

SPORT NZ ANNUAL REPORT

2013





The Board of Sport and Recreation New Zealand has the pleasure in presenting to the House of Representatives and pursuant to the Crown Entities Act 2004 Sport and Recreation New Zealand's Annual Report for the year ended 30 June 2013.

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Our Vision

Enriching lives through sport
– everyone, everyday.

Our Mission

Creating a world-class sport
system at all levels.





Introduction

Our Highlights

Sport in Education

Our Sport in Education programme is proving just how powerful sport can be in a school environment. In eight pilot schools around the country they're starting to see improved student attitudes and engagement, a rise in the number of students playing sport, and a rise in the amount of coaching received by both secondary and primary students.



KiwiSport

KiwiSport continues to provide more and more accessible opportunities for school-aged children to get involved in sport, and to develop skills that enable them to participate with confidence. Over the first three years of KiwiSport, 5.5 million new opportunities have been created around the country. \$23.2 million has now been invested in KiwiSport through Regional Sports Trusts (RSTs), and plans are now in place for programmes through to 2015.



Community Sport

As a result of our targeted Community Sport investment we've seen many of our biggest codes increase participation, including football, hockey, league, netball and rugby.



Developing great coaches

Coaches are one of the key enablers of our world-leading sport system, from grass roots through to elite. Through the CoachMark process, 14 targeted community sports have now reviewed their coach development programmes to ensure they have strong pathways for coaches. More than 700 secondary students have also commenced a new programme, 'Growing Coaches'. It will train them to coach, give them opportunities to coach younger students, and also enable them to earn NCEA credits.



Building a capable sector

We are continuing to work with the sport sector to improve the quality of governance and management, and back office effectiveness and efficiency. Most recently this has included helping NZ Cricket to make changes to its sport, and working with Bike NZ to review its strategy and operations. Positive feedback continues to be received for the leadership development opportunities that Sport NZ and HPSNZ offer, including Chief Executive and High Performance Director programmes. This year we also launched a programme to develop Community Sport Directors.



Kiwis continue to win on the world stage

Following New Zealand's success at the London Olympics, Kiwi athletes have produced a string of podium performances at world championships and pinnacle events, both at home and around the world, including:

- Double Olympic gold medallist Val Adams again demonstrating her dominance in the women's shot put by winning her fourth world championship gold medal;
- The Olympic gold medal winning rowing men's pair of Hamish Bond and Eric Murray winning their fourth world title, and the Kiwi team picking up five medals in all at the world champs;



- Olympic gold medallist Lisa Carrington is aiming for kayaking medals in 2016 in both the women's 200m and 500m events, and made a great start towards achieving this goal by retaining her World Championship title in the K1 200m and winning a world championship bronze in the K1 500m;
- Aaron Gate winning the men's omnium at the 2013 World Track Cycling Championships while Marc Willers earned a silver medal at the 2013 UCI BMX World Championships that