life of its own. In 2018, two Insights Leads involved in the RST Capability Programme worked with Sport NZ to pilot a Voice of the Participant survey inside secondary schools, so that they could gain greater understanding about the needs of young people in their region. Sport NZ has developed the school experience survey onto a digital platform for nationwide use.

LOCALLY LED



The Locally Led Approach is a way of working with targeted communities towards mutually agreed outcomes that encourage organisations to support, empower and enable local communities to take a lead.

The initial findings of the 2018/19 evaluation of the Locally Led Approach reflect the fact that while RSTs are still at different levels of maturity in adopting the approach, it is valued by them and their target communities.

There are emerging anecdotal stories of the approach contributing to positive change in communities, including better connected communities, development of new skills and increased community pride. Despite ongoing progress in understanding communities and establishing a 'learn as you go' culture, challenges remain in identifying leaders, supporting community capacity and sustaining initiatives.

PHYSICAL LITERACY



The Physical Literacy Approach takes a holistic view of the participant that considers their physical, social and emotional, cognitive, and spiritual needs.

We worked closely with RST Physical Literacy Leads to maximise partner investment by providing support through workshops and providing connections and resources.

We continued to promote our Play Principles, shared knowledge and highlighted the importance of play, and worked collaboratively across local government to advance quality play outcomes, such as the Play in the Hutt initiative.³

Physical literacy is the underlying rationale of the Play.sport pilot. In 2018/19, Play.sport received a very positive year three evaluation and expanded to two new sites in Southland and the Waikato. The Play.sport approach has informed Healthy Active Learning, which is a joint initiative by the Ministry of Health, Ministry of Education and Sport NZ. The Government will invest \$47.6m over four years in Healthy Active Learning as part of the 2019 Wellbeing Budget.

² See: <https://mentalhealth.inquiry.govt.nz/>

³ Play in the Hutt is a partnership between Healthy Families Lower Hutt, Hutt City Council and Sport NZ. It is a movement kick-starting action on play locally and nationally. See: <http://www.huttcity.govt.nz/Your-Council/Projects/play-in-the-hutt/>.

THE VOICE OF THE PARTICIPANT 2018/19

The Voice of the Participant is a nationwide survey to help NSOs understand and improve club member experiences, and keep people engaged. When people have a better club experience, they are more likely to continue to play and advocate for their club. While the results of each sport are different, we're starting to see strong national trends around the drivers of club membership.

10 sports



BADMINTON



NETBALL



FOOTBALL



HOCKEY



RUGBY LEAGUE



RUGBY UNION



CRICKET



GOLF



TOUCH RUGBY



TENNIS

30,081

2018/19 participants

61%

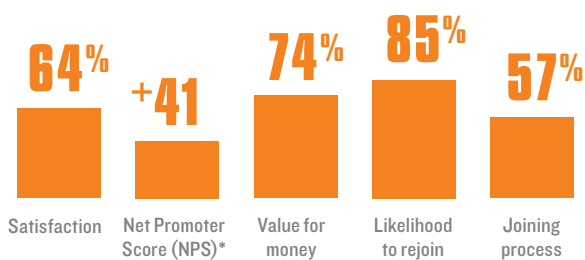
players (17,990)

39%

parents (12,091)

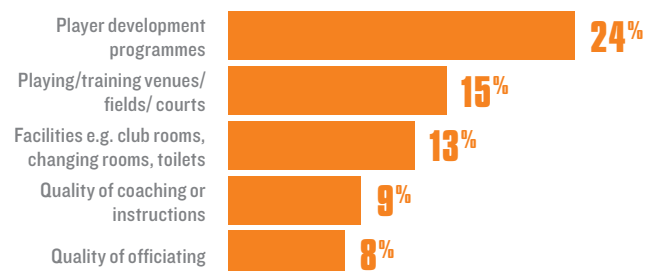
KEY METRICS

■ All sports 2018/19



*Likelihood to recommend

ONE ASPECT CLUB MEMBERS WOULD IMPROVE (IF FEES INCREASED)



DRIVERS OF RECOMMENDATION

01

VALUE FOR MONEY
74% very/extremely satisfied

02

ALLOWING ME TO FULFIL MY POTENTIAL
59% very/extremely satisfied

03

BEING PROFESSIONAL AND WELL MANAGED
63% very/extremely satisfied

TOP 3 REASONS FOR BELONGING



28%

Play competitively



27%

Have fun



18%

Learn/improve skills

DEMOGRAPHIC DIFFERENCES

ETHNICITY

Those of European ethnicity tend to have a more positive experience with their club, scoring significantly higher in four of the five key metrics compared with the total 2018/19 result.

Those of Māori ethnicity are significantly less likely to perceive value for money and are less likely to rejoin, compared with the 2018/19 total.

Pasifika have a significantly lower overall satisfaction score, as well as lower perceived value for money and likelihood to rejoin.

Those of Asian and Indian ethnicities have a significantly lower overall satisfaction score and lower NPS.

GENDER

Males tend to have a more positive club experience than females, scoring significantly higher on four of the five key metrics.

AGE

Older adults (aged 35+ years) have a more positive club experience, with significantly higher results on all of the key metrics. Younger players are generally less positive, with the exception of 5-12 year olds having a significantly higher perception of value for money.

PLAY.SPORT

Play.sport is fostering positive system change in primary schools through improved teacher thinking, confidence and practices, and community connections. Students are noticing and valuing changes to their PE learning.

FINDINGS

- 83% of staff are accessing Play.sport Professional Learning Development
- The flexible and needs-based support is increasing teacher buy-in and engagement
- Play.sport has created a mindset shift in teacher understanding of Health and PE learning
- Students are transferring PE learning to other contexts
- Reluctant students are more confident to join PE
- Play.sport is filtering out into the wider sport community

MEASURING IMPACT

MEASURE	2017/18	2018/19	CHANGE
% of staff who feel more confident in setting up at least one PE learning opportunity as a result of Play.sport	70%	82%	▲
% of staff who feel more confident in setting up 6-8 PE learning opportunities as a result of Play.sport	45%	57%	▲
% Play.sport teachers thinking differently about PE, physical activity and sport	75%	85%	▲
% of staff who feel Play.sport has helped strengthen at least one area of School Health and PE planning	85%	86%	▲



20,000
KIDS

1000
TEACHERS



28

SCHOOLS IN
WAITAKERE



17

SCHOOLS IN
UPPER HUTT

LAUNCHED IN
2016

4 YEAR
PILOT

BUILDING SYSTEM CAPABILITY

At Sport NZ, we are working with our partners to build a sustainable and adaptable sport system. We provide investment and work with partners to build their capability so that they can lead and implement the system build priorities in their own regions and sports.

WORKING WITH PARTNERS

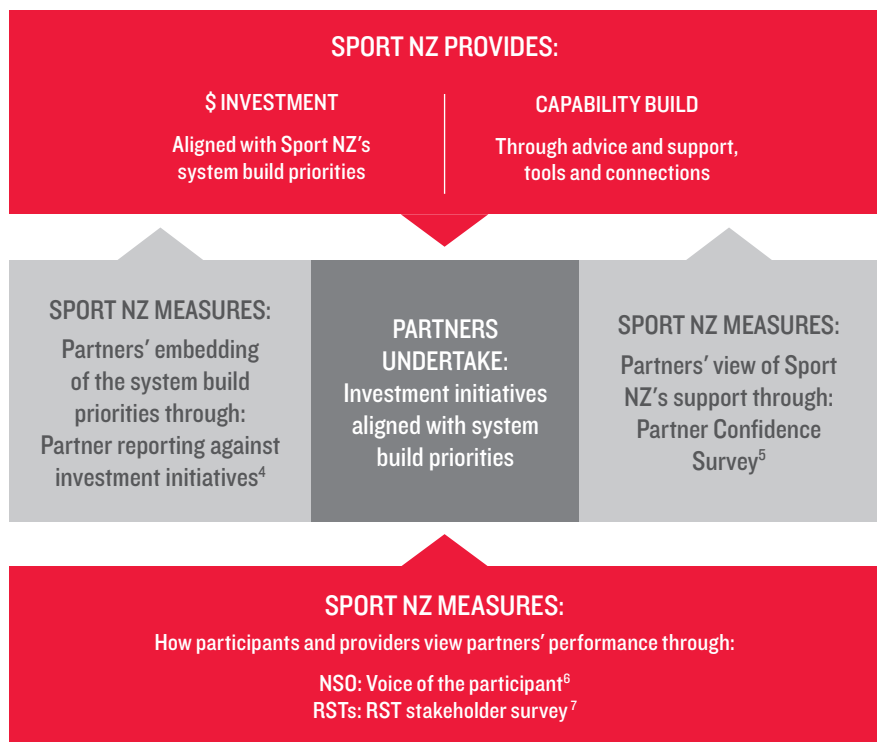
Our partners deliver our strategy to sports organisations, communities across Aotearoa New Zealand. In 2018/19, Sport NZ invested \$24.2m across our partners, aligned to our system build priorities and approaches. With our support and advice, partners then implement initiatives under the investment categories for which they are funded.

For maximum impact, we focus our resources on 33 priority partners to embed the three Community Sport approaches and five priorities for building the system. Working with priority partners will have flow-on effects to support other partners adopting these approaches later. Insights from the early adopters will facilitate and support their application by other partners.

Sport NZ's Partnership Managers work closely with priority partners to provide support and advice, and as a conduit to wider Sport NZ expertise. Our priority partners include 14 RSTs, who we invest in for their ability to impact on participation at a regional and local level. We also invest in NSOs and national recreation, disability and education organisations, who in turn work with regional sport and community bodies.

MEASURING SYSTEM BUILD PROGRESS

In the past couple of years, Sport NZ has continued to evolve its approach to measuring impact. We use a multi-faceted approach to measure the impact of our investment and the support we provide our partners to build their capability.



⁴ Sport NZ uses a Results Based Accountability (RBA) approach to reporting, which communities and organisations can use to focus on results/outcomes to make a positive change for their communities, whānau and clients. RBA has been successfully used for many years both in Aotearoa New Zealand and internationally by social service and health providers, government agencies, local government and community groups.

⁵ In 2018/19, the response rate of the Partner Confidence Survey was 71%, up from 60% in 2017/18. Responses were generally similar across the two years.

⁶ The RST Stakeholder survey is carried out once every two years. The last survey was completed in 2017/18, so there are no results available for 2018/19.

⁷ The Voice of the Participant is completed by members of NSOs. In 2018/19, over 30,000 club members completed the survey which covered ten sports.



BUILDING SYSTEM CAPABILITY

Our work on the five system build priorities has been a strong focus for 2018/19, because we believe that as we build momentum, this will provide a compounding return on effort and bring about widespread system change. Each of the five system build priorities are set out below, with a summary of its purpose, results against it, and a brief commentary about the initiatives that our partners have undertaken.

INSIGHTS

Insights is both an approach and a system build priority. It is an approach because it is fundamental to understand and meet the needs of participants. It is also one of our system build priorities because we believe in the need to invest and support our partners to build an insights capability.

In 2018/19, Sport NZ provided significant insights support and assistance to partners:

- We continued the insight capability programme across RSTs. We worked closely with RST Insights Leads through face-to-face meetings, workshops, and an online forum.
- We developed and implemented an evaluation capability build programme, which included arranging for a team of international experts in physical activity to deliver an evaluation capability workshop to around 30 participants.
- We continued to deliver the Voice of the Participant survey to NSOs, to help them understand their members' experiences.

There has been a clear change across the board on how partners are approaching insights and encouraging evidence-based decisions across their organisations. RSTs have carried out surveys, community engagement, youth huis, forums with Regional Sports Organisations, and research projects. NSOs are focusing on digital information management systems to capture participant information, such as Customer Relationship Management (CRM) systems, workshops and online surveying.

Our partners are reporting that the Insights priority has provided them with a clear accurate picture about their organisation and their participants, enabling them to be strategic about support, opportunities, communication, marketing and planning.

\$1.9^M

Invested in priority partners

29

Insights initiatives delivered

81%

Of priority partner respondents consider that Sport NZ's activity in Insights has had a positive impact⁸

“

We now put an insights lens across everything we do – asking questions about what we know, how we know it and challenging our presumptions and bias. In a practical sense it has pushed us to analyse and reflect more on the data and information we have and how it shapes our decision making.”

NSO PARTNER REPORTING 2018/19

⁸ Agree/Strongly agree responses in 2018/19 Partner Confidence Survey against a 2018/19 target of 80%.

PEOPLE

The People priority has two areas: coaching and building workforce capability. We encourage our partners to lead the development of regional plans and provide workforce development opportunities. We encourage partners to provide coaches and coach developers with effective development opportunities.

In 2018/19, we worked with partners in the following ways:

- We held coach development capability-building workshops and continued to invest in future high performance coaches through our Performance Coach Advance programme.
- We assisted RSTs in the development of regional workforce plans and brought involved RSTs together regularly to share progress and case studies of change.

Coach development is a long-standing area of engagement with partners, and our partner reporting shows that it is well understood. Participation for women and girls has been a focus for most partners, with many working on the barriers that prevent women and girls from being involved in coaching.

There is a clear shift towards building coach development and mentoring networks to free up capacity in the long run. NSOs have been increasing the ways for coaches to access coaching modules, such as online resources and through the use of Coach Developers and mentors.

RSTs have focused on growing the capability of the regional workforce by increasing internal staff capability, assisting RSOs with recruitment, and providing leadership programs. NSOs worked on building the capability of officials, umpires, referees and engaging with communities and volunteers.

\$4.4^M

Invested in priority partners

51

People initiatives delivered

53%

Of priority partner respondents consider that Sport NZ's activity in people capability has had a positive impact⁹

“

This was a journey that started three years ago with one or two Coach Developers in each zone, we now have 80 Coach Developers across the country. There is evidence that this investment is making a difference in community coaching. Our survey showed that coaches are saying they are having a quality experience, they feel supported, have more opportunities to learn and develop, and can deliver more quality coaching.”

NSO PARTNER REPORTING 2018/19

⁹ Agree/Strongly agree responses in 2018/19 Partner Confidence Survey against a 2018/19 target of 50%.

BUILDING SYSTEM CAPABILITY

SPACES AND PLACES

The Spaces and Places system build priority is about equipping the sector with the necessary tools and know-how to ensure optimised investment in regional sporting infrastructure, including for active recreation and play spaces.

In 2018/19, we worked with partners in the following ways:

- We provided learning and development opportunities for RST Spaces and Places advisors, provided advice and regularly participated in regional partner advisory group workshops.
- We supported RSTs to take a leadership role with stakeholders to develop Regional Spaces and Places (Facilities) Plans. We are on track to see 14 regions with a plan in development, being implemented or being reviewed by the end of our current strategic period.

Our partner reporting shows that partners were clear on the opportunities that the Spaces and Places priority provides to set up the system to deliver maximum benefit for participants. Regional facilities plans are a primary mechanism used for influencing and educating the sector on the importance of strategic approach, collaborative effort and front-end planning. There were some positive examples of collaboration in this space, including one instance of cross-RST collaboration on a facilities plan. Impacts include leveraging funding with partners, confirming financial investment with local authority partners and gaining investment commitments in potential facilities.

\$1.0^M

Invested in priority partners

15

Spaces and Places initiatives delivered

69%

Of priority partner respondents consider that Sport NZ's activity in Spaces and Places has had a positive impact¹⁰



There is an unprecedented amount of work being done around the regions on facilities. We've worked well with regional councils around New Zealand. A lot of work has gone into planning and funding.”

NSO PARTNER REPORTING 2018/19

¹⁰ Agree/Strongly agree responses in 2018/19 Partner Confidence Survey against a 2018/19 target of 55%.

PARTNERS/PROVIDERS

The Partners/Providers system build priority has two investment areas: provider network and partnering. We encourage our partners to provide leadership, influence and advocacy for the play, active recreation and sport system and to collaborate effectively for impact.

We support our partners with engagement in their own provider networks such as Territorial Authorities, clubs and schools. For example, in 2018/19, we hosted five forums with Territorial Authorities to solve problems together on common issues, and to share what is working well.

Our partners are establishing different opportunities to engage with youth through leadership programmes, council and advisory panels. In some instances, this meant looking beyond traditional sports organisations to include providers such as marae, mosques and churches.

Partners are establishing strategic partnerships and increasing engagement with Māori organisations to build meaningful relationships that can respond appropriately to community needs. As a result, they have delivered some unique opportunities for school aged children.

For national disability partners, this initiative has a strong wellbeing focus, providing education and health checks for their participants and the wider community, ensuring they are receiving the support and education they require.

Overall, partners reported impacts including increased traction, the ability to better leverage connections to support and guide decision making, reducing barriers and enhancing accessibility.

\$7.0^M

Invested in priority partners

52

Partners/Providers initiatives delivered

81%

Of priority partner respondents consider that Sport NZ's activity in Partners/Providers has had a positive impactⁱⁱ

“

By partnering with Whenua Iti Outdoors, we've held two five-day waka events, one four-day sea kayaking event, rock climbing, etc. Feedback from participants has been that it's "an amazing learning platform" and that "100% of kiwi kids should do this."

RST PARTNER REPORTING 2018/19

ⁱⁱ Agree/Strongly agree responses in 2018/19 Partner Confidence Survey against a 2018/19 target of 85%.

BUILDING SYSTEM CAPABILITY

PATHWAYS

The Pathways system build priority has two investment areas: physical literacy and ensuring that competition structure is set up to encourage participation.

In 2018/19, we continued to provide professional development and support to RST Physical Literacy Leads. We made strong progress with the Balance is Better programme, which is about keeping the fun in the game, creating balance in sport participation and nurturing talent at the right pace.

The Partner Confidence Survey showed a lower result of 50% in 2018/19 than the 55% target regarding Sport NZ's impact on priority partners. Overall RSTs provided less favourable responses, so Sport NZ will consider what adjustments need to be made to enable all priority partners to work at the same level.

National partners made positive progress on providing improved opportunities for participation, and ensuring they are set up to support growth. Initiatives included 'have a go' days, new competitions for women, and providing broader, and non-competitive events to increase participation.

Across the board, national partners have moved towards a more inclusive approach, which encourages people to join at all different levels. We have gained real traction through the Balance is Better programme, with key sports embracing this approach. We have launched the Balance is Better website and continued the Balance is Better Champions programme, announcing eight champions for 2019/20.

\$5.7^M

Invested in priority partners

48

Pathways initiatives delivered

50%

Of priority partner respondents consider that Sport NZ's activity in Pathways has had a positive impact¹²

“

The data has come through about what is best for kids. It's not only about rep teams, this doesn't necessarily keep kids in sport or active...It's about participation and still having a level for kids to aim for. We're changing the mindset, moving from focusing on 16-20 kids, to running a competition which will involve ten times the number of kids.”

NSO PARTNER REPORTING 2018/19

¹² Agree/Strongly agree responses in 2018/19 Partner Confidence Survey against a 2018/19 target of 55%.

**CASE STUDY:
MUFFIN BREAK YEAR 7 & 8
PLAYER DEVELOPMENT
PROGRAMME (PDP)**

Netball NZ implemented the Year 7 & 8 PDP to replace the representative structure, which provides more opportunities for more players aged 10-13 years old.



WHY

Early specialisation does not determine long term elite athlete success. Players grow and develop at different ages and stages.
Participation at Year 7 & 8 level was declining.

WHO

Muffin Break PDP is open to all participants, it stops the de-selection of players and provides more quality opportunities, for more players to participate and develop in Netball.

WHAT

Muffin Break PDP is an extension programme for Year 7 & 8 players that promotes holistic development. It includes:

- Fundamental Movement skills
- Player development and wellness e.g. sleep, nutrition, coping with pressure
- Technical and Tactical Netball Skills

Motivation + Confidence + Knowledge & Understanding + Physical Competence = LIFE LONG LOVE OF NETBALL

Physical Literacy

How satisfied were you with Muffin Break PDP this year?

92%

of parents were satisfied or very satisfied

89%

of players were satisfied or very satisfied

Would you recommend Muffin Break PDP?

96%

of parents said YES!

98%

of players said YES!

27 of 83 Netball Centres took part in Muffin Break PDP in 2018 (42 Centres signed up to participate in PDP in 2019)

6% increase in Year 7 and 8 players in 2018

1196 players participated in the Muffin Break PDP in 2018

Estimated 700 more players received development than if those Centres had implemented a representative programme

ENHANCING SYSTEM LEADERSHIP

In 2018/19, one of Sport NZ's key priorities was to create a step change by developing and enhancing our leadership role in and across a range of areas, including government, local government, our play, active recreation and sport system partners and international counterparts. As the only agency with a national lens, our mandate involves making sense of the system, and making it easy to connect and share information and insights between the many agents within the system.

MĀORI PARTICIPATION

Sport NZ is committed to upholding the mana of Te Tiriti o Waitangi (Te Tiriti) and the principles of partnership, protection and participation. In 2018/19, Sport NZ created Te Tuarā Te Tiriti, a working group with representatives from the Board, Senior Leadership and Te Rautaki Māori teams who provided guidance, knowledge, experiences and learnings from Te Tiriti. Te Tuarā developed a Te Tiriti commitment statement, and interpretations of the Treaty principles partnership, protection, and participation specific to our sector. They give guidance to how our play, active recreation and sport system reflects Te Tiriti.

In preparation for our new strategy, Sport NZ has:

- Co-designed an Outcomes Framework that reflects Te Tiriti o Waitangi and values cultural distinctive pathways.
- Launched its internal staff Māori cultural capability programme, Tū Te Ihi, which is now embedded as part of Sport NZ's induction programme. The cultural shift has encouraged many of our partners to start their own cultural journey.
- Ensured that our Connections Conference is inclusive of tikanga, te reo and matauranga Māori.
- Held hui with He Oranga Poutama Kaiwhakahaere and He Matangi Māori (Māori consultants) to review its Outcomes Framework and refresh Te Whetū Rehua; the kaupapa Māori framework that tangibly encapsulates Māori Wellbeing.
- Co-designed quarterly Leadership Wananga with He Oranga Poutama Partners.
- Engaged with Māori national sport codes to better understand their impact as a culturally distinctive pathway in the sport system and Sport NZ's role in supporting their aspirations.



ENHANCING SYSTEM LEADERSHIP

CROSS AGENCY GOVERNMENT COLLABORATION

- Sport NZ worked closely with the Ministry of Health and the Ministry of Education in 2018/19, which culminated in our successful 2019 Budget bid for the Healthy Active Learning initiative. This initiative has highlighted the importance of our work on the links between physical activity and wellbeing.
- Sport NZ signed an MOU with the Ministry of Health reaffirming our commitment to focused engagement. In addition to Healthy Active Learning, we will work together on a cross-government approach to physical activity.
- Sport NZ worked with the Department of Internal Affairs (DIA) and the New Zealand Racing Board in response to the Review of the New Zealand Racing Industry (the Messara Report). Sport NZ provided advice regarding the potential implications for the sport system, a new governance model for racing and new flows of funding.
- On the back of a successful pilot with Oranga Tamariki, Sport NZ and Oranga Tamariki signed an MOU to continue to work together to promote the importance of increased participation in play, active recreation and sport for all children and young people.
- Sport NZ led a review of the water safety sector in collaboration with ACC, the Ministry of Transport and DIA, to respond to funding capability concerns within the sector.

WORKING WITH INTERNATIONAL COUNTERPARTS

Sport NZ has a range of international connections specific to various areas of the organisation. We discuss strategy development with our international counterparts in Scotland, Wales, England and at federal and state levels within Australia.

We have continued to work with international counterparts on anti-doping through our membership of the World Anti-Doping Agency (WADA) and as a signatory to the UNESCO International Convention against Doping in Sport. Our focus has been on improving compliance measures and ensuring the appropriate consideration of athlete voice in international anti-doping.

DIVERSITY AND INCLUSION

Sport NZ's approach to diversity and inclusion includes the delivery of our Women and Girls strategy, the development of our approach to disability, and our internal diversity and inclusion programme led by staff through the Diversity and Inclusion Steering Group. In 2018/19, we developed and published the Women and Girls in Sport and Active Recreation Government Strategy, Sport NZ's commitments to the strategy, the disability review and Spotlight on Disability, and will publish our play, active recreation and sport disability action plan in the coming year.

FOUNDATION REVIEWS AND POLICY

Disability

As part of our diversity and inclusion programme, Sport NZ published the Blueprint for the Future of the NZ Disability Sport and Recreation Sector (disability review). Conducting this review enabled the development of relationships between Sport NZ, key disability sport providers and the disability community. To address the lack of quality data identified through the review, Sport NZ published the Spotlight on Disability. Sport NZ is currently developing a Play, Active Recreation and Sport Disability Action Plan.

Integrity

Sport NZ commissioned a broad review of New Zealand's sport integrity arrangements to determine whether existing measures are fit for purpose and to identify any gaps. The findings and recommendations resulting from the public consultation process in phase one will be made public shortly.

The second phase of the review will establish a work programme to implement the review recommendations, including consultation with key stakeholders. Sport NZ and HPSNZ are working together to ensure alignment of actions resulting from the integrity review, the High Performance sport reviews held in 2018, and those planned in the 2032 High Performance System Strategy.

Kiwisport

As part of our focus on young people, Sport NZ undertook a comprehensive review into the Kiwisport programme to determine whether it remained fit for purpose, was aligned with the Young People Plan and to inform investment decisions for the Sport NZ Strategic Plan 2020-24. Sport NZ is considering the recommendations of the review and in discussion with the Ministry of Education, which is the direct fund holder.

Secondary age

Also as part of our young people focus, Sport NZ conducted the secondary age review. The review identified themes such as that the value of being physically active needs to be understood and valued by young people, parents, sports and education organisations, and that active recreation and sport offerings are not meeting the needs of all teenagers. The research has been used in subsequent reviews of secondary sport conducted by national sport and school sport organisations. Sport NZ has used the findings as part of the development for our Strategic Plan 2020-24.

NSO CAPABILITY PROJECT

In 2018/19, Sport NZ embarked on a project to undertake a comprehensive review of the business capability of NSOs across six foundation areas: governance and planning, leadership and culture, human resources, technology, finance and stakeholder engagement. The process was extremely well received and NSOs welcomed the concept of an ongoing annual process.

As a result, Sport NZ now has a baseline to proactively work with partners to lift their business capability and monitor their ongoing progress. For each NSO, Sport NZ developed a set of recommendations under each capability area to address gaps or issues. We have a clear path ahead needed to contribute to our partners becoming fit for purpose, relevant and sustainable. Sport NZ will carry out a similar process to benchmark the business capability of RSTs in 2019/20.

OUTPUT CLASS ONE

This output class is aimed at increased participation in play, active recreation and sport by providing investment, technical expertise, knowledge and information to partner organisations and key stakeholders.

SPORT AND RECREATION PROGRAMMES

We use methods of evaluation such as surveys and case studies to assess performance across the following main areas:

- Community Sport Strategy implementation.
- Stakeholder satisfaction levels.
- Partner capability.

The measures below reflect both the strategic outcomes set out in the SOI 2018-22 and the outputs from the SPE 18/19. This provides a more complete view of our performance in the last year, and our progress against strategic outcomes. By showing participation results (Active NZ), how our partners rate our performance (Partner Confidence Survey) and the impact of partners' initiatives (Partner Reporting), we can see more clearly the progress made against the Community Sport Strategy. For more information on measuring the system build process, see p22 and the Strategic Framework on p9.

Data against the participation measures is derived from the Active NZ survey. As this is the second year of the survey, it is too early to identify trends. We expect to be able to observe and report on trends after the third Active NZ survey, which will enable us to report against outcomes in the final year of the 2015-20 Community Sport Strategy.

More children and young people involved in sport and recreation – progress against strategic outcomes (SOI 2018-22)

OUTCOME DESCRIPTION	MEASURE	BASELINE 2017	SOI 21/22 TARGET	2018 PROGRESS
Young people's participation in sport and active recreation	% young people participating in at least 3hrs of organised and/or informal activity over the last 7 days ¹³	82%	>82%	81%
Young people's participation in organised sport	% young people participating in at least 3hrs of organised sport over the last 7 days	51%	>51%	51%
Young people's participation in informal sport	% young people participating in at least 3hrs of informal sport over the last 7 days	59%	>59%	60%

All Active NZ data is based on a calendar year so the 2018 results are the latest available. Young people are those aged 5-17 years up until their 18th birthday.

More New Zealanders involved in sport and recreation – progress against strategic outcomes (SOI 2018-22)

OUTCOME DESCRIPTION	MEASURE	BASELINE 2017	SOI 21/22 TARGET	2018 PROGRESS
Adult participation in sport and active recreation	% adults (18+ years) that have participated in sport and active recreation in the last 7 days ¹⁴	73%	>73%	72%
	% adults (18+ years) that are currently in a sport or recreation club	24%	>24%	23%
Adult participation as volunteers in sport and active recreation	% volunteered for sport and active recreation activity over the last 12 months	25%	>25%	24%

All Active NZ data relating to young people's participation is based on a calendar year so the 2018 results are the latest available.

OUTCOME DESCRIPTION	MEASURE	BASELINE 2016/17	2017/18 RESULT	2018/19 PROGRESS
Membership in priority NSOs	Increase the number of memberships registered across priority NSOs ¹⁵	1,014,279	1,018,936	1,195,230

¹³ This performance measure is for the Sport and Recreation Programmes appropriation in the Estimates of Appropriation - Vote Sport and Recreation 2018/19.

¹⁴ This performance measure relating to adult participation is for the Sport and Recreation Programmes appropriation in the Estimates of Appropriation - Vote Sport and Recreation 2018/19.

¹⁵ Membership numbers are provided by priority NSOs as part of annual partner reporting. This performance measure relating to membership numbers is for the Sport and Recreation Programmes appropriation in the Estimates of Appropriation - Vote Sport and Recreation 2018/19.

Progress of the Community Sport Strategy 2015-20

– progress against strategic outcomes (SOI 2018-22)

OUTCOME DESCRIPTION	MEASURE	SOI 21/22 TARGET ¹⁶	2017 PROGRESS	2018 PROGRESS ¹⁷
Girls 10-18	% of young girls (10-18) participating in 3hrs+ of sport and active recreation every week	>81%	81%	80%
	Evidence (case study) where Target Participant Groups (TPG) investment has improved participation in sport and active recreation in girls (10-18)	NA	NA	Achieved
	Evidence (case study) where NSO Grow investment ¹⁸ has improved participation in sport in girls (10-18)	NA	NA	Achieved
Young people in competitive sport	Number of young people (5-18) participating in sport (through clubs)	>666,026	670,757 ¹⁹	742,341
	Satisfaction level of young people (5-18) in competitive sport outside of school in NSOs implementing 'Voice of the Participant' ²⁰	>59%	66% ²¹	64%
Low participating communities	% of young people in low participating communities ²² participating in 3hrs+ of sport and active recreation every week	>75%	75%	78%
	Evidence (case study) where TPG investment has improved participation in sport and active recreation in low participating communities	NA	NA	Achieved
	Evidence (case study) where NSO Grow investment has improved participation in sport in low participating communities	NA	NA	Achieved
Physical Literacy (Young people aged 5-17 up to 18th birthday)	% young people who understand why taking part in physical activities is good for them ²³	>89%	89%	89%
	% young people who want to take part in physical activities	>85%	85%	84%
	% young people who feel confident to take part in different physical activities	>73%	73%	70%
	% young people who believe they are good at lots of different physical activities	>73%	73%	70%

16 All SOI targets in this table reflect the 2017 Baseline Active NZ results shown in the 2017 progress column, except as indicated for the Young People in competitive sport measures.

17 Active NZ surveys are based on the calendar year, so the 2018 results are the latest available.

18 Grow NSOs are 10 national sport organisations identified for their high potential to increase participation in one or more identified Target Participant Groups (TPGs). They receive specific investment to enhance existing programmes and develop new programmes and products.

19 Baseline 17/18 membership data provided by partners.

20 Voice of the Participant survey - % very satisfied or extremely satisfied.

21 Baseline 2017/18 results of Voice of Participant survey.

22 High deprivation (8-10).

23 2018/19 Active NZ Survey - % respondents who agree or strongly agree (for all physical literacy measures).

24 All SOI targets in this table reflect the 2016/17 Baseline results from the play.sport survey which will be compared against the final year survey in 2019/20.

25 2020 Play.sport survey for schools in the two original Upper Hutt and Waitakere pilots. It is based on an activity indicator within the Play.sport survey, which has four questions relating to physical activity at school, including getting to school, activities during lunchtime and breaks, PE and whether young people do active things when learning about maths, writing or science. Responses are then grouped into high, medium and low bands.

26 A baseline survey was completed in 2016/17 with the final survey to be done 2019/20. This measure is not intended to measure year on year change, rather it is gathered as part of year four evaluation focusing on outcomes.

OUTCOME DESCRIPTION	MEASURE	SOI 21/22 TARGET ²⁴	17/18 PROGRESS	18/19 PROGRESS
Play.sport	% young people (5-18) participating in sport and active recreation in Play.sport schools ²⁵	>23%	Results available in 2019/20 ²⁶	
	% young people who have a high level of engagement and belonging at school and with their PE learning	65%		

OUTPUT CLASS ONE

SPORT AND RECREATION PROGRAMMES

Embedding approaches – all partners

– progress against strategic outcomes (SOI 2018-22)

Working with priority partners will have flow-on effects to support other partners adopting these approaches later. Insights from the early adopters will facilitate and support their application by other partners. As a consequence, measures which relate to all partners have lower results, as these are driven by non-priority partners.

OUTCOME DESCRIPTION	MEASURE	SOI 21/22 TARGET	17/18 PROGRESS	18/19 PROGRESS
Insights Approach	% of Partners embedding the Insights Approach (SOI) ²⁷ Baseline 16/17: 50%	60%	48%	43%
Physical Literacy Approach	% of Partners embedding the Physical Literacy Approach (SOI) Baseline 16/17: 43%	55%	40%	40%
Locally Led Approach	% of Partners embedding the Locally Led Approach (SOI) Baseline 16/17: 53%	55%	56%	52%

Embedding approaches 2018/19 – RSTs and priority partners (refer SPE 18/19)

The measures below are derived from the Partner Confidence Survey. Targets for RSTs are higher as a greater proportion of our efforts are directed at RSTs because of their reach and community connectedness. Due to the small sample size (14 in 2018/19 for RSTs and 31 responses from priority partners) a change in one response can significantly influence the overall result, so these results (and RSTs in particular) can appear more volatile.

APPROACH	MEASURE	BASELINE 16/17 ²⁸	17/18 RESULT ²⁹	SPE 18/19 TARGET	18/19 RESULT ³⁰
Insights	% of RSTs embedding the Insights Approach ³¹	100% ³²	85%	100%	86%
	% of priority partners embedding the Insights Approach	74%	71%	>74%	68% ³³
Physical Literacy	% of RSTs embedding the Physical Literacy Approach	80%	85%	>80%	93%
	% of priority partners embedding the Physical Literacy Approach	65%	70%	>65%	63%
Locally Led	% of RSTs embedding the Locally Led Approach	80%	92%	>90%	86% ³⁴
	% of priority partners embedding the Locally Led Approach	70%	71%	>70%	71%
	Locally Led Approach case studies demonstrating how the Locally Led Approach is being used, the learnings over the year and the changes occurring	NA	NA	Case studies demonstrate use, learnings, and changes occurring. Achieved	

²⁷ All measures in this table are derived from the Partner Confidence Survey.

²⁸ 10 out of 14 RSTs responded in 2016/17.

²⁹ 13 out of 14 of the RSTs responded to the survey in 2017/18.

³⁰ 14 out of 14 RSTs responded to the survey in 2018/19.

³¹ 2018/19 Partner Confidence Survey - % respondents who are in the process of embedding this approach and have the support they need and/or have successfully embedded this approach.

³² In 2016/17, 60% of RSTs said they were embedding the insight approach while 40% said they had successfully embedded it, resulting in a 100% baseline.

³³ The overall result is driven by a lower score from NSOs who receive less support from Sport NZ.

³⁴ This decrease is due to a response by one respondent i.e. 12 out of 13 in 2017/18 and 12 out of 14 in 2018/19.

System build – 2018/19 (Refer SOI and SPE)

The results on the following page provide a comprehensive picture of the impact of our partners' initiatives for each system build priority (measured through the annual partner reporting and assessment process) and correspondingly, our partners' view of the impact of Sport NZ's activity (gathered via the Partner Confidence survey).

For each of the measures that specify qualitative evidence to demonstrate positive impact, we have calculated a collective percentage figure. Quantitative results enable us to compare the impact of initiatives more effectively across priorities and years.

This calculation is based on the assessments that Sport NZ carries out for all initiatives within that priority. Each initiative receives a rating on a scale of 1-5 from poor to very good, which takes into account the investment made, the type of initiative, and its impact. Initiatives rated good or very good are deemed to have had a positive impact on the system.

An additional commentary against partner initiatives for each system build priority can be found under the Building System Capability commentary on pages 22-28.

OUTPUT CLASS ONE

SPORT AND RECREATION PROGRAMMES

AREA	MEASURE	BASELINE 16/17	17/18 RESULT	SPE 18/19 TARGET	18/19 RESULT
Insights – impact on an informed sporting system	Evidence that priority partners' Insights initiatives are having a positive impact on an informed sporting system ³⁵	NA	NA	Qualitative evidence	66% ³⁶
	Sport NZ's activity in the Insights area has had a positive impact on priority partners ³⁷	83%	83%	80%	81%
People – impact on people capability	Evidence that priority partners' People initiatives are having a positive impact on people capability	NA	NA	Qualitative evidence	70%
	Sport NZ's activity in the People area has had a positive impact on priority partners	52%	46%	50%	53%
Spaces and Places – impact on spaces and places to participate in Community Sport	Evidence that priority partners' Spaces and Places initiatives are having a positive impact on spaces and places to participate in sport and active recreation	NA	NA	Qualitative evidence	77%
	Sport NZ's activity in the Spaces and Places area has had a positive impact on priority partners	48%	71%	55%	69%
Partners/ Providers – impact on capability of partners and providers	Evidence that priority partners' Partners/Providers initiatives are having a positive impact on partner and/or provider capability	NA	NA	Qualitative evidence	69%
	Sport NZ's activity in the Partners/Providers area has had a positive impact on priority partners	91%	79%	>85%	81%
Pathways – impact on opportunities to meet the needs of participants	Evidence that priority partners' Pathways initiatives are having a positive impact on opportunities to meet the needs of participants	NA	NA	Qualitative evidence	68%
	Sport NZ's activity in the Pathways area has had a positive impact on priority partners	48%	63%	55%	50% ³⁸
Return on Investment (ROI)/ System Improvement	Positive ROI for RSTs and NSOs identified as priority partners ³⁹ – indicated by the adoption of system improvement frameworks and guidance ⁴⁰	NA	RSTs: 14 out of 14 NSOs: 17 out of 18	RSTs: 12 out of 14 NSOs: 10 out of 18	RSTs: 11 out of 14 NSOs: 15 out of 18
Sport NZ's ability to impact on participation	% of partners that believe the Community Sport Strategy is able to improve participation as measured in the annual Partner Confidence survey	78%	65%	>80%	65% ⁴¹

35 All measures specifying qualitative evidence are derived from the annual partner reporting and assessment process outlined on p37.

36 This is the collective result for all priority partner initiatives funded, taken from the annual partner reporting and assessment process. It is based on the % of priority partners' initiatives rated as 'good' or 'very good' i.e. having a positive impact. This applies to all measures in this table with a target of 'qualitative evidence'. See p37 for further information.

37 All results in this table relating to Sport NZ's activity are derived from the Partner Confidence survey. The result is the % of priority partners respondents who agreed or strongly agreed on questions regarding Sport NZ's activity having a positive impact.

38 This decrease was driven by a lower score by RSTs. Further analysis will be undertaken to determine the reasons behind this.

39 Positive return on investment is where a partner has demonstrated a Very Good or Good rating across 50% of their initiatives. This performance measure is for the Sport and Recreation Programmes appropriation in the Estimates of Appropriation - Vote Sport and Recreation 2018/19.

40 Can demonstrate positive improvements across system building initiatives invested in.

41 The 2017/18 result was also 65%. NSOs brought the overall score down which likely reflects the lesser focus they received than RSTs. Further analysis indicates that the decline is due to more partners selecting 'adequate' rather than good or excellent (31% vs 13% in 16/17). Less partners are selected poor/very poor than in 2016/17 (8% in 16/17 vs 4% in 18/19).

**SPORT AND RECREATION
PROGRAMMES
COST OF SERVICE
BY OUTPUT EXPENSE**

	ACTUAL 2018 \$000		ACTUAL 2019 \$000	BUDGET 2019 \$000
	19,151	Crown funding	19,151	19,151
	56,291	Other operating revenue	52,320	53,862
	75,442	Total Revenue	71,471	73,013
		Less expenses		
	45,709	Sector investment and consulting	46,777	52,174
	5,317	Programme management	5,548	5,279
	11,693	Technical advice and resources	13,171	15,090
	1,473	Policy advice	2,480	2,133
	1,558	Knowledge and information	1,645	1,628
	65,750	Total Expenses	69,621	76,304
	9,692	Net Operating Surplus/(Deficit)	1,850	(3,291)

**SPORT AND RECREATION
PROGRAMMES
— WORLD CUPS OFFICE**

	ACTUAL 2018 \$000		ACTUAL 2019 \$000	BUDGET 2019 \$000
	-	Crown funding	-	-
	-	Total Revenue	-	-
		Less expenses		
	-	Sector investment and consulting	-	-
	304	World Cups office	123	-
	304	Total Expenses	123	-
	(304)	Net Operating Surplus/(Deficit)	(123)	-





HIGH PERFORMANCE SPORT NZ

PROGRESS AGAINST HPSNZ STRATEGY

After a successful performance at the Rio Olympics, we've sustained our momentum into the current Tokyo Olympiad. In PyeongChang, our Winter Olympians delivered New Zealand's most successful Winter Games (two medals) and our Winter Paralympians also recorded their most successful games ever, winning two medals. On the Gold Coast, New Zealand's Commonwealth Games team secured their best away games performance to date (46 medals).

The past 12 months have represented another strong year for high performance sport in Aotearoa New Zealand, including an exceptional runner-up performance by the Black Caps at the 2019 ICC Cricket World Cup, and world cup winning performances by the Silver Ferns (2019) and Rugby 7s men and women (2018).

While we acknowledge and celebrate the achievements of today, our focus must be firmly on the future. Internationally, the high performance landscape is changing.

With new sports joining the Olympic programme, continued scrutiny over the integrity of sport, shifts in New Zealand's demographic landscape and the standard of international competition intensifying, we must focus on being more collaborative in approach, more holistic in preparation and more agile in execution.

In addition, elite sport globally is changing to a time when there's real momentum around the athlete voice. Therefore, it is timely to look at the systems and processes sports have in place, with potential for future co-creation with sports and athletes.

Actions from the recent reviews of key sports including football, hockey, cycling and the HP system have been implemented, including an interim complaints framework to proactively identify any issues, risks and challenges.

Partnership should be a defining strength of the system in Aotearoa New Zealand, and with less than one year to go until Tokyo, purposeful collaboration and engagement between partners is crucial. Tokyo environment analysis indicates 2020 will be the hottest Olympic and Paralympic games on record. Consequently, HPSNZ has developed a robust heat strategy and has invested more in heat acclimatisation support to mitigate the performance and wellbeing risk.

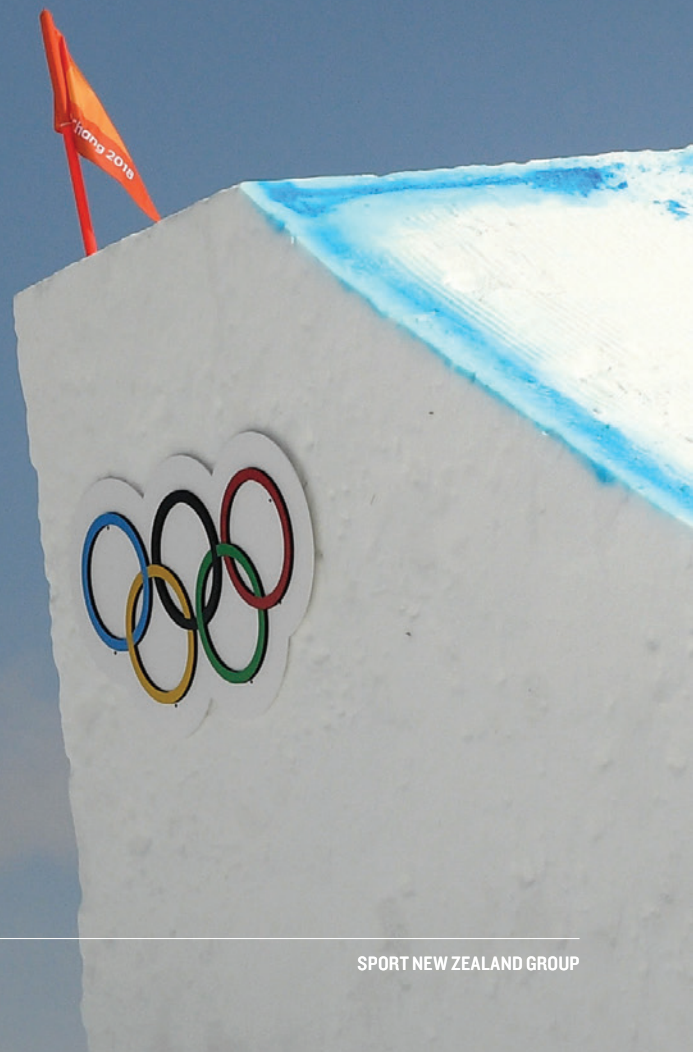
However, our strategic focus extends well beyond Tokyo. To support our mission of high performance system sustainability, we have spent much of the last year developing a 12-year High Performance System Strategy. We need to have a HP sports system that is open, agile, and innovative, like the athletes and coaches it supports. Our system must balance wellbeing and the requirements of elite sport, as we recognise that an emphasis on wellbeing and ethics will provide our system with a competitive advantage.

By leading the HP sports system in partnership, we can continue to achieve ambitious performance targets, instilling national pride, shaping our national identity and supporting the development of good people, not just good athletes, who can be role models for generations to come.



“

While we acknowledge and celebrate the achievements of today, our focus must be firmly on the future. Internationally, the high performance landscape is changing.”



PROGRESS AGAINST HPSNZ PRIORITIES

Highlights of our progress against the 2018/19 priorities are listed below. Additional commentary is provided in the subsequent HP section.

01

Evidence-based learning systems

HPSNZ partnered with NSOs through a series of surveys and interviews that are focused on key pinnacle events.

The draft HP 2032 System Strategy identified opportunities to consolidate intelligence across the HP system.

02

Campaign preparation

HPSNZ incorporated *The Picture of Performance* philosophy into innovation methodologies and it was successfully applied within Rowing New Zealand, with Women's Pair, Jackie Kiddle and Zoe McBride winning gold at the 2018 World Championships.

03

Coach preparation

We established a HP Coach Advisory Group who developed and endorsed an HP Coaching Wellbeing Plan 2019/20.

HPSNZ's Coach Accelerator Programme is currently supporting 34 coaches from 12 sports.

04

Enhanced NSO capability

HPSNZ worked closely with Sport NZ on the NSO capability project, including a comprehensive review of the business capability of each organisation. There is now a clear path ahead to implement the recommendations of the project.

05

Tailored engagement model

HPSNZ has developed a three level tailored engagement model and has worked with NSOs to implement this.

HPSNZ has established performance teams that are integrated within HP sport environments. This supports the NSO to achieve key performance indicators and to manage risks.

06

HPSNZ hub networks

HPSNZ has included hub networks as a core element of the draft HP 2032 System Strategy to drive professional excellence throughout the performance pathway.

07

System support

HPSNZ held finance workshops with NSOs to increase capability and provide opportunities for cross-sport learning and collaboration. The draft HP 2032 System Strategy has identified a need for NSOs to have capability across six areas: governance, leadership, human resources, finance, technology and stakeholder engagement.

08

Partnerships

The HP 2032 System Strategy development work has identified that we need to increase regional and other partnerships that can benefit multiple sports and these have been included within the Strategy's workstreams.

09

Gender equity

HPSNZ has committed \$2.7m over two years to implement strategies to improve gender balance in HP leadership and coaching positions.

A Women in HP Sport Project Manager has been appointed and is actively working in partnership with the system.

10

Athlete voice

HPSNZ has established an interim independent complaints mechanism to provide an alternative avenue for raising conduct concerns. The HP 2032 System Strategy development has included athlete engagement, empowerment and wellbeing as fundamental elements.

11

Investment review

Changes have been made to the Funding and Investment Model to provide NSOs with greater certainty of their level of funding over their pinnacle event cycle.

12

HPSNZ culture

An action plan has been implemented to improve Ways of Working across the organisation. HPSNZ staff have engaged in Change Focus Groups in areas such as: Communications and Engagement, Purpose and Behaviours, Ways of Working, Leadership, and People Experience.

2018/19 PERFORMANCE

ENHANCING ATHLETE PERFORMANCE

Everything we do at HPSNZ is focused on enhancing New Zealand's HP sports capability to create long term and sustainable success. Our work in 2018/19 has been no exception.

We continued to work in collaboration with NSOs to place carefully chosen teams of experts around elite athletes and coaches to provide the additional resources, knowledge and inspiration needed to enhance their world beating capability. In 2018/19, we supported over 440 international and emerging athletes. Through our 120+ world class specialists in over 15 disciplines, we optimised athlete training through programmes such as strength and conditioning, nutrition and physiology. We maximised their performance through technique, analysis, and performance psychology, such as our "Own the Moment" action plan for athletes competing in Tokyo 2020.

We provided innovative solutions, products and technology to increase New Zealand athletes' chances of success on the World Championship, Olympic and Paralympic stage. For example, we incorporated Picture of Performance, a New Zealand equivalent of the What it Takes to Win philosophy (performance backwards approach) to support long term planning and enable campaigns to be better prepared. This approach has been successfully applied within Rowing New Zealand, with Women's Pair, Jackie Kiddle and Zoe McBride, winning gold at the 2018 World Championships.

We have used robust evidence-based tracking and learning systems to inform critical programme and campaign decisions for Tokyo and beyond. HPSNZ has worked in partnership with targeted NSOs through a series of surveys and interviews that are focused on key pinnacle events. These involved pre and de-brief surveys, with many of these run by HPSNZ's Knowledge Edge team and Campaign Consultants.

NEW ZEALAND ATHLETES' ACHIEVEMENTS IN 2018

TOP 3

Olympic Sports

14

Paralympic Sports⁴²

6

TOP 5

28

16

TOP 8

41⁴³

NA

⁴² Does not include NZ Para Swimming

⁴³ No Swimming World Championships in 2018 and World Indoors Championships used for Athletics

ATHLETE SUPPORT

In 2018/19, HPSNZ has continued to provide several channels to support athletes and coaches beyond performance. This includes:

Athlete Life Programme

This is a holistic programme that helps athletes maximise their performance in sport and life. It is designed to build capability, accelerate athlete learning, support athletes through transition (during and post career), identify transferable skills and awareness of future employment and promote wellbeing.

Scholarships

HPSNZ administers the Prime Minister's Sport Scholarships to enable HP athletes, coaches, officials and support personnel to balance their sports development by pursuing educational and personal development opportunities. In the last year, we administered 337 athlete scholarships and 194 coach, official and support team scholarships.

Performance Enhancement Grants (PEGs)

To provide athletes and teams with direct financial support to enable them to commit to longer periods of training and competition, which are necessary if they are to progress and achieve podium placings in international pinnacle sports events. In the last year, we administered 228 PEGs to HP athletes.

COACHING SUPPORT

Coaching is one of our top priorities. It is central to both the performance of athletes, as well as a sustainable HP system. In order to better understand and address the needs of coaches operating within the HP environment, we have created a HP Coach Advisory Group which developed and endorsed an HP Coaching Wellbeing Plan 2019/20. We also undertook the following:

- We have engaged with NSO leaders to identify and agree an HP coaching support plan (2019/20) in each tiered sport to ensure the best possible preparation for the next two Olympiads.
- HPSNZ's Coach Accelerator Programme is currently supporting 34 coaches from 12 sports to optimise preparation for Tokyo. The Coach Accelerator Programme includes individual development opportunities for HP coaches, as well as an intensive series of planned activities that integrate facilitators and participants.
- The 2020 Coach Performance Support Programme is established and targeting 50 priority coaches in partnership with Paralympics New Zealand and the New Zealand Olympic Committee. A member of HPSNZ's coaching team provides one to one coach support, to reflect on, explore and develop their coaching practice and provide athletes with the coaching they need.

Athletes and coaches continue to rate our support highly, with 80% of coaches and 86% of athletes indicating that HPSNZ's support and training environment positively impacts their performance.

2018/19 PERFORMANCE

BUILDING A SYSTEM THAT FOCUSES ON WELLBEING, INTEGRITY AND INCLUSIVENESS

We need a HP system that is inclusive, fair and that balances wellbeing and the requirements of elite sport. The wellbeing of our people is not only important for the individuals personally, but it directly impacts on the performance of our organisation and the athletes, coaches and sports we support. It also impacts on our ability to retain, develop and attract people to sustain a world-leading HP sport system. Everyone in the HP sports system must be safe and well so they can consistently perform at their best – whether that is on the field of play, in the office or working within a sport.

We have implemented actions from the recent reviews of key sports including football, hockey, cycling and the HP system. We have established an interim complaints framework to help proactively identify any issues, risks and challenges within the HP environment. In addition, recommendations from these reviews have been fundamental in the development of the 2032 HPSNZ Sport System Strategy.

We also introduced a fully funded health insurance scheme for carded athletes, which covers eligible pre-existing conditions and gives them the option to carry the policy into their retirement at their own cost. This is designed to relieve any financial concerns for athletes around their health and the diagnosis and treatment of injuries. 2018 also saw the introduction of parity for Paralympian Performance Enhancement Grants (PEGs).

HPSNZ has committed \$2.7m over two years towards identifying and implementing strategies that will improve gender balance in leadership and coaching positions within HP sport. A Women in HP Sport Project Leader has been appointed and is actively working in partnership with the sector to create the strategies and structures to ensure success of the project.

HPSNZ has also implemented internal changes via a sustained review and action plan to improve Ways of Working across the organisation. From January 2019, HPSNZ staff have engaged in change focus groups in the following areas: Purpose and Behaviours, Communications and Engagement, Ways of Working, Leadership, and People Experience.

We have also formed an active focus group to ensure best practice diversity and inclusiveness initiatives and policy is applied consistently across HPSNZ, creating an environment where staff can be their best, and where every voice matters.

PARTNERSHIP

Strong partnership and engagement with NSOs are critical elements of success for HPSNZ. We work with target sports to ensure that the right level of HP support and expertise is provided to enable and enhance HP programmes and campaigns. We have established performance teams that are integrated and immersed within HP sports environments to ensure alignment and focus. This supports the NSO to achieve performance indicators and to manage risks associated with that sport context.

To increase capability and provide opportunities for cross-sport learning and collaboration, we held finance workshops with NSOs. We have also made changes to the Funding and Investment Model to provide NSOs with greater certainty of their level of funding over their pinnacle event cycle.

Our partners highly value the quality of our expert advice, guidance and assistance, with a score of 95% partner satisfaction, against a target of 80%, in the 2018/19 partner confidence survey.

A priority for HPSNZ in 2018/19 was to partner with target NSOs via a tailored engagement model. HP sports are best supported through bespoke solutions and not through generalised operating frameworks. This requires HPSNZ to be agile and tailor our support to the context of the sport, so we have developed a tailored engagement model. This includes:

- Strategic Partnership Meetings that prioritise HP strategy, performance partnership and risk management.
- Operational Performance Team Meetings that focus on performance and the co-ordination of HP support.
- Campaign Management Meetings that are targeted at campaign delivery and case management.

HPSNZ discussed the new engagement model at the executive level with each targeted NSO to determine how it could be best applied in their sport context. We have implemented the model, and all three levels of meeting have occurred across all targeted NSOs within the last year. We also embarked on an internal roadshow, presenting the new engagement model in all HPSNZ centres to ensure staff awareness and understanding.

During 2018/19, we worked closely with Sport NZ to assess and improve the business capability of our priority partners. Following a comprehensive review of the business capability of each partner, we now have a clear idea of the path ahead needed to contribute to our partners becoming more fit for purpose, relevant and sustainable organisations. While there are recommendations for each individual partner, Sport NZ has identified four significant pilots or feasibilities that can be undertaken to attempt system wide, sustainable change.

PREPARATION FOR TOKYO 2020

With less than one year to go until the 2020 Tokyo Olympic Games, the HP system is fully focused on final preparations. New Zealand athletes will compete in more than 20 sports in Tokyo with perhaps the country's largest ever Olympic team. Our athletes will compete in familiar sports such as rowing, cycling, equestrian, rugby sevens, sailing and kayak. Tokyo 2020 will also feature sports new to the Olympic programme including surfing, karate, sport climbing and skateboarding. Baseball and softball will return to the Olympic programme for the first time since 2008.

HEAT STRATEGY

It is likely that Tokyo 2020 will be the hottest Olympic and Paralympic games on record. Consequently, HPSNZ has developed a robust heat strategy, including heat acclimatisation, individualised plans for at risk athletes, and ensuring that athletes perform in pre-Olympic test events to understand the conditions and perform successfully. New Zealand's elite triathletes recently competed at Olympic test events in Tokyo and spent a week training and acclimatising to the heat in Sakata before travelling to Tokyo. New Zealand sailors, Peter Burling and Blair Tuke, recently took gold at their test event in Enoshima, while the Black Sticks placed second at a four nations tournament in Tokyo.

We are now in an intense competition period. This includes World Championships and test events for targeted sports between June and December 2019 that will determine qualification and medal likelihood for most sports. However, predictions for the 2020 Paralympics are challenged by the re-classification of athletes that occurred late last year. This means we won't have data until November 2019 to indicate how these athletes are performing in their new categories. All countries face this challenge.

PSYCHOLOGICAL PREPARATION

We have learned from previous campaigns that in addition to physical, technical and tactical preparation, our athletes need to be psychologically prepared to perform at optimal levels within the intense Olympic environment. We have identified key qualities, that when developed and supported, increases the likelihood of performing when the pressure is at its highest.

HPSNZ has implemented the Own the Moment (OTM) action plan to enable athletes to develop psychological components needed for optimum performances under pressure. OTM includes foundational skills such as a learning mindset and ownership, habits of excellence such as rehearsing roles, plans and processes, responses to change/challenge, and performance skills such as attention and mind-body management.

OTM is being delivered in partnership with key stakeholders including NSOs, the New Zealand Olympic Committee (NZOC) and Paralympics New Zealand.

OUTPUT CLASS TWO

Our aim is for more New Zealanders to win on the world stage at Olympic / Paralympic Games and World Championships in targeted sports. HPSNZ leads the HP sport system in Aotearoa New Zealand working in partnership with NSOs and key stakeholders to allocate resources, and provide support to impact NSO, coach and athlete performance.

HIGH PERFORMANCE SPORT

We assess performance across the following main areas:

- Progress across HP programmes and campaigns, supported by strategic investment and world-leading HP expertise.
- Stakeholder satisfaction levels.
- Athlete and coaches enabled to perform.

We use methods of evaluation such as surveys and case studies. Where available, we monitor Aotearoa New Zealand's position within the international environment, for example, the virtual Olympic medal table.⁴⁴

PROGRESS TOWARDS 2020

AREA	MEASURE	TARGET	PREVIOUS RESULT	PROGRESS
Results on the world stage (with a greater focus on gold medals)	Medals at Olympic Summer Games Tokyo 2020 ⁴⁵	16+	Rio 2016 18 medals	NA
	Winter Olympics Beijing 2022	TBD	PyeongChang 2018 2 medals	NA
	World Championships	Winning in non-Olympic sports	19 World Championships across 8 Sports in the Rio cycle	2018:0
	Gold medals at Paralympics Tokyo 2020 ⁴⁶	10-14 gold medals	Rio 2016 21 medals (9 gold)	NA
	Winter Paralympics Beijing 2020	TBD	PyeongChang 2018 3 medals (1 gold)	NA
Progress towards Olympic and Paralympic success through annual results	Number of NZ athletes placed in top 3, 5 and 8 in the world in Olympic disciplines in their pinnacle events ⁴⁷	Top 3: 16 Top 5: 24 Top 8: 32	Benchmarked against the annual results for the comparative year in the previous Olympic cycle eg 2015 as compared to 2019, one year out from the Olympic Games. ⁴⁸	Top 3: 14 ⁴⁹ Top 5: 28 Top 8: 41
	Number of NZ Paralympics athletes placed in top 3 and 5 Paralympic disciplines ⁵⁰	Top 3: 18 Top 5: 24	Benchmarked against the annual results for the comparative year in the previous Olympic cycle eg 2015 as compared to 2019, one year out from the Olympic Games.	Top 3: 6 Top 5: 16 ⁵¹
NSO high performance initiatives	At least 80% high performance key indicators achieved	80%	89%	80%

44 The virtual Olympic medal table predicts the number of medals that will be won by each country, based on current performance: <http://www.gracenote.com/virtual-medal-table/>.

45 This performance measure is for the High Performance Sport appropriation in the Estimates of Appropriation - Vote Sport and Recreation 2018/19.

46 This performance measure is for the High Performance Sport appropriation in the Estimates of Appropriation - Vote Sport and Recreation 2018/19.

47 This performance measure is for the High Performance Sport appropriation in the Estimates of Appropriation - Vote Sport and Recreation 2018/19.

48 Athlete/team placings are reported on a calendar-year basis, for comparison with the equivalent years in the previous Olympic cycle. Not all sports have a pinnacle event every year, so the comparison between equivalent years in the Olympic cycle provides a more reasonable indication of results tracking.

49 Does not include Swimming results. World Indoors Championships used for Athletics.

50 This performance measure is for the High Performance Sport appropriation in the Estimates of Appropriation - Vote Sport and Recreation 2018/19.

51 Does not include Para Swimming or Para Athletics Results.

OUTPUT CLASS TWO

HIGH PERFORMANCE SPORT PROGRESS TOWARDS 2020

KEY ACTIVITY	OUTPUT DESCRIPTION	KEY INDICATOR
Investment to support NSO high performance initiatives	At least 85% of high performance funding will be invested in high performance programmes and initiatives ⁵²	2018/19: 94% 2017/18: 93%
Technical advice for high performance expertise	Expert advice, guidance and assistance provided to national sport organisations - rated as 'Good' or above. ⁵³ Target: at least 80% partner satisfaction with quality of consultancy provided.	2018/19: 95% 2017/18: 91%
High performance athlete support services ⁵⁴	Direct support including grants and specialist services to athletes and coaches positively impacts their performance - rated as 'Good' or above. ⁵⁵ Target: At least 80% of athletes and coaches.	2018: Athletes 86%, Coaches 80% 2017: Athletes 89%, Coaches 86%
	Performance Enhancement Grants (PEGs) allocated to at least 200 high performance athletes	2018: 228 2017: 237
	400 athletes receive funding and/or access to services through the high performance system	2018: 442 2017: 527

HIGH PERFORMANCE SPORT COST OF SERVICE BY OUTPUT EXPENSE

	ACTUAL 2018 \$000	ACTUAL 2019 \$000	BUDGET 2019 \$000
62,192	Crown funding	62,192	62,192
5,858	Other operating revenue	7,283	7,531
68,050	Total Revenue	69,475	69,723
	Less expenses		
42,811	Sector investment and consulting	43,859	46,186
2,691	Infrastructure expenditure	2,734	3,073
1,880	Programme management	2,789	2,096
6,176	Technical advice and resources	7,690	8,039
15,281	HP athlete services	15,912	16,465
68,839	Total Expenses	72,984	75,859
(789)	Net Operating Surplus/(Deficit)	(3,509)	(6,136)

52 Programmes and initiatives include: Investments to targeted sports, PEGs, Technology and Innovation, HP Events and direct costs associated with the provision of technical advice, resources and athlete services to targeted sports/athletes/coaches.

53 As measured in the Partner Confidence survey - targeted partners. This performance measure related to technical advice is for the High Performance appropriation in the Estimates of Appropriation - Vote Sport and Recreation 2018/19.

54 For example, specialist services such as exercise physiology, biomechanics, strength and conditioning, nutrition, physiotherapy, massage, planning, athlete life and medical services, in addition to PEGs and funding.

55 Based on ratings in the 2018 Coach and Athlete survey against the question, "HPSNZ support and training environment positively impacts performance". This performance measure is for the High Performance Sport appropriation in the Estimates of Appropriation - Vote Sport and Recreation 2018/19.

OUTPUT CLASS THREE

The Prime Minister's Sport Scholarships aim to increase participation and achievement in sport and active recreation by enabling talented New Zealanders to pursue tertiary study to develop particular skills, while developing to elite level sport. Particular skills are those which contribute to the quality of Aotearoa New Zealand's sport performance at the elite level.

PRIME MINISTER'S SPORT SCHOLARSHIPS

We assess performance using the following perspectives:

- Efficient administration.
- Talent is developed (athletes, coaches, officials and support staff).

KEY ACTIVITY	OUTPUT DESCRIPTION	KEY INDICATOR
Investment	Administration costs are less than 4% of total funding	2018/19: 4% 2017/18: 3.1%
	At least 300 athlete scholarships are awarded	2018/19: 337 2017/18: 313
	At least 100 coach, official, and support team scholarships are awarded	2018/19: 194 2017/18: 143

PRIME MINISTER'S SPORT SCHOLARSHIPS COST OF SERVICE BY OUTPUT EXPENSE

	ACTUAL 2018 \$000		ACTUAL 2019 \$000	BUDGET 2019 \$000
4,250	Crown funding		4,250	4,250
4,250	Total Revenue		4,250	4,250
	Less expenses			
3,548	Sector investment		4,353	4,250
132	Programme management		172	155
3,680	Total Expenses		4,525	4,405
570	Net Operating Surplus/(Deficit)		(275)	(155)



SPORT NZ GROUP

Sport New Zealand is proud to be the guardian of our country's world-leading sporting system, from childhood play through to elite sport. We are committed to improving collaboration across the system.



MANAGING THE ORGANISATION

The Sport NZ Group is fully committed to being an equal opportunity employer and providing a safe environment. We know that equity, diversity and inclusion lead to stronger whanaungatanga and improved organisational performance. We are committed to upholding the mana of Te Tiriti o Waitangi and the principles of partnership, protection and participation.

DIVERSITY AND INCLUSION

In 2018/19, Sport NZ worked on developing and implementing a diversity and inclusion plan that in the long term, will result in a diverse workforce, an inclusive mindset and increased innovation, enabling us to better reflect and serve the system. We established a Diversity and Inclusion Steering Group (DIG) to work in partnership with the Organisational Development and Culture Teams. DIG is committed to action through education, support and advocacy. DIG has developed policy (shared with HPSNZ) and principles and implemented recruitment strategies to attract more ethnically diverse candidates.

HPSNZ committed \$2.7m over two years towards identifying and implementing strategies that will improve gender balance in leadership and coaching positions within the high performance sector. In addition, HPSNZ has formed an active focus group to ensure best practice diversity and inclusion initiatives and policy are applied consistently across HPSNZ, creating an environment where staff can be themselves at work and where every voice matters.

HEALTH, SAFETY AND WELLBEING

We are continuously improving our health, safety and wellbeing systems, and ensuring that there are no notifiable⁵⁶ events in the workplace. Our regional and national health and safety committees ensure monthly site inspections, appropriate signage throughout our facilities, training and induction for staff and for athletes using our training facilities as well as health and safety reminders for staff to maintain awareness.

Sport NZ focused on proactively managing and monitoring the health and wellbeing of staff through for example, promoting mental wellbeing initiatives and launching a staff wellness programme.

HPSNZ focused on ensuring that wellbeing 'on and off the field' is balanced with achieving performance on the world stage. Several initiatives (such as workshops in resilience and mindfulness), reviews of existing practice and policy as well as the launch of a Health, Safety and Wellbeing strategy will provide a safe and performance focused organisation.

GENDER EQUITY

The Sport NZ Group is committed to closing the gender pay gap and is making steady progress towards this through a range of initiatives.

The Sport NZ Group now has an equal balance of male and females employed in the Senior Leadership Team and a close to equal balance at manager level. During the annual remuneration review, special attention was given to ensure pay equity (the same pay for different work but of equal value) and equal pay (same pay for the same job, no difference based on gender).

However, due to the gender distribution within the organisation, we have more females at lower levels of the organisation than males, resulting in a gender pay gap (gap between average earnings of women compared to men). To reduce the gap, we need more females in the middle tier of the organisation. In the immediate future, we will address this through our diversity and inclusion initiatives as we continue to recruit and develop internal female talent.

⁵⁶ The Health and Safety at Work Act 2015 defines a notifiable event as a death, notifiable injury or illness or notifiable incident. A notifiable workplace injury or illness is one that requires immediate medical treatment (other than first aid). A notifiable incident is an unplanned or uncontrolled incident that exposes a person to serious health or safety risk.

TŪ TE IHI – OUR MĀORI CULTURAL CAPABILITY PROGRAMME

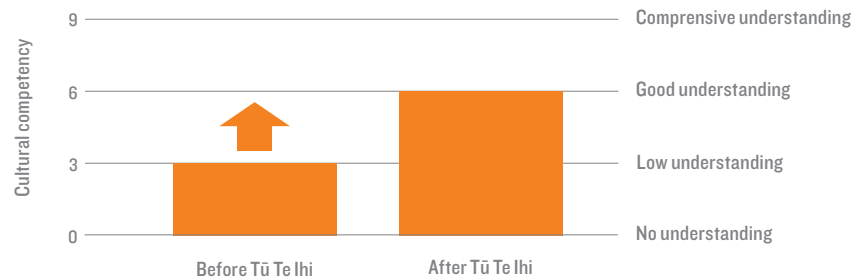
A highlight of the 2018/19 year was the implementation of the organisation's Māori cultural capability programme, Tū Te Ihi. Through Tū Te Ihi, the organisation is committing to building a strong Māori cultural capability baseline to better understand its commitment to Te Tiriti o Waitangi and the principles of partnership, protection and participation.

Staff attended eight intensive Tū Te Ihi workshops across four modules and were appraised on their competency level against 24 cultural baseline indicators.

The four modules included:

- Te Tiriti o Waitangi - Dimensions of the Treaty of Waitangi.
- Whanaungatanga - Strengthening Connections with Māori .
- He Tirohanga Māori - A Māori Worldview.
- Te Reo Māori, Tikanga Māori - Māori Language, Customs and Protocols.

Results from the programme showed significant increases in levels of cultural competency across all of the cultural baseline indicators. Following the success of Tū Te Ihi, it will now form part of the Sport NZ induction programme which all new staff are expected to complete.



THE SPORT NZ WAY

The Sport NZ Culture Team continued to represent and gather feedback from staff, working with the Senior Leadership Team and Organisational Development to implement and monitor initiatives including:

- Trialling a programme to develop leadership skills and behaviours aligned to the Sport NZ Way.
- Embedding Māori culture, values and tikanga into the Sport NZ Way.
- Embedding the Sport NZ Way through staff induction and including objectives in all staff performance plans.

MANAGING THE ORGANISATION

BEING A GOOD EMPLOYER

The Sport NZ Group meets its obligations as a good employer under section 118 of the Crown Entities Act 2004. This includes providing equal employment opportunities, developing staff, and maintaining engagement through a range of initiatives as listed below.

ELEMENT	INITIATIVES
Culture and Staff Engagement	<ul style="list-style-type: none"> Staff engagement is monitored regularly through staff engagement surveys and action taken on feedback as appropriate. Our cultural transformation programme, the Sport NZ Way is employee-led by the Culture Team. We have feedback loops in place to monitor and measure change initiatives. We have increased manager accountability to build and sustain staff engagement.
Recruitment and Induction	<ul style="list-style-type: none"> Candidate care is at the heart of our recruitment experience at Sport NZ and we are dedicated to ensuring every interaction is a positive one. Our recruitment and selection policy and practice targets the best possible candidates whilst maximising equal opportunity for both existing and potential employees. We launched a new look careers site to visually appeal to a more diverse candidate pool and provide a more inclusive platform to potential candidates so they can learn more about our employee value proposition and recruitment process. We updated our onboarding and induction process to be more inclusive and tailored for each unique employment type, from contractor to casuals and fixed term to permanent employees. Across all employment types, we maintain the same level of experience for any employee's first 90 days.
Learning and Development	<ul style="list-style-type: none"> Our workforce planning identifies current and future capability needs. Training and development is aligned to workforce planning and individual career aspirations. Individual development plans form an integral part of the performance planning and development process. We have focus on building a continuous learning environment through coaching, on-the-job activity and feedback.
Reward and Recognition	<ul style="list-style-type: none"> Job bands are set and updated based on job evaluations following Hay Group methodology. The performance management process includes annual salary reviews and appropriate adjustments, supported by the group-wide remuneration policy. An annual audit is undertaken by role and band to measure pay equity and equal pay, with action taken if required. We are celebrating individual and team success more frequently.
Diversity and Inclusiveness	<ul style="list-style-type: none"> We have flexible work practices to address work-life balance and whanau needs. We have increased emphasis of Te Reo Māori and cultural capability in the workplace through the Tū Te Ihi programme. We established an internal staff led Diversity and Inclusion Steering Group to champion and integrate diversity and inclusion, which has led to the review of all policies through a diversity and inclusion lens. We reviewed recruitment, onboarding and induction with a diversity and inclusion lens in order to attract more diverse pools of talent to better reflect the population we serve. This includes ethnic diversity but also gender (for middle management) and age (young people). See changes to recruitment and induction above.

SPORT NZ GROUP STAFF



2018/19
Full-time equivalent personnel



236

201 2017/18



15.4% 2018/19
Annual staff turnover

15.5% 2017/18



42 2018/19
Average age

43 2017/18



4.34 2018/19
Average tenure in years

4.25 2017/18



1 2018/19 Staff
disability profile
(Sport NZ only)

1 2017/18



48% 2018/19 Female

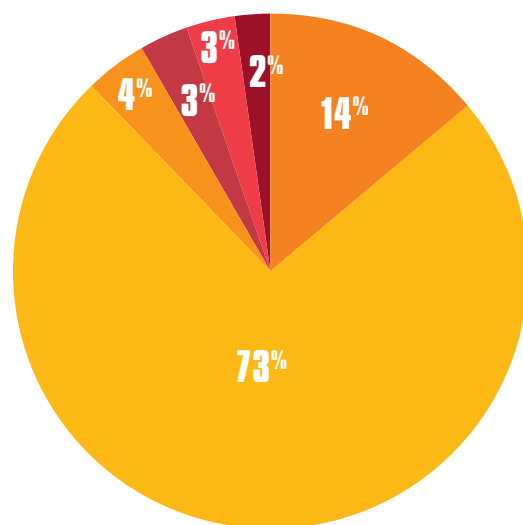
44% 2017/18



52% 2018/19 Male

56% 2017/18

ETHNIC DIVERSITY IN SPORT NZ AT THE END OF 2018/19
(excluding HPSNZ, which does not currently collect this data)



European New Zealand European Māori
Other Pacific Islander Asian

MANAGING THE ORGANISATION

Improving performance measurement has been a key area of focus for the Sport NZ Group over the last couple of years, as we strive to improve how we measure our impact on the play, active recreation and sport system. Managing risk and working effectively with our Minister and government partners continues to be an ongoing priority. We know that effective collaboration and strong relationships are key in achieving outcomes that will further the Government's wellbeing approach.

MEASURING PERFORMANCE

Measurement was a key priority for 2018/19. We have made progress on several workstreams focused on improving how we measure and then tell a more compelling story about the value proposition of play, active recreation and sport. This includes:

- Embedding the performance framework into reporting and senior level meetings.
- Streamlining measures for 2019/20 to provide a sharper, more focused performance story and prototyping regular impact reporting against these measures.
- Developing the Sport NZ Outcomes Framework for our Towards 2032 Strategic Direction and the Sport Social Value Bank. We have a significant programme of work underway to develop a social return on investment methodology which we can apply to our investment, and other decisions which will be implemented as part of our Strategic Plan 2020-24.

MANAGING RISK

The Sport NZ Group has risk management arrangements which include the Board's risk appetite, corresponding risk registers, a business continuity plan and cyber security plan. The Board receives regular reports of significant risks and risk management mitigations, actions and controls. Staff have risk management resources including a risk management manual and policy. Maintaining risk awareness is an ongoing activity which enhances risk management and includes risk management workshops.

WORKING WITH OUR MINISTER AND GOVERNMENT PARTNERS

Sport NZ advises the Minister for Sport and Recreation on a range of matters within the play, active recreation and sport system, spanning both HP and community sport. Each year we ask for the Minister's satisfaction rating for the policy advice we provide. This spans six areas such as timeliness, value for money and whether the advice met his needs. For the 2018/19 financial year the Minister rated Sport NZ nine out of ten across all six parameters⁵⁷. The rating for 2017/18 was seven out of ten.

For the first time, in 2018/19 we also asked our government partners how they rated their relationship with Sport NZ. We scored an average of 4.5 out of 5, with our partners providing very positive comments. While we are pleased with how our partners and our Minister view us, we know we have a lot of work ahead to achieve the outcomes of our new strategic direction. We will be working hard in the future to further build genuine productive relationships so that we can work together to achieve the Government's wellbeing outcomes.

⁵⁷ Annual satisfaction survey completed by the Minister for Sport and Recreation for the 2018/19 year.

ORGANISATIONAL PERFORMANCE MEASURES

AREA	MEASURE	17/18 RESULT	18/19 TARGET	18/19 RESULT
Relationship quality with partners	Relationship quality ⁵⁸	Sport NZ: 84% HPSNZ ⁵⁹ : 83% ⁶⁰	80% 85%	86% 84%
	Sport NZ staff interact in a well organised and co-ordinated manner	All partners: 75% RST: 30%	All partners: 73% RST: 20%	All partners: 75% RST: 47%
Sport NZ's service quality to partners	Specialist services and consultancy	Sport NZ: 80% HPSNZ: 93%	81% 85%	81% 95%
	Performance management services	Sport NZ 69% HPSNZ: 86%	70% 85%	82% 78%
	How well partners rate Sport NZ's quality of service in the Coaching/and or instructing area	80%	>80%	82%
	How well partners rate Sport NZ's quality of service in the Talent area	65%	>65%	46% ⁶¹
Sport NZ's information quality	External view of information provided: Sharing research, information and knowledge of relevance and interest	41%	45%	Not measured ⁶²
	External view of information provided: Providing enhanced understanding of the sport, recreation and physical activity sector to inform decision making	45%	45%	
Overall effectiveness	Sport NZ's overall effectiveness as rated by NSO and RST partners ⁶³	All partners: 76% Priority partners: 92%	All partners: 70%	All partners: 75% Priority partners: 84%

58 All measures reported on in this table except information quality are derived from the Partner Confidence Survey.

59 All HPSNZ results refer to results from HPSNZ targeted sports.

60 This result differs from the 2018/19 SPE, which incorrectly recorded 97%.

61 Additional analysis will look at drivers for this lower result.

62 Both measures regarding Sport NZ's information quality are derived from the RST Stakeholder Survey, which is carried out once every two years. The next survey is scheduled in 2019/20.

63 Partners' views of Sport NZ's ability to increase participation as measured in the Partner Confidence survey. This performance measure is for the Sport and Recreation Programmes appropriation in the Estimates of Appropriation - Vote Sport and Recreation 2018/19.

64 Based on voluntary turnover, excluding maternity leave, as a percentage of average annual headcount.

65 Baseline turnover for HPSNZ is high due to normal staff movement that occurs after a four year Olympic cycle, Rio 2016 being the most recent.

66 2017/18 and 2018/19 results for the HPSNZ engagement survey are not directly comparable due to changes made to the questions in 2018/19, as well as further questions added.

67 Based on corporate and business operations expenditure as a percentage of total expenditure.

68 At the time of writing for the 2018/19 SPE, this measure was under development with no target developed.

69 Based on annual survey of ministerial servicing and policy advice completed by the Minister for Sport and Recreation. The survey uses a scale of 1-10, where 8-10 is 'more than satisfied'.

AREA	MEASURE	17/18 RESULT	18/19 TARGET	18/19 RESULT
A workforce with the right capacity and capability to drive strategy	% turnover (12 months rolling average) ⁶⁴	Sport NZ: 14% HPSNZ: 19% ⁶⁵	12% 15%	12.2% 17.6%
	% of frontline staff	Sport NZ: 63% HPSNZ: 90%	63% 85%	69% 91%
	% total engagement	Sport NZ: 68% HPSNZ: 81%	72% 75%	74% 66% ⁶⁶
	% overhead ⁶⁷	Sport NZ 7.6% HPSNZ: 6.2%	7.5% 7.5%	6.3% 6.9%
Cross government collaboration	Sport NZ cross government relationship quality – overall quality	NA	TBD ⁶⁸	4.5/5
Effective ministerial relationship	Level of ministerial satisfaction ⁶⁹	Satisfied	Satisfied	Achieved: Satisfaction level of 9/10 scored across 6 areas.

SPORT NZ GROUP

Sport NZ is governed by a Board whose members and chairperson are appointed by the Minister for Sport and Recreation. The Board is responsible for setting the Sport NZ Group's strategic direction and for providing governance and leadership.

GOVERNANCE OF THE SPORT NZ GROUP

The Sport NZ Board members, who bear responsibility for this Annual Report, are:

- Bill Moran (Chair)
- Jason Shoebridge (Deputy Chair)
- Darrin Sykes
- Hilary Poole
- Kylie Clegg
- Raewyn Lovett
- Dr Farah Palmer
- Rowan Simpson

HPSNZ is governed by its own Board of directors, as provided in its constitution. Members are appointed by the Sport NZ Board with approval from the Minister for Sport and Recreation. The HPSNZ Board members are:

- Bill Moran (Chair)
- Hilary Poole (Deputy Chair)
- Alison Shanks
- Ian Hunt
- Waimarama Taumaunu
- Kylie Clegg
- Tony Hall (NZOC appointment)
- Peter Miskimmin (ex officio)

Ministerial Directions

The Sport NZ Group did not receive any directions from the Minister for Sport and Recreation during 2018/19.

Acts in breach of statute

No natural person acts have been enforced against the Sport NZ Group under section 20(3) of the Crown Entities Act 2004 during 2018/19.

Permission to act

Section 68(6) of the Crown Entities Act 2004 requires disclosure of a permission (by the chair or deputy chair) to act despite a Board member's interest in a matter. No permissions were sought in 2018/19.



From left to right:

Darrin Sykes, Raewyn Lovett, Rowan Simpson, Cameron Leslie (Future Director Intern), Dr Farah Palmer, Bill Moran (Chair), Hilary Poole, Peter Miskimmin (Chief Executive), Jason Shoebridge (Deputy Chair), Kylie Clegg.

FUTURE STRATEGY

Over the last year, the Sport NZ Group has been working towards implementing new strategies for Sport NZ and HPSNZ. In July 2020, Sport NZ will embark on the first steps in its Towards 2032 Strategic Direction. HPSNZ is developing its 2032 High Performance System Strategy.

SPORT NZ

In mapping our strategic direction to 2032, we have re-examined our purpose and vision in light of what we have learned from our current Community Sport Strategy, the changing nature of society in Aotearoa New Zealand, and trends in physical activity.

Our purpose will be to contribute to the wellbeing of everybody in Aotearoa New Zealand by leading the play, active recreation and sport system. We aspire for every New Zealander to be physically active through play, active recreation and sport to benefit their wellbeing. Everything we do should contribute to that end. Our vision will be: Every Body Active.

Through to 2032 we will promote the benefits of play, active recreation and sport for people at different life stages, across the multiple settings where people live. This reflects our ongoing interest in Every Body Active. In each four-year strategic period, we may choose to prioritise different demographic groups.

Our 2020-24 Strategic Plan brings a tighter focus to our activities, narrowing in on the material difference we aim to make in the first four-year strategic period. The contents of the Strategic Plan will be published as part of our Statement of Intent 2020-24, and Statements of Performance Expectations during that period.

Above all other participants, during 2020-24, we will focus on tamariki (children aged 5-11) and rangatahi (young people aged 12-18) and direct our attention to those who are less active and those dropping out of physical activity.

The journey towards our new strategic direction has taken some time. We gathered information from stakeholders in the play, active recreation and sport system, considered everything we have learned from current strategy, and sought input to ensure we effectively contribute to the Government's wellbeing approach.

During 2018/19, Sport NZ has been working on a comprehensive strategy implementation programme, and this will continue in 2019/20 as we work to ensure successful execution of the strategy. A fundamental component of our strategic direction has been the development of Sport NZ's Outcomes Framework, aligned to the Treasury's Living Standards Framework. We are now working on an innovative Sport Social Value Bank which quantifies social outcomes in a monetary value.

The next step will be developing a performance measurement framework for the next strategic period, so we can clearly measure the impact of Sport NZ's work (output) against what we're trying to achieve. The performance framework will be based on a subset of measures from the Outcomes Framework, utilising the values from the Sport Social Value Bank. This approach to measuring social outcomes from investment is ground-breaking, and we're excited about the opportunities arising from this approach.

HPSNZ

Between now and 2032, the HP system will become an innovative, integrated, and sustainable system that enables elite athletes to excel at international events, while simultaneously inspiring and motivating New Zealanders.

Our HP system needs to showcase our talent, our technology, and our unique cultural identity. All the people in our system need to operate with absolute integrity. Further, we need to ensure that all the people in our system can lead fulfilling lives with purpose, balance and meaning to them.

To support our mission of HP system sustainability, HPSNZ has spent much of the last year developing the 2032 High Performance System Strategy, which comprises 12 interconnected workstreams:

1. High Performance Strategy and Investment
2. NSO Capability
3. Athlete Wellbeing and Engagement
4. Women in Leadership
5. Performance Support
6. Performance Hubs
7. Athlete Development Pathways
8. Professional Coaching Pathways
9. High Performance Facilities
10. Intelligence
11. Performance Solutions
12. Leveraging Success

This is a significant strategy development programme, with several initiatives to achieve the objectives of each workstream. The draft 2032 High Performance System Strategy brings together fundamentals such as Athlete Wellbeing and Engagement, Intelligence, and HP Strategy and Investment, which in turn, feed into core elements such as Athlete Development Pathways, Professional Coaching Pathways, and Performance Hubs. These are enabled by the workstreams such as Women in Leadership, Performance Support, Performance Solutions, and NSO Capability. These workstreams are essential to the sustainability of the HP system and the achievement of sporting excellence on the world stage.

We carried out extensive consultation with system stakeholders during the development of the strategy. Recently HPSNZ held meetings throughout the country (Auckland, Christchurch, Wellington and Cambridge) to showcase the draft journey map that outlines the proposed outcomes developed for each of the workstreams. We also developed an accompanying website, to view the proposed outcomes and to provide feedback. The strategy will be finalised during the 2019/20 year.

STATEMENT OF RESPONSIBILITY

We are responsible for the preparation of Sport and Recreation New Zealand's financial statements and statement of performance and for the judgements made in them.

We are responsible for any end-of-year performance information for Sport and Recreation New Zealand under section 19A of the Public Finance Act 1989.

We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of Sport and Recreation New Zealand for the year ended 30 June 2019.

On behalf of the Sport New Zealand Board.



Bill Moran, MNZM

Chair - Sport NZ and HPSNZ
25 October 2019



Jason Shoebridge

DEPUTY CHAIR - SPORT NZ
25 October 2019

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF SPORT NEW ZEALAND'S GROUP FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2019

The Auditor-General is the auditor of Sport and Recreation New Zealand (Sport NZ) and group (the Group). The Auditor-General has appointed me, Kelly Rushton, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for appropriations, of the Group on his behalf.

Opinion

We have audited:

- the financial statements of the Group on pages 71 to 97, that comprise the statement of financial position as at 30 June 2019, the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the Group on pages 34-39, to 51-53 and 61.

In our opinion:

- the financial statements of the Group on pages 71 to 97:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2019; 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 Reporting Standards; and
- the performance information on pages 34-39, to 51-53 and 61.
 - presents fairly, in all material respects, the Group's performance for the year ended 30 June 2019, 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
 - what has been achieved with the appropriations; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure.
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 25 October 2019. 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 Board 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.

INDEPENDENT AUDITOR'S REPORT: CONTINUED

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of the Group for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board is responsible for such internal control as it determines is necessary to enable it 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 Board is responsible on behalf of the Group for assessing the Group's ability to continue as a going concern. The Board is 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 merge or to terminate the activities of the Group, or there is no realistic alternative but to do so.

The Board's 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 the 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 Group'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 Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Group's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group 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 Board 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 Board is responsible for the other information. The other information comprises the information included on pages I to I03, 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 Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard I (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Group.

**Kelly Rushton**

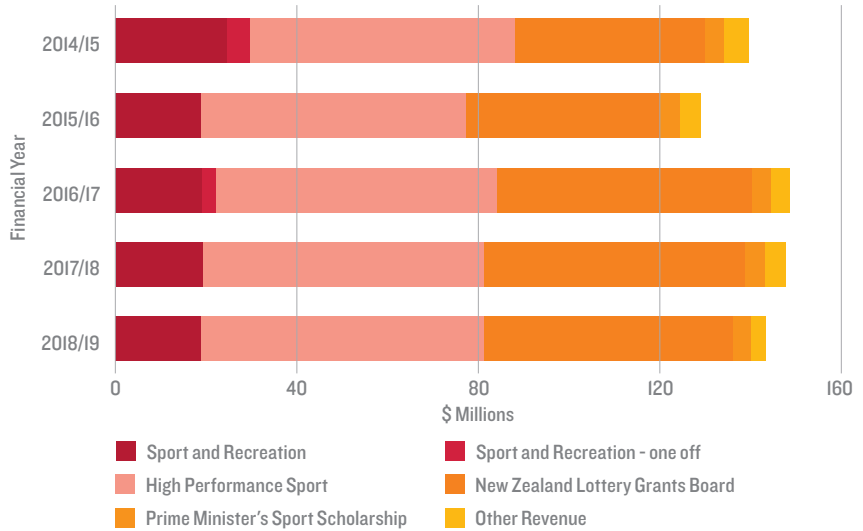
Audit New Zealand
On Behalf Of The Auditor-General
Wellington, New Zealand.

FINANCIAL OVERVIEW

The financial information presented within this annual report is for Sport New Zealand (Sport NZ) and the consolidated Sport NZ Group (the Group), comprising Sport NZ and its wholly-owned subsidiary High Performance Sport New Zealand (HPSNZ).

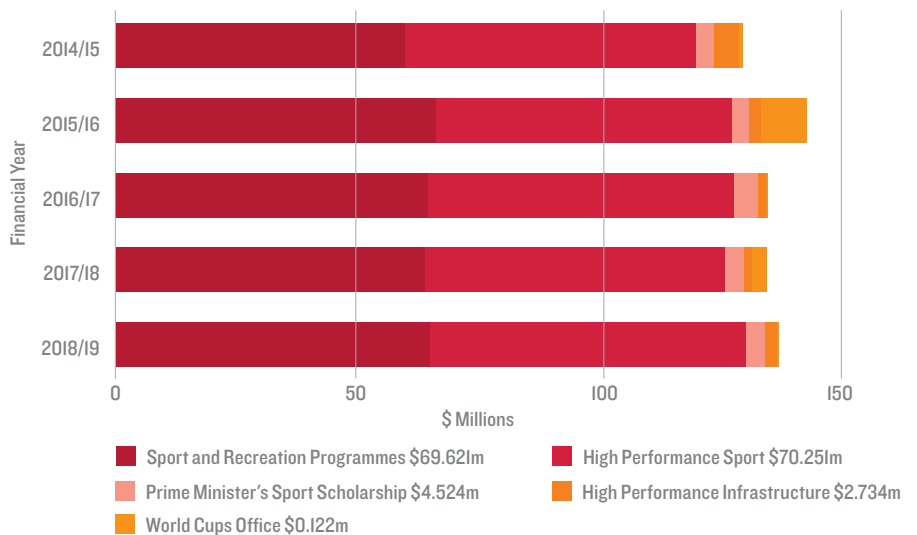
ANALYSIS OF REVENUE FROM 2014/15 TO 2018/2019

Crown funding for 2018/19 remains unchanged since the 2016/17 financial year, when the Group was in receipt of payment of \$2.950 million to support leverage and legacy programmes related to the Lions Rugby Tour. In 2014/15 the Group received one-off increases in Crown funding of \$5.355 million, including \$2 million for the development of the Hagley Pavilion and \$3.355 million for further investment into Cricket World Cup leverage and legacy programmes. Lotto revenue to the Group is \$2.752m less than 2017/18, partially offset by a \$0.236m increase to Water Safety New Zealand.



ANALYSIS OF EXPENDITURE FROM 2014/2015 TO 2018/2019

This chart shows how Group expenditure was allocated across outputs since 2014/15 Sport NZ. Expenditure related to both Sport and Recreation programmes and High Performance programmes has increased over time utilising reserves.



FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 30 June 2019

ACTUAL 2018 \$000			ACTUAL 2019 \$000	BUDGET 2019 \$000
REVENUE				
85,593	Crown funding		85,593	85,593
57,414	New Zealand Lottery Grants Board		54,898	56,402
1,454	Interest revenue		1,746	1,861
3,281	Sundry revenue		2,959	3,130
147,742	Total revenue	2	145,196	146,986
EXPENDITURE				
SECTOR INVESTMENTS				
1,200	Investment consulting		777	706
91,037	Partner investments		94,239	102,004
2,667	Infrastructure investments		2,728	3,000
94,904	Total sector investments	3	97,744	105,710
OPERATING EXPENDITURE				
218	Board members' remuneration	20	222	242
23,667	Personnel costs	4	27,089	27,152
7,948	Professional and technical services	5	9,462	8,109
2,415	Leased property		2,435	1,032
1,573	Depreciation and amortisation	9,11	1,466	1,684
7,863	Other operating costs		8,828	12,639
43,684	Total operating expenditure		49,502	50,858
138,588	Total expenditure		147,246	156,568
9,154	Net Operating Surplus/(Deficit)		(2,050)	(9,582)
15	Gain/(Loss) on disposal of assets		(5)	-
9,169	Surplus/(Deficit)		(2,055)	(9,582)
9,169	Total comprehensive revenue and expense		(2,055)	(9,582)

This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations of major variances against budget are provided in note 24.

FINANCIAL STATEMENTS: CONTINUED

STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

ACTUAL 2018 \$000			ACTUAL 2019 \$000	BUDGET 2019 \$000
ASSETS				
CURRENT ASSETS				
8,022	Cash and cash equivalents	6	6,092	890
19,116	Trade and other receivables	7	13,539	14,722
222	Prepayments		327	39
29,500	Investments	8	35,000	28,500
56,860	Total current assets		54,958	44,151
NON-CURRENT ASSETS				
3,821	Property, plant and equipment	9	3,978	3,463
887	Intangible assets	11	1,052	1,111
23	Loans	12	-	8
4,731	Total non-current assets		5,030	4,582
61,591	Total Assets		59,988	48,733
LIABILITIES				
CURRENT LIABILITIES				
7,477	Trade and other payables	13	7,342	5,774
618	Revenue received in advance	14	1,080	949
1,708	Employee entitlements	15	1,844	1,765
9,803	Total current liabilities		10,266	8,488
NON-CURRENT LIABILITIES				
29	Provisions	16	18	22
29	Total non-current liabilities		18	22
9,832	Total Liabilities		10,284	8,510
51,759	Net Assets		49,704	40,223
REPRESENTED BY:				
42,590	Public equity		51,759	49,805
9,169	Total comprehensive income		(2,055)	(9,582)
51,759	Total Public Equity		49,704	40,223

This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations of major variances against budget are provided in note 24.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2019

ACTUAL 2018 \$000		ACTUAL 2019 \$000	BUDGET 2019 \$000
42,590	Opening public equity	51,759	49,805
9,169	Total comprehensive revenue and expense for the year	(2,055)	(9,582)
51,759	Closing Public Equity	49,704	40,223

This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations of major variances against budget are provided in note 24.

FINANCIAL STATEMENTS: CONTINUED

STATEMENT OF CASH FLOWS

For the year ended 30 June 2019

ACTUAL 2018 \$000		ACTUAL 2019 \$000	BUDGET 2019 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
85,486	Crown funding	85,554	85,593
62,774	New Zealand Lottery Grants Board	59,620	60,662
2,986	Sundry revenue	4,103	3,330
1,090	Interest revenue	1,777	1,799
384	Goods and services tax	(269)	-
(93,512)	Sector investment	(97,820)	(107,741)
(18,237)	Other payments	(20,427)	(21,135)
(23,688)	Payments to employees	(27,175)	(27,463)
17,283	Net cash flow from operating activities	5,363	(4,955)
CASH FLOWS FROM INVESTING ACTIVITIES			
13	Disposal of property, plant and equipment	3	
-	Investments maturing	-	6,500
(2,471)	Purchase of property, plant and equipment	9	(1,015)
(329)	Purchase of intangible assets	11	(643)
(18,500)	Acquisitions of investments	(5,500)	-
(21,287)	Net cash flow from investing activities	(7,293)	4,842
(4,004)	Net decrease in cash and cash equivalents	(1,930)	(113)
12,026	Cash and cash equivalents as at 1 July	8,022	1,003
8,022	Cash and cash equivalents as at 30 June	6,092	890

This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations of major variances against budget are provided in note 24.

The GST (net) component of operating activities reflects the GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

RECONCILIATION OF NET SURPLUS / (DEFICIT)

For the year ended 30 June 2019

ACTUAL 2018 \$000		ACTUAL 2019 \$000
9,169	Net surplus/(deficit)	(2,055)
	Add/(deduct) non-cash items	
1,573	Depreciation and amortisation	1,466
114	Loss on disposal of assets	5
3	Net fair value movement in financial assets	12
1,690	Total non-cash Items	1,483
	Add/(deduct) movements in working capital items	-
5,354	Trade and other receivables	5,546
(363)	Interest receivable	31
(20)	Prepayments	(105)
1,698	Trade and other payables	(135)
(28)	Revenue received in advance	462
(151)	Provisions	-
(66)	Employee entitlements	136
6,424	Net movement in other working capital items	5,935
17,283	Net cash outflows from operating activities	5,363

NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2019

REPORTING ENTITY

These financial statements are for the Group for the year ended 30 June 2019 and were authorised for issue by the Board of Sport NZ on 25 October 2019. The Group comprises the parent entity, Sport and Recreation New Zealand (Sport NZ), and its wholly-owned subsidiary, High Performance Sport New Zealand Limited (HPSNZ).

Sport NZ is a Crown entity as defined by the Crown Entities Act 2004, and is domiciled and operates in New Zealand. The relevant legislation governing Sport NZ's operations includes the Crown Entities Act 2004. Sport NZ's ultimate parent is the New Zealand Crown.

Sport NZ was established as a Crown entity on 1 January 2003 under the Sport and Recreation New Zealand Act 2002 (the Act) to "promote, encourage and support physical recreation and sport in New Zealand". Its functions are set out in section 8 of the Act, which incorporate the functions of HPSNZ.

The Group does not operate to make a financial return and is designated a public benefit entity for financial reporting purposes.

BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

There have been no changes to accounting policies from the prior period.

Statement of compliance

The financial statements of the Group have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements have been prepared in accordance with Tier I PBE accounting standards.

Measurement base

The financial statements have been prepared on a historical cost basis.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

Standard early adopted

In line with the Financial Statements of the Government, the Group has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in note 26.

Standards issued and not yet effective and not early adopted

Amendment to PBE IPSAS 2 Statement of Cash Flows

An amendment to PBE IPSAS 2 Statement of Cash Flows requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The Group does not intend to early adopt the amendment.

PBE IPSAS 34-38

PBE IPSAS 34-38 replace the existing standards for interests in other entities (PBE IPSAS 6-8). These standards are effective for annual periods beginning on or after 1 January 2019. The Group will apply these new standards in preparing the 30 June 2020 financial statements. The impact of the new standard is likely to be minimal.

PBE IPSAS 41 Financial Instruments

The XRB issued PBE IPSAS 41 Financial Instruments in March 2019. This standard supersedes PBE IFRS 9 Financial Instruments, which was issued as an interim standard. It is effective for reporting periods beginning on or after 1 January 2022. Although the Sport NZ Group has not assessed the effect of the new standard, it does not expect any significant changes as the requirements are similar to PBE IFRS 9.

PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 and it is effective for reporting periods beginning on or after 1 January 2021. The Group has not determined how application of PBE FRS 48 will affect its statement of performance.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, income, and expenses on a line-by-line basis and eliminating all significant intragroup balances, transactions, income, and expenses upon consolidation.

Goods and services tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis.

Income tax

The Group is a public authority and consequently is exempt from the payment of income tax.

Budget figures

The budget figures for the year ended 30 June 2019 are derived from the Statement of Performance Expectations (SPE) 1 July 2018 – 30 June 2019 as approved by the Sport NZ Board on 23 May 2018.

The budget figures were prepared in accordance with NZ GAAP using accounting policies that are consistent with those adopted by the Board for the preparation of the financial statements.

Cost allocation

Within the statements of performance, the cost of outputs has been determined through a combination of direct cost allocation and overhead allocation. Costs directly attributable to an output are allocated to that output. Overhead costs that comprise expenditure related to the Executive, Corporate Services, Business Operations and Marketing and Communications, are allocated to outputs based on the proportion of full-time equivalent employees (FTEs) working within each output.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements, the Group has made estimates and assumptions concerning the future expectations that may differ from actual subsequent events. These estimates and assumptions are based on historical experience and other factors, including reasonable expectations as to likely future events, and continual re-evaluation of expectations in the light of new information.

There were no critical accounting estimates or assumptions applied in preparing the financial statements considered to have involved significant risk as to require material adjustment to the carrying amounts of assets and liabilities in the next financial year.

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In preparing these financial statements, no critical judgements were made in the application of accounting policies that are considered to have involved significant risk as to require material adjustment to the carrying amounts of assets and liabilities in the next financial year.

NOTES TO THE FINANCIAL STATEMENTS: CONTINUED

2. REVENUE

ACTUAL 2018 \$000		ACTUAL 2019 \$000
CROWN FUNDING		
19,151	Sport and Recreation Programmes	19,151
62,192	High Performance Sport	62,192
4,250	Prime Minister's Sport Scholarships	4,250
85,593	Total Crown Funding	85,593
OTHER REVENUE		
57,414	New Zealand Lottery Grants Board	54,898
1,454	Interest revenue	1,746
3,281	Sundry revenue	2,959
147,742	Total revenue	145,196

Revenue recognition

Revenue is recognised based on the fair value of consideration received or receivable.

Crown funding

The Crown directly provides funding to the Group for the specific purpose and objectives of Sport NZ and HPSNZ, as set out in the SPE and according to the scope of relevant government appropriations.

Apart from the general restrictions, the Group considers there are no other conditions attached to Crown funding. It is recognised as revenue when earned and is reported in the financial period relating to which it was appropriated.

New Zealand Lottery Grants Board

Sport NZ receives annual funding from the NZ Lotteries Grants Board (NZLGB) who in turn receives it from LottoNZ. Sport NZ receives 20% of LottoNZ net profits. Revenue from the NZLGB is recognised as revenue in the same year as the corresponding LottoNZ net profits based on formal advice received from the NZLGB.

Interest

Interest revenue is recognised by accruing on a time proportion basis the interest due from investments.

3. SECTOR INVESTMENT

ACTUAL 2018 \$000		ACTUAL 2019 \$000
45,878	Sport and recreation programmes	46,777
45,478	High performance sport	46,614
3,548	Prime Minister's Sport Scholarships	4,353
94,904	Total sector investments	97,744

Investment consulting

Costs associated with engaging consultants to provide professional advice directly to partner organisations are recognised in the Statement of Comprehensive Revenue and Expense as 'investment consulting' expense under 'sector investments'.

Partner investments and infrastructure investments

The Group provides funding to various organisations in the sport and recreation sector to meet its primary objectives. This expenditure is recognised as an expense in the statement of comprehensive revenue and expense either as 'partner investments' or 'infrastructure investments' when contracted requirements are met and an obligation to distribute funds has arisen.

The Group must exercise judgement when recognising investment expenditure to determine whether contracted requirements have been satisfied. This judgement is based on the facts and circumstances that are evident for each contract.

Sector investments by appropriation

A breakdown of sector investments made to individual organisations is available on sportnz.org.nz.

4. PERSONNEL COSTS

ACTUAL 2018 \$000		% OF TOTAL REVENUE	ACTUAL 2019 \$000
SALARY AND WAGES			
11,307	Sector support	8%	12,337
6,631	Athlete services	5%	7,132
4,283	Corporate and business operations	4%	5,158
22,221	Total salaries and wages		24,627
943	Other personnel costs		1,659
569	Employer contributions to defined contribution schemes		666
(66)	Increase/(decrease) in employee entitlements		137
23,667	Total personnel costs		27,089

Salary and wages

Salaries and wages are recognised as an expense as employees provide services. The split in salary and wages represents three high level functional groupings across the Group.

Sector support represents staff working directly with the sector to provide knowledge, advice and technical expertise.

Athlete services includes specialists who provide direct performance support to athletes in exercise physiology, psychology, strength and conditioning, nutrition, biomechanics, physiotherapy, massage, planning, athlete life, medical and other specialist services.

Corporate and business operations costs relate to staff providing organisational infrastructure, advice and support.

Other personnel costs

Other personnel costs include recruitment and professional development costs.

Defined contribution schemes

The Group's contributions to Kiwisaver are recognised as an expense in the statement of comprehensive revenue and expense as incurred.

NOTES TO THE FINANCIAL STATEMENTS: CONTINUED

5. PROFESSIONAL AND TECHNICAL SERVICES

ACTUAL 2018 \$000		ACTUAL 2019 \$000
3,145	Sector support consultants	4,531
2,365	Athlete service contractors	2,503
2,347	Other professional and technical services	2,325
91	Annual audit fees (Audit NZ)	103
7,948	Total professional and technical services	9,462

Sector support consultants represent professional and technical services we engage to directly support the sector.

Athlete service contractors, along with athlete service staff (note 4), represent a key part of the delivery for high performance athlete services.

Other professional and technical services are specialist advice and services engaged by the Group to assist with the delivery of the Group's work programmes and priorities. These services include information technology, research, legal, strategic advice, benchmarking and frameworks advice.

6. CASH AND CASH EQUIVALENTS

ACTUAL 2018 \$000			ACTUAL 2019 \$000
1,022	Bank balances and cash held	AA-	1,092
	SHORT TERM TREASURY INVESTMENTS (deposits < 90 days)		
-	ASB Bank	AA-	5,000
2,000	Bank of New Zealand	AA-	-
5,000	Rabobank NZ	A	-
7,000	Total short term Treasury investments		5,000
8,022	Total cash and cash equivalents		6,092

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

While cash and cash equivalents at 30 June 2019 are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

7. TRADE AND OTHER RECEIVABLES

ACTUAL 2018 \$000		ACTUAL 2019 \$000
16,748	New Zealand Lottery Grants Board	12,026
107	Trade receivables due from the Crown	146
465	Interest receivable	434
1,265	Other trade receivables	133
531	Goods and services tax	800
19,116	Total trade and other receivables	13,539

All significant trade and other receivables are current. There has been no provision for the impairment of receivables (2017/18: Nil).

All trade and other receivables are unrated.

Trade and other receivables are recorded at the amount due, less an allowance for credit losses. The Sport NZ group applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

In measuring expected credit losses, trade and other receivables have been assessed on a collective basis as they process shared credit risk characteristics.

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Previous accounting policy for the impairment of receivables

In the previous year, the allowance for credit losses was based on the incurred credit loss model. An allowance for credit losses was recognised only when there was objective evidence that the amount due would not be fully collected.

8. INVESTMENTS

ACTUAL 2018 \$000		ACTUAL 2019 \$000
TERM DEPOSITS (deposits > 90 days)		
10,000	ANZ Bank	AA- -
3,000	ASB Bank	AA- -
10,000	Bank of New Zealand	AA- 6,000
2,000	Kiwibank	A 8,000
3,000	Rabobank NZ	A 4,500
1,500	ICBC	A 10,000
-	Westpac	AA- 6,500
29,500	Total investments	35,000

Term deposits with an initial term of 90 days or more, are measured at the amount invested. Interest is subsequently accrued and recorded as interest receivable (Note 7).

The weighted average interest rate on treasury investments was 3.46% with an average maturity of 90 days (2017/18: 3.48%).

A loss allowance for expected credit losses is recognised only if the estimated loss is not trivial. There was no impairment provision for Treasury investments of 90 days or more at 30 June 2019.

Term deposits are financial assets forming part of financial instruments. Financial instrument risks are discussed more fully in Note 22 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS: CONTINUED

9. PROPERTY, PLANT AND EQUIPMENT

	LEASEHOLD IMPROVEMENTS \$000	PLANT AND EQUIPMENT \$000	FURNITURE AND FITTINGS \$000	COMPUTER EQUIPMENT \$000	TOTAL \$000
COST					
Balance at 1 July 2018	3,696	2,293	1,144	1,365	8,498
Additions	781	210	113	185	1,289
Disposals	-	(50)	-	(89)	(139)
Balance at 30 June 2019	4,477	2,453	1,257	1,461	9,648
ACCUMULATED DEPRECIATION					
Balance at 1 July 2018	1,446	1,708	573	950	4,677
Depreciation expense	449	304	118	253	1,124
Eliminated on disposal	-	(43)	-	(88)	(131)
Balance at 30 June 2019	1,895	1,969	691	1,115	5,670
Carrying amount at 30 June 2019	2,582	484	566	346	3,978
COST					
Balance at 1 July 2017	3,299	2,205	1,007	1,181	7,692
Additions	1,591	162	443	275	2,471
Disposals	(1,194)	(74)	(306)	(91)	(1,665)
Balance at 30 June 2018	3,696	2,293	1,144	1,365	8,498
ACCUMULATED DEPRECIATION					
Balance at 1 July 2017	2,126	1,412	676	762	4,976
Depreciation expense	465	370	123	279	1,237
Eliminated on disposal	(1,145)	(74)	(226)	(91)	(1,536)
Balance at 30 June 2018	1,446	1,708	573	950	4,677
Carrying amount at 30 June 2018	2,250	585	571	415	3,821

There are no restrictions over the title of the Group's property, plant and equipment nor any property, plant and equipment pledged as security for liabilities.

Property, plant and equipment are shown at cost less any accumulated depreciation and impairment losses.

The Group does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Sport NZ Group and the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

Costs incurred subsequent to initial recognition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Sport NZ Group and the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are expensed in the surplus or deficit as they are incurred.

Disposals

Gains and losses are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses are reported net in the surplus or deficit.

Apollo Projects Centre

During 2017/18, the Group reclassified the Apollo Projects Centre building to non-current assets held for sale on the expectation that it would be gifted to Christchurch City Council.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, at rates that will write off the cost of the assets to their estimated residual values over their useful lives.

The depreciation rates and useful lives associated with major classes of assets have been estimated as follows:

Leasehold improvements	2 to 10 years	(10-50%)
Plant and equipment	2 to 10 years	(10-50%)
Furniture and fittings	4 to 10 years	(10-25%)
Computer equipment	2 to 5 years	(20-50%)

Leasehold improvements are depreciated over the lesser of the unexpired period of the lease or the estimated remaining useful lives of the respective improvements.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value, less costs to sell, and value in use.

Value in use is the present value of an asset's remaining service potential. It is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value depends on the nature of the impairment and the availability of information.

If an assets carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable service amount.

Total impairment loss is recognised in surplus or deficit.

The reversal of impairment loss is also recognised in the surplus or deficit.

10. NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale are assets where their carrying amount will be recovered principally through a sale transaction rather than through continuing use. These assets are available for immediate sale and the sale is considered to be highly probable. Non-current assets held for sale are recognised at the lower of their carrying amount and fair value (market value) less costs to sell, and are not depreciated or amortised while classified as held for sale. Any impairment losses for write-downs of non-current assets held for sale are recognised in the statement of comprehensive revenue and expense.

Apollo Projects Centre

It is expected that the Group will gift the Apollo Projects Centre to Christchurch City Council within the next 12 months. The carrying value of the Apollo Projects Centre is nil, reflecting that the asset has been fully depreciated.

NOTES TO THE FINANCIAL STATEMENTS: CONTINUED

11. INTANGIBLE ASSETS

INTERNALLY GENERATED 2018 \$000	ACQUIRED SOFTWARE 2018 \$000	TOTAL 2018 \$000		INTERNALLY GENERATED 2019 \$000	ACQUIRED SOFTWARE 2019 \$000	TOTAL 2019 \$000
2,256	2,109	4,365	Opening balance at 1 July	2,329	2,306	4,635
73	256	329	Additions	227	280	507
-	-	-	Reclassification	(25)	25	-
-	(59)	(59)	Disposals	(160)	(38)	(198)
2,329	2,306	4,635	Closing balance at 30 June	2,371	2,573	4,944
ACCUMULATED AMORTISATION						
1,660	1,811	3,471	Opening balance at 1 July	1,846	1,902	3,748
186	150	336	Amortisation expense	193	149	342
-	(59)	(59)	Eliminated on disposal	(160)	(38)	(198)
1,846	1,902	3,748	Closing balance at 30 June	1,879	2,013	3,892
483	404	887	Carrying Amount at 30 June	492	560	1,052

There are no restrictions over the title of the Group's intangible assets, nor any intangible assets pledged as security for liabilities.

Computer software licenses longer than 12 months are capitalised on the basis of the costs incurred to acquire and make the specific software available for use.

Costs directly associated with the development of software for internal use by the Group are recognised as an intangible asset. Costs associated with the development and maintenance of the Group's websites are recognised as an expense when incurred.

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired software	2 to 3 years	(33-50%)
Internally generated software	3 to 5 years	(20-33%)

Impairment of intangible assets

Refer to the policy for the impairment of property, plant and equipment in Note 9. The same approach applies to the impairment of intangible assets.

12. LOANS

ACTUAL 2018 \$000		ACTUAL 2019 \$000
1,300	Loan drawn down	1,300
(871)	Fair value adjustment on initial recognition	(871)
(175)	Prior year loan repayment	(175)
(228)	Cumulative fair value movement from prior years	(231)
26	Opening balance	23
(3)	Fair value movement	(23)
23	Closing balance	-
23	Total loans	-

Loans are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date for assets of a similar maturity and credit risk. Movements in fair value, including those arising from impairment, are recognised in the Statement of Comprehensive Revenue and Expense.

Loans are unrated financial assets forming part of financial instruments. Financial instrument risks are discussed more fully in Note 22.

JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Fair value of loans

At each balance date, the fair value of loans is determined based on the discounted cash flows of the expected repayments for each loan. In exercising its judgement with respect to determining both the expected future cash flows and the appropriate discount rate to apply to each loan, the Group takes into account the repayment term, currently prevailing interest rates, and any risk to achieving full recovery of the loan amount.

The Group has one loan on issue, \$1.3 million to part-fund Rowing New Zealand's loss incurred following the 2010 Rowing World Championships held at Lake Karapiro.

Rowing New Zealand

The loan to Rowing New Zealand was part funded by the Ministry of Business, Innovation and Employment (MBIE). The Group has a conditional obligation to MBIE for loan repayments received from Rowing New Zealand. At 30 June 2019, the portion of the loan due to MBIE has been recognised as a provision and is disclosed in Note 16.

The loan to Rowing New Zealand has been written down to reflect the fair value movement of the future repayments due from Rowing New Zealand.

Rowing New Zealand has not been required to make a loan repayment under the agreed calculation formula since 2015/16.

At 30 June 2019 the Rowing New Zealand loan was assessed as being irrecoverable. This assessment was based on forecast negative cash flows over the next two financial years, received from Rowing New Zealand.

NOTES TO THE FINANCIAL STATEMENTS: CONTINUED

13. TRADE AND OTHER PAYABLES

ACTUAL 2018 \$000		ACTUAL 2019 \$000
PAYABLES UNDER EXCHANGE TRANSACTIONS		
1,947	Creditors	1,623
215	Accrued expenses	601
2,162	Total payables under exchange transactions	2,224
PAYABLES UNDER NON-EXCHANGE TRANSACTIONS		
338	Other taxes payable (PAYE, ACC and rates)	217
4,977	Investment accruals	4,901
5,315	Total payables under non-exchange transactions	5,118
7,477	Total payables	7,342

Trade and other payables are non-interest bearing and are normally settled on 30-day terms. The carrying value of trade and other payables therefore approximates their fair value.

14. REVENUE RECEIVED IN ADVANCE

ACTUAL 2018 \$000		ACTUAL 2019 \$000
442	Lease incentive payment	958
176	Sundry revenue	122
618	Total revenue received in advance	1,080

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit over the lease term.

In 2014/15 Sport NZ received a lease incentive payment of \$388,608 toward the fit-out of a new Auckland premise which acts as a hub housing a number of sports organisations. In 2015/16 Sport NZ leased additional space in this premise resulting in a further lease incentive payment of \$158,659.

On 18 May 2018 Sport NZ moved into new premises in Wellington. The ten year lease period commenced on 8 December 2018 when the landlord met their obligations under the Agreement to Lease. At this point a ten month rent free period was triggered. In addition, the landlord granted Sport NZ an Early Occupation Licence for the period commencing on the Early Occupation Date (18 May 2018) until the Commencement Date (8 December 2018). Sport NZ was not required to pay rent or outgoings during this period. The rent free period is being treated as a lease incentive to be spread over the term of the lease. The gross value of this incentive is \$827,210.

These lease incentive payments are recognised as revenue received in advance and are being amortised over the expected term of the lease. Lease incentive income is non-exchange in nature.

15. EMPLOYEE ENTITLEMENTS

ACTUAL 2018 \$000		ACTUAL 2019 \$000
1,243	Annual leave provision	1,346
33	Sick leave provision	32
408	Remuneration accrued	448
24	Long service leave provision	18
1,708	Total employee entitlements	1,844

Employee entitlements that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured at undiscounted nominal values based on accrued entitlements at current rates of pay.

These include annual leave earned but not taken at balance date, sick leave, salaries and wages accrued up to balance date, and long service leave.

The Group recognises a liability and an expense for bonuses it is contractually obliged to pay, or where a past practice has created a constructive obligation and a reliable estimate of the obligation can be made.

NOTES TO THE FINANCIAL STATEMENTS: CONTINUED

16. PROVISIONS

ACTUAL 2018 \$000		ACTUAL 2019 \$000
	NON CURRENT PROVISIONS	
11	Loan repayment	-
18	Make good provision	18
29	Total Non current Provisions	18
29	Total provisions	18
	Represented by:	
	MAKE GOOD PROVISION	
168	Opening provision	18
(142)	Unused amounts reversed	-
(8)	Amounts used	-
18	Closing provision	18
	LOAN REPAYMENT	
13	Opening provision	11
11	Additional provisions made	-
(13)	Amounts used	(11)
11	Closing provision	-
29	Total provisions	18

Redundancy

A provision is recognised for future expenditure of uncertain amount or timing when:

- There is a present obligation (either legal or constructive) as a result of a past event;
- It is probable that an outflow of future economic benefits or service potential will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Redundancy

The Group has made no provision for redundancies at balance date (2017/18: Nil).

Loan

The Group had a provision for the repayment of the portion of the loan to Rowing New Zealand which represents the Group's constructive obligation for half the loan that was funded by MBIE. At 30 June 2019 the Rowing New Zealand loan was assessed as being irrecoverable and no provision has been made in respect of this loan.

Make good

The Group has lease make good obligations of \$18,000 at one of its premises (2017/18: \$18,000). At the expiry of the lease term the Group is required to make good any damage caused to the premises and to remove any fixtures and fittings that have been installed by the Group since the lease commenced. The Group has the option to renew the lease, which affects the timing of expected cash outflows to make good the premises.

The Group has assumed lease expiry dates in accordance with those reported in note 18.

17. CONTINGENCIES

The Group has no contingent liabilities and no contingent assets as at 30 June 2019 (2017/18: Nil).

18. CAPITAL COMMITMENTS AND OPERATING LEASES

The Group has no contracted capital commitments for the acquisition or development of property, plant and equipment or intangible assets as at 30 June 2019 (2017/18: Nil).

ACTUAL 2018 \$000		ACTUAL 2019 \$000
NON-CANCELLABLE OPERATING LEASE COMMITMENTS		
1,498	Less than one year	2,093
7,293	One to five years	8,178
5,699	Over five years	4,241
14,490	Total non-cancellable operating lease commitments	14,512

Operating leases

Non-cancellable operating lease commitments include:

- lease of premises, \$14,143 million (2017/18: \$14.313 million)
- lease of computer and office equipment, Nil (2017/18: \$0.001 million)
- lease of vehicles, \$0.368 million (2017/18: \$0.0177 million)

The Group has entered into five major non-cancellable operating leases. All relating to leased premises, as follows:

Location	Expiry date	Total future minimum lease payments
North Shore	26/02/2024	\$1,074,587
Dunedin	30/06/2022	\$1,022,043
Auckland	30/04/2024	\$2,584,795
Wellington	31/01/2029	\$6,226,476
Cambridge	15/03/2029	\$2,509,847

On 18 May 2018 Sport NZ moved into new premises in Wellington. The ten year lease period commenced on 8 December 2018 when the landlord met their obligations under the Agreement to Lease. At this point a ten month rent free period was triggered.

Sport NZ has sub-leased part of its Wellington office space and has future commitments to receive \$586,750 from sub-tenants beyond the balance date (2017/18: Nil).

Sport NZ leases office space in Auckland which acts as a hub for sports organisations. At 30 June 2019 the Group had subleased part of this space and had future commitments to receive \$1,351,542 from sub-tenants beyond balance date (2017/18: \$1,493,274).

NOTES TO THE FINANCIAL STATEMENTS: CONTINUED

19. RELATED PARTY TRANSACTIONS

Sport NZ is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect Sport NZ would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

There are no related party transactions by Ministers (or their close family members) that have been identified.

With the exception of note 20, Board Member Remuneration, no other related party transactions have occurred that are required to be disclosed.

Key management personnel compensation

ACTUAL 2018 \$000		ACTUAL 2019 \$000
	BOARD MEMBERS	
218	Remuneration	222
1.43	Full time equivalent personnel	1.48
	SENIOR LEADERSHIP TEAM	
2,200	Salaries and other short-term employee benefits	2,699
9.0	Full-time equivalent personnel	10.0
2,418	Total key management personnel compensation	2,921

Key management personnel includes members of the Sport NZ and HPSNZ Boards, the chief executives of both Sport NZ and HPSNZ, and the general managers from both organisations.

Board members represent 1.48 full-time equivalent personnel (2017/18: 1.43). This has been determined based on the expectations of the Minister for Sport and Recreation in 2007 that each Board member would be remunerated based on a maximum of 25 days.

20. BOARD MEMBER REMUNERATION

The total value of remuneration paid to Board members for the year ended 30 June 2019 is as follows:

ACTUAL 2018 \$000	SPORT NZ BOARD	APPOINTED	TERM ENDS	ACTUAL 2019 \$000
16	Bill Moran (Chair)	September 2016	June 2021	32
16	Darrin Sykes	August 2013	June 2020	16
16	Jason Shoebridge	January 2017	December 2019	16
16	Hilary Poole	July 2017	June 2020	16
12	Kylie Clegg	July 2017	June 2020	16
-	Dr Farah Palmer	July 2018	June 2021	16
-	Rowan Simpson	July 2018	October 2020	16
-	Raewyn Lovett	July 2018	June 2021	16
32	Sir Paul Collins (previous Chair)	May 2009	June 2018	-
16	Jackie Barron	May 2013	June 2018	-
4	Brendan O'Neill	July 2015	September 2017	-
16	Paul Cameron	July 2015	June 2018	-
144				144
ACTUAL 2018 \$000	HPSNZ BOARD	APPOINTED	TERM ENDS	ACTUAL 2019 \$000
10	Bill Moran (Chair)	January 2017	December 2019	14
10	Alison Shanks	July 2015	July 2021	10
10	Waimarama Taumaunu	July 2017	July 2020	10
10	Ian Hunt	July 2015	July 2021	10
10	Hilary Poole	January 2017	December 2019	10
-	Kylie Clegg	July 2018	July 2021	10
5	Tony Hall	January 2018	December 2020	10
-	Chelsea Grootveld	February 2019	January 2022	4
14	Sir Paul Collins (previous Chair)	July 2011	June 2018	-
5	Simon Wickham	July 2011	December 2017	-
74				78
218	Total Board Members' Remuneration			222

Peter Miskimmin is a non-voting ex-officio member of the HPSNZ Board.

In addition to the remuneration reported in the table above, there were gifts provided for 3 departing Board members valued at approximately \$613 (2017/18: \$637).

During the 2018/19 year:

Payments totalling \$225,375 (2017/18: \$141,538) were made to Martin Jenkins Limited, of which Hilary Poole is a Director, in relation to consulting services provide to Sport NZ.

Payments totalling \$50,298 were made to Duncan Cotterill, of which Raewyn Lovett is a partner, in relation to consulting services provided to Sport NZ.

NOTES TO THE FINANCIAL STATEMENTS: CONTINUED

BOARD MEMBER REMUNERATION CONTINUED

During the year the following HPSNZ directors were engaged to provide services to HPSNZ:

- Ian Hunt through Young Hunter Lawyers, provided legal services to HPSNZ totalling \$18,000.
- Alison Shanks provided services to the HPSNZ Gender Equity, Diversity and Inclusivity Action Group totalling \$2,950.

During the 2017/18 year:

A payment of \$10,000 was made to Bill Birnie for work related to the establishment of BlackGold, a joint philanthropic venture between HPSNZ, Sport NZ and New Zealand Olympic Committee.

Sport NZ engaged TNS New Zealand Limited, of which Jason Shoebridge is a Director, to produce a piece of research work totalling \$31,000 in the 2017/18 financial year.

During the 2017/18 financial year payments of \$2,000 were made to De Novo Limited in relation to staff coaching services provided by Bill Moran.

Payments totalling \$119,613 were made to HOBO Medical Services Limited during the 2017/18 financial year in relation to services provided as a medical director to HPSNZ by Brendan O'Neill .

All transactions with Board members were on normal commercial terms and at arm's length. There were no other payments to committee members who were not Board members during the year ended 30 June 2019 (2017/18: Nil).

During 2017/18 the Group received a donation of \$50,000 from Hoku Foundation, a charitable trust of which Rowan Simpson is a trustee. Rowan was appointed to the Sport NZ Board during the year, effective from 1 July 2018, by the Minister of Sport and Recreation.

The Group has provided Directors and Officers Liability and Professional Indemnity insurance cover for Board members and employees for the year ended 30 June 2019.

21. EMPLOYEE REMUNERATION

The number of employees who received, or who are due to receive, remuneration of \$100,000 or more during the year ended 30 June 2019 are provided, within \$10,000 bands, in the table below.

ACTUAL 2018		ACTUAL 2019
1	390,001 - 400,000	1
-	380,001 - 390,000	1
-	340,001 - 350,000	1
1	310,001 - 320,000	-
-	260,001 - 270,000	1
-	250,001 - 260,000	1
-	240,001 - 250,000	-
1	230,001 - 240,000	-
-	220,001 - 230,000	-
2	210,001 - 220,000	1
1	200,001 - 210,000	2
3	190,001 - 200,000	2(1)
2(1)	180,001 - 190,000	-
3	170,001 - 180,000	4
6	160,001 - 170,000	5(2)
12(1)	150,001 - 160,000	10
14(1)	140,001 - 150,000	13
11	130,001 - 140,000	15(1)
6(1)	120,001 - 130,000	8(2)
14(1)	110,001 - 120,000	15(1)
14(3)	100,000 - 110,000	21(3)
91(8)		101(10)

The above table includes those employees who ceased employment during the periods reported. For the year ended 30 June 2019, 10 employees who ceased employment during the period had received remuneration of greater than \$100,000, as indicated in brackets (2017/18: 8).

The Sport NZ and HPSNZ chief executives salaries are within the band range \$380,001 to \$390,000 (2017/18: \$390,001 to \$400,000) and \$390,001 to \$400,000 (2017/18: \$430,001 to \$440,000) respectively.

In 2017/18 HPSNZ had two chief executives, in addition one of the SLT members was acting chief executive in between. The combined remuneration of the two chief executives was within the band range \$260,001 to \$270,000.

During the year ended 30 June 2019, there were six employees who received, or were entitled to receive, \$219,817 compensation or other benefits in relation to cessation of employment (2017/18: nil).

During the 2018/19 financial year, the Group had a 2.5% general pay increase (2017/18: 2.5%).

NOTES TO THE FINANCIAL STATEMENTS: CONTINUED

22. FINANCIAL INSTRUMENTS

Financial instrument categories

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

ACTUAL 2018 \$000		ACTUAL 2019 \$000
	<i>Financial liabilities measured at amortised cost</i>	
7,139	Payables	7,125
7,139	Total financial liabilities measured at amortised cost	7,125
	<i>Financial liabilities measured at amortised cost</i>	
8,022	Cash and cash equivalents	6,092
1,730	Receivables	567
29,500	Investments - term deposits	35,000
23	Loans	-
39,275	Total financial assets measured amortised cost	41,659

Fair value

The fair value of the Group's financial assets and liabilities within each category are equivalent to their carrying amounts and are disclosed separately in the Statement of Financial Position. The Group's financial assets and liabilities have not been disclosed by fair value hierarchy due to their nature and the materiality of this disclosure.

With the exception of the loan to Rowing New Zealand which has been written down to reflect the fair value movement of the future repayments, the fair value of all financial instruments has been determined in accordance with level I of the fair value hierarchy.

The Group's financial liabilities are all non-interest bearing trade and other payables that are normally settled on 30-day terms.

Financial instrument risks

The Group's activities expose it to a variety of financial instrument risks, including market, credit and liquidity risk. The Group has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies prohibit entering into speculative transactions.

Fair value interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate, or the cash flows from a financial instrument will fluctuate, owing to changes in market interest rates.

The Group's exposure to interest rate risk is limited to bank deposits that are held at fixed rates of interest. The Group does not actively manage its exposure to fair value interest rate risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group has no material exposure to currency risk.

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. The Group is not exposed to price risk as it does not hold any listed equity investments.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the Group, causing the Group to incur a loss.

Due to the timing of its cash inflows and outflows, the Group invests surplus cash with registered banks. In line with the Group's investment policy, funds may only be deposited with registered banks having an A- (Standard and Poors) or better credit rating and within limits of credit exposure to any one institution.

The single most significant receivable carried at balance date is for NZLGB revenue. This receivable comprises the fourth quarter instalment and the final wash-up payment for the financial year, received each year in July and October respectively. These are guaranteed amounts, and are therefore low risk. The Group does not have significant concentrations of credit risk for any other financial instruments.

Where necessary the impairment of short term receivables is determined by applying the expected credit loss model.

The Group's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and net receivables, as detailed in notes 6 and 7 respectively. There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements, the Group closely monitors its forecast cash requirements with expected cash drawdowns from the Crown and NZLGB. The Group maintains cash on hand to meet liquidity requirements.

NOTES TO THE FINANCIAL STATEMENTS: CONTINUED

23. CAPITAL MANAGEMENT

The Group's capital is its equity, which comprises accumulated funds and other reserves. Equity is represented by net assets.

The Group is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities and the use of derivatives.

The Sport NZ Board has set a minimum level of public equity at \$11.5 million (2017/18: \$10.5 million) to manage the Group's cashflow profile and unforeseen fluctuations in NZLGB revenue.

24. EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

Explanations for major variations from the Group's budgeted figures in the SPE 2018/19 are as follows:

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Revenue

New Zealand Lottery Grants Board

The Lottery Grants Board (NZLGB) has reported a lower profit of \$261.3m (2017/18 \$275m) resulting in a reduced Lotto revenue of \$2.752m partially offset by a \$0.236m increase to Water Safety New Zealand. Delayed game changes and fewer jackpots have impacted negatively on sales.

Interest received

Interest received is lower than budget but higher than the prior year due to higher average investment balances at lower than expected interest rates.

Sector investments

Sector investments of \$97.745m is \$7.966m less than budget but \$2.840m higher than 2017/18. The lower than expected investment spend is principally due to unallocated Lotto reserves (\$4.485m) being rephased to out years, High Performance Sport has spent \$1.018m less than budgeted in 2018/19, these funds have been applied to the 2019/20 year to support Tokyo 2020 Olympic and Paralympic initiatives, and Sport NZ has carried forward sector investment funds of \$0.816m to complete delayed projects.

Operating expenditure

Operating expenditure of \$49.502m is \$1.356 (2.7%) below budget and \$5.818m (13.3%) more than 2017/18. Personnel costs, while in line with budget, are \$3.422 more than 2017/18. 2017/18 personnel costs were lower than expected primarily due to the difficulty in filling staff vacancies in a highly competitive global market. The higher than budgeted professional technical services principally relate to an increased spend on sector support consultants (Note 5).

STATEMENT OF FINANCIAL POSITION

Assets

Cash and investments (term deposits) were \$11.702m higher than expected. This variance largely reflects lower than expected sector investment and higher than projected opening balance.

Trade and other receivables were \$1.183m less than expected and \$5.577m lower than 2017/18. This is due to less Lotto revenue in 2018/19 including a lower year end wash-up payment than the prior year.

Liabilities

Liabilities of \$10,266m are \$1.788m greater than budget and \$0.463m more than at 30 June 2018. This is largely reflected in the trade and other payables balance.

25. EVENTS AFTER BALANCE DATE

There were no significant events after balance date requiring either adjustment to the financial statements or further disclosure in the accompanying notes.

26. ADOPTION OF IFRS 9 FINANCIAL INSTRUMENTS

In accordance with the transitional provisions of PBE IFRS 9, the Sport NZ group has elected not to restate the information from previous years to comply with PBE IFRS 9.

Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- **Note 7 Trade and other Receivables:** This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.
- **Note 8 Investments: Term deposits:** This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

On the date of initial application of PBE IFRS 9, being 1 July 2018, the classification of financial instruments under PBE IPSAS 29 and PBE IFRS 9 is as follows:

	MEASUREMENT CATEGORY		CARRYING AMOUNT		
	ORIGINAL PBE IPSAS 29 CATEGORY	NEW PBE IFRS 9 CATEGORY	CLOSING BALANCE 30 JUNE 2018 (PBE IPSAS 29) \$000	ADOPTION OF PBE IFRS 9 ADJUSTMENT \$000	OPENING BALANCE 1 JULY 2018 (PBE IFRS 9) \$000
Cash and cash equivalents	Loans and receivables	Amortised cost	8,022	-	8,022
Trade and other Receivables	Loans and receivables	Amortised cost	18,585	-	18,585
Term deposits	Loans and receivables	Amortised cost	29,500	-	29,500
Loans	Loans and receivables	Fair value through surplus or deficit	23	-	23
Total financial assets			56,130	-	56,130

The measurement categories and carrying amounts for financial liabilities have not changed between closing 30 June 2018 and opening 1 July 2018 dates as a result of the transition to PBE IFRS 9.

APPENDIX 1

INTERESTS OF BOARD AND KEY MANAGEMENT PERSONNEL

Conflicts of interest are both defined and managed in accordance with relevant policies. The Sport NZ Group maintains Interests Registers for members of the Sport NZ and HPSNZ Boards, and staff. Board members and key management personnel (those on the Sport NZ and HPSNZ Senior Leadership Teams) are not part of decision making processes where the Group has entered into transactions with organisations in which they have disclosed interests.

Disclosed interests are listed here for current Board members and key management personnel, and those who were Board members in 2018/19.

NAME	ORGANISATION	POSITION
Kylie Clegg Board Member Sport NZ	Auckland Transport	Director
	Counties Manukau District Health Board	Director
	Waitemata District Health Board	Deputy Chair
	Well Foundation	Trustee and Ex Officio Member
Chelsea Grootveld Board Member Sport NZ	Aiko Consultants Limited	Director
	Hato Pāora Board of Trustees	Chair
	Iwi affiliations: Ngāti Porou, Ngai Tai, Whānau a Apanui, Whakatōhea, Te Arawa	
	JR McKenzie Trust	Trustee
Tony Hall Board Member HPSNZ	Agriculture and Life Sciences Lincoln/Massey and Industry Partnership for Excellence	Chair
	Community Colleges NZ	Governing Director
	Core Education Trust	Chair
	Lincoln University Hospitality Limited	Chair
	North Canterbury Sport and Recreation Trust	Board Member
	New Zealand Olympic Committee	Board Member
	NZOC Selection Panel	Member
	Waikuku Beach Surf Lifesaving	Patron
Ian Hunt Board Member HPSNZ	Court of Arbitration for Sport	Arbitrator
	Young Hunter Lawyers (provides legal advice to individual athletes, national and local sports organisations)	Partner
Raewyn Lovett Board Member Sport NZ	CHT Healthcare	Trustee
	International Working Group on Women and Sport (IWG)	Co-Chair
	Football NZ Executive Committee	Business partner is on committee
	Darroch Limited	Director
	Duncan Cotterill (provides legal services to Sport NZ, Surf Lifesaving NZ, and Hockey New Zealand)	Partner
	Dunedin Venues Management Limited	Chair
	Women's Sport Leadership Academy	Mentor
	NZ Track Cycling team	Niece is a member
	Quotable Value Australia Pty Limited	Director
	Quotable Value Limited	Chair
	Sir Ray Avery Foundation	Trustee
WiSPA	Board appointments panel	

NAME	ORGANISATION	POSITION
Peter Miskimmin Sport NZ CE and Ex Officio HPSNZ Board Member	Hockey New Zealand	National Selector of Men's Black Sticks
Bill Moran Chair Sport NZ and HPSNZ Boards, From from July 2018	Aspen Initiative NZ	Trustee
	Community Trust South	Trustee
	McGuinness Institute	Patron
	New Zealand Dementia Prevention Trust	Trustee
	New Zealand Football Foundation	Trustee
	Otago Polytechnic	Deputy Chair
	Parliamentary Education Charitable Trust	Trustee
	Pioneer Energy	Director
	Play It Strange Trust	Advisory Trustee
	Queenstown Community Hub	Trustee
	School of Government, Victoria University of Wellington	Advisory Trustee
	Three Lakes Cultural Trust	Chair
	Turn Up the Music Trust	Chair
	Youthtown	Director
Farah Palmer Board Member Sport NZ	Aho ki Rangi Trust	Member
	Iwi: Ngāti Maniapoto and Waikato (Tainui)	
	Kind Hearts Movement	Ambassador
	Massey University – Massey Business School	Associate Dean - Māori Senior Lecturer
	New Zealand Māori Rugby Board	Chair
	New Zealand Rugby	Director
	New Zealand Women in Leadership	Steering Committee Member
Hilary Poole Board Member Sport NZ and HPSNZ	Auckland Regional Amenities Funding Board	Independent Director
	Badminton New Zealand	Member of Board appointments panel
	Hockey New Zealand	Member of Board appointments panel
	Homotech Ltd	Independent Chair
	Just Water International Ltd	Independent Chair
	Martin Jenkins Ltd	Chair
	Play it Strange Trust	Member of Board of Trustees
	Snow Sports New Zealand	Member of Board appointments panel
	The Clubhouse NZ Ltd (NZ Women's Golf Open – LPGA Event 2017-2019)	Independent Director
Michael Scott HPSNZ CE and Sport NZ Ex Officio Board Member		None
Waimarama Taumaunu Board Member HPSNZ	International Netball Federation	Rules Advisory Panel
	Netball Central Zone	High Performance Director (permanent, part time)
	Netball New Zealand	Contractor (part time)
	NZ Community Trust	Wellington Regional Advisory Committee member
	New Zealand Olympic Committee (NZOC)	Māori Advisory Board

APPENDIX 1: CONTINUED

NAME	ORGANISATION	POSITION
Alison Shanks Board Member HPSNZ	Cycling New Zealand	Director
	Cycling New Zealand	Husband employed by Cycling NZ
	Commonwealth Games Federation Athletics Advisory Commission	Member, Oceania Representative
	HPSNZ (employment transferred from Cycling NZ)	Husband employed by HPSNZ
	My First Gym NZ	Master Franchisor
	New Zealand Olympic Committee (NZOC)	Ambassador
	New Zealand Olympic Committee (NZOC)	Oceania Rep, Commonwealth Games Athletes Advisory Commission
	New Zealand Olympic Committee (NZOC) Athletes Commission	Member
	Sport Heroes	NZ Country Manager
	Toro Mai Trust	Trustee
	Wardell + Associates	Contract work writing commercial strategy for Athletics NZ
	WEL Networks Ltd	Intern Director
Jason Shoebridge Board Member Sport NZ	Colmar Brunton Research Limited	Director
	Colmar Brunton Research Limited	CEO of parent company
	Kantar Insight New Zealand	CEO
	NFO Worldgroup Holdings Limited	Director
	Research International Limited	Director
	Rosmini College Board of Trustees	Trustee
	TNS New Zealand Limited	Director
Rowan Simpson Board Member Sport NZ	Atomic.io Limited	Director
	Hoku Foundation	Trustee
	Timely Limited	Director
	Valar NZ Limited	Director
	Winter Games NZ Trust	Trustee
Darrin Sykes Board Member Sport NZ	Capital and Coast District Health Board	Government appointed Board Member
	Capital and Coast District Health Board Finance, Risk & Audit Committee	Chair
	Capital and Coast District Health Board Remuneration Committee	Member
	Crown Forestry Rental Trust	Chief Executive
	Federation of International Touch Referees Commission	Member
	Forestry Emission Unit Trust	Secretary
	Health Quality & Safety Commission	PIF Reviewer
	Touch New Zealand	National Director of Referees
	Touch New Zealand	Integrity Review Officer
	Touch New Zealand Judicial, Legal and Constitutional Committee	Chair
	Wellington Regional Sports Education Trust (trading as Sport Wellington)	Trustee

APPENDIX 2

GLOSSARY

Active NZ	A survey commissioned by Sport NZ to understand participation in Play, Active Recreation and Sport in New Zealand. Redesigned in 2017, trends will be available in the third year of survey, ie 2019.
Active Recreation	<p>'Active recreation' is a subset of physical activity (see definition below), and is the term we use to describe 'generally non-competitive physical activities for the purpose of wellbeing and enjoyment'.</p> <p>It includes activities that:</p> <ul style="list-style-type: none"> ■ occur in built, landscaped and natural environments (including outdoor recreation, fitness/exercise, community recreation, aquatics, informal activity and play). ■ are undertaken both by individuals and by groups. ■ occur both with and without the active involvement of a 'provider' group or organisation (ie independently). <p>It is likely undertaken as 'informal activity' with people choosing to be active when they want, with whom they want, and at a time and for a duration that best suits them.</p>
Balance is Better	A Sport NZ programme to support organisations making changes to ensure they put the needs of participants and athletes first. Specifically, it supports targeted partners who are tackling change to ingrained competition formats, tournaments, selection processes in their sport focusing on the youth sport area (aged 11-18).
Club experience survey	See the Voice of the Participant survey.
Coach developer	Just as coaches work with and develop athletes, coach developers are the people who develop coaches. Coach developers often work for NSOs and Regional Sport Organisations.
Community Sport	We use a wide definition of community sport. It includes play (age and stage appropriate development opportunities for young people), active recreation, and competitive sport taking place through schools, clubs and events at a local, regional and national level. Community sport does not include high performance sport or passive recreation such as gardening.
Community Sport approaches or Three Approaches	<p>We have three Community Sport approaches (providing a way of thinking and working) through which the community sport system will develop quality opportunities, support and experiences which are:</p> <ol style="list-style-type: none"> 1. Insights Approach 2. Locally Led Approach 3. Physical Literacy Approach <p>For more information: www.sportnz.orgnz/threeapproaches.</p>
Community Sport Strategy	Sport NZ's strategy for the period 2015-20 which focuses on young people and building system capability to provide quality experiences and increase participation.
Competitive Sport	Organised community sport that is delivered at a local, regional or national level. It does not include informal active recreation and play, or high performance sport – it sits in the middle of that spectrum, encompassing both organised sport played primarily for social participation purposes as well as the sub-elite parts of the athlete pathway.
Every Body Active	Sport NZ's vision under the Towards 2032: Strategic Direction.
Grow NSOs	Grow NSOs are ten national sport organisations identified for their high potential to increase participation in one or more identified Target Participant Groups (TPGs). They are priority partners who receive investment to enhance existing programmes and develop new programmes and products.
Healthy Active Learning	A new Wellbeing Budget 2019 joint initiative by the Ministry of Health (MoH), Ministry of Education (MoE) and Sport NZ. It will promote healthy eating and physical activity in schools, kura, and early learning services across Aotearoa New Zealand.
Healthy Families	An initiative funded by the MoH which is led by a range of locally-based organisations in their specific communities, including: iwi organisations, councils, Pacific primary healthcare organisations, and RSTs. These organisations are responsible for bringing together partnerships of key organisations and local leaders who can influence transformational change in their communities. Sport NZ has a partnership with Healthy Families which is an area of mutual interest with MoH.
He Oranga Poutama (HoP)	He Oranga Poutama is a programme funded by Sport NZ that supports Māori wellbeing through sport and active recreation, and is held in different regional sports trusts and iwi around the country. The overall aim of this programme is to get more Māori active and participating within their communities by doing things Māori. The framework used to measure this is Te Whetu Rehūa.

APPENDIX 2: CONTINUED

GLOSSARY

High Performance (HP) Sport	Sport which is at the highest level of competition, with high performance athletes as the competitors. High Performance Sport New Zealand (HPSNZ) leads the high performance system in New Zealand, targeting investment and support to the athletes, teams and sports capable of winning medals on the world stage – especially at the Olympics.
Innovations for Young Women Fund	A Sport NZ fund to get more young women physically active through play, active recreation and sport. It is designed for smaller organisations or teams, to submit their best innovative ideas which target young women to get and stay active. Following the development of the ideas at an innovation weekend, developed ideas are eligible for funding of up to \$25,000 per project. The first round of the fund was in 2018/19.
Insights Approach	One of our three Community Sport approaches. A combination of facts, data, voice of the participant, local knowledge and analysis to help better understand participants and participation.
Kiwisport	Kiwisport is a government funded initiative managed by Sport NZ that aims to get more school-age children (aged 5-18) participating in competitive sport. It has two components. <ul style="list-style-type: none"> ■ The Kiwisport Direct Fund - provided to all schools (public and private). The amount allocated to each school is based on a per capita formula and is funded directly by the Ministry of Education (MoE) through operational funding. The Direct Fund is for schools to use on initiatives that lead to the outcomes sought from Kiwisport, i.e. more children and young people participating regularly in competitive sport. Schools have discretion about how the fund is used. ■ The Regional Partnership Fund (RPF) - designed to complement the Direct Fund by encouraging schools, clubs, community organisations and local businesses to collaborate in increasing opportunities for school-aged children to participate in organised sport. The RPF is funded through Sport NZ to Regional Sports Trusts (RSTs). The RSTs receive funding based on the number of enrolled students in their region calculated according to roll-return information from MoE. RSTs allocate funding in projects which can ensure new or increased opportunities for school-aged children to participate in competitive sport at a community/regional level.
Leads	Sport NZ supports Insights and Physical Literacy Leads within RSTs who are responsible for upskilling others and championing the approach both internally and externally.
Living Standards Framework (LSF)	Developed by the Treasury, the LSF looks across the human, social, natural and financial/physical aspects of those things that affect our wellbeing – the ‘four capitals’. It is a tool that emphasises the diversity of outcomes meaningful for New Zealanders, and helps the Treasury to analyse, measure and compare those outcomes through a wide and evolving set of indicators.
Locally Led Approach	One of our three Community Sport approaches which empowers local communities to make decisions and take action to improve their lives and communities.
Low Participating Communities	Communities where participation in sport and active recreation is below average. These communities often have a mixed demographic that includes our Target Participant Groups (TPGs).
National Recreational Organisation (NRO)	There is a significant number of National Recreation Organisations (NROs) involved in delivering active recreation opportunities to New Zealanders. Sport NZ invests in eight NROs as active recreation partners. Our most significant active recreation partner is the New Zealand Recreation Association (NZRA).
National Sport Organisation (NSO)	The peak body for a sport in New Zealand e.g. Basketball New Zealand.
Outcomes Framework	Sport NZ’s Outcomes Framework demonstrates how Sport NZ contributes to the Government’s wellbeing objectives. Developed for Towards 2032 Sport NZ’s Strategic Direction, the framework links the work (outputs) of Sport NZ and the play, active recreation and sport system, with the contributions to wellbeing that we are trying to achieve (outcomes).
Own the Moment	A HPSNZ action plan to enable Tokyo 2020 athletes to develop psychological components needed for optimum performance under pressure.
Participant	A person who participates in a play, active recreation and sport opportunity – e.g. as a player, but not a coach, referee or administrator.
Partners	A group of over 130 stakeholders, such as RSTs, NSOs and NROs across the system which Sport NZ works with and invests in.
Partner Confidence Survey	Sport NZ’s annual survey to gather feedback from partners regarding Sport NZ’s support to them.

Partner reporting	All Sport NZ partners who receive investment are required to provide written reports regarding the initiatives they carried out during the year. A face to face meeting also takes place, with an independent observer present. Partners summarise what they did, the impact and what they learned. The report is then assessed by Sport NZ experts against set criteria and the relative size of the investment.
Performance Enhancement Grants (PEGs)	High performance sport grants to provide athletes and teams with direct financial support to enable them to commit to longer periods of training and competition. There are five categories of PEGs that may be granted: Olympic Individual, Olympic Team, Non-Olympic Individual, Non-Olympic Team and Emerging Talent.
Physical Activity	Any bodily movement produced by skeletal muscles that expends energy. Encompasses a whole spectrum of sport and active recreation activities including: everyday walking, cycling, work-related movement, active play, recreation as well as organised activities, social sport and competitive sport.
Physical literacy	Physical literacy is a person's level of motivation, confidence, physical competence, and knowledge and understanding of physical activity. The more physically literate someone is, the more likely they are to have a lifelong love of being active. We first develop physical literacy as babies, toddlers and young children through play (play is the foundation of physical literacy). We continue to develop it through physical opportunities that match our individual abilities and holistic needs (physical, social/emotional, cognitive and spiritual).
Physical Literacy Approach	One of Sport NZ's Community Sport three approaches. The approach is about providing quality experiences that meet people's holistic needs (physical, social/emotional, cognitive and spiritual) and therefore improve their physical literacy. This is particularly important at a young age, to ensure young people develop the motivation, confidence, physical competence, and knowledge and understanding that will enable them to have a lifelong love of physical activity.
Play	Play is: <ul style="list-style-type: none"> ▪ Intrinsically motivated - it is spontaneous and will happen anywhere ▪ personally directed – it has limited or no adult involvement ▪ freely chosen – it has no predetermined outcome and is self-determined, fun, accessible, challenging, social and repeatable. For more information see: www.sportnz.org.nz/play.
Play.sport	Play.sport is a collaborative intervention led by Sport NZ intended to improve the quality of physical education, sport, play and physical activity experience in schools and better connections between schools and communities. It is delivered by Sport NZ and supported by MoE and ACC.
Prime Minister's Sport Scholarships	These scholarships support athletes, coaches and support team members and officials to gain educational or professional qualifications while continuing in sport. It includes a financial contribution towards academic fees of up to \$10,000 per year and a financial contribution towards other study costs of up to \$5,000.
Priority partner	A subset of 33 partners that Sport NZ works more closely with and provides a greater level of investment. Priority partners are those that have been identified with the potential to impact our Target Participant Groups.
Quality experiences	Experiences that develop physical literacy by meeting the aspirations and needs of the participant.
Quality opportunities	Opportunities that are provided at the right time, place and cost for the participant.
Quality support	People who enable and enhance quality opportunities and experiences for the participant.
Rangatahi	Sport NZ refers to young people aged 12-18 as 'rangatahi' in our Strategic Plan 2020-24.
Results Based Accountability (RBA)	An approach to reporting which communities and organisations can use to focus on results/outcomes to make a positive change for their communities, whānau and clients.
Regional Sports Organisation (RSO)	One type of regional sport provider, often a provincial sport association that is closely aligned to its National Sport Organisation (NSO) and whose members are local sports clubs.
Regional Sports Trust (RST)	Regional sporting entities that connect into communities. RSTs are key partners in the regional delivery of sport. Sport NZ invests in 14 RSTs to provide leadership, influence and advocacy to grow participation in their regions.
RST Stakeholder Survey	The RST Stakeholder Survey is conducted every two years and is sent to organisations that work closely with RSTs such as local government, local sporting bodies, and the health and education sector. The purpose of the RST Stakeholder Survey is to support the continued development of RSTs as strong regional leaders, working with the stakeholders in the regions to support and enhance the play, active recreation and sport system.

APPENDIX 2: CONTINUED

GLOSSARY

Sport Social Value Bank	An initiative that uses international best practice methods to place a monetary value on outcomes associated with play, active recreation and sport.
System	The collection of regulations, organisations, places and people who directly or indirectly participate in, support, contribute to, or influence play, active recreation and sport in Aotearoa New Zealand. The play, active recreation and sport system includes central and local government agencies, sport and active recreation organisations, private and commercial providers, schools, teams, funders, social groups and families.
System Build	The Community Sport Strategy 2015-20 relies on building a system that is responsive to participant needs. This is because the strategic outcomes of increasing participation rely on the system responding and adapting to changing participant needs now and in the future ie building from a demand-led approach, as opposed to supply-led.
Tamariki	Sport NZ refers to children aged 5-11 as 'tamariki' in our Strategic Plan 2020-24.
Target Participant Groups (TPGs)	Target Participant Groups (TPGs) are groups where an organisation is particularly focusing its effort. Within the young people (aged 5-18) focus of our Community Sport Strategy, the TPGs are: <ul style="list-style-type: none"> ■ Teenage girls (aged 10-18). ■ Young people playing competitive sport. ■ Young people in low participating communities
Targeted Sports	HPSNZ works closely with a group of NSOs and Campaign Sports. This is a balanced portfolio that's wide enough to ensure enough medal opportunities, and narrow enough to impact performance and increase the chances of repeatable success. See: https://hpsnz.org.nz/what-we-do/
Territorial Authorities (TAs)	In New Zealand local government there are 67 TAs made up of: 13 city councils (including Auckland Council), 53 district councils and the Chatham Islands Council. District councils serve a combination of rural and urban communities, while city councils administer the larger urban areas. Five TAs (Auckland, Nelson, Gisborne, Tasman and Marlborough also perform the functions of a regional council and thus are unitary authorities.
Te Tiriti o Waitangi	The Treaty of Waitangi, Aotearoa New Zealand's founding document.
Te Whetu Rēhua	Te Whetu Rēhua is a culturally based programme and evaluation framework developed for He Oranga Poutama (HOP). Te Whetu Rēhua encapsulates a collective and shared understanding of five key Māori concepts and principles that make up what it means to participate as Māori in sport and recreation in the HOP programme context.
Three approaches	See Community Sport Three Approaches
Towards 2032	Sport NZ's strategic direction for the next 12 years to 2032. This comprises three four-year strategic periods.
Tū Te Ihi	Sport NZ's Māori Cultural Capability programme launched in 2018.
Voice of the Participant survey (VoP)	A national survey run by Sport NZ to capture how our partners are viewed and their impact on their own regions and sport systems. It is completed by over 30,000 people and provides valuable insights for NSOs to understand the needs of participants.
Wellbeing approach	Enabling people to have the capabilities they need to live lives of purpose, balance, and meaning for them. It is an intergenerational approach that seeks to maintain and improve New Zealanders' living standards over the long term.
Women and Girls in Sport and Active Recreation Government Strategy	The Government's strategy developed by Sport NZ that aims to create an equitable and inclusive sport and recreation culture for Aotearoa New Zealand, and a system that empowers and supports all women and girls – as active participants, athletes and leaders. It has three priority areas: leadership, participation, and value and visibility. Sport NZ published the strategy in October 2018.
Women and Girls in Sport and Active Recreation Sport NZ Commitments	Sport NZ's response to the Women and Girls in Sport and Active Recreation Government Strategy. The document sets out the 24 commitments under each of the three priority areas.
Young Women's Activation Fund	A Sport NZ fund to get more young women physically active through play, active recreation and sport. It focuses on young women aged 12-18 to get and stay active and/or developing leadership skills. Eligible organisations can apply \$30-300k per project over a maximum of three years.



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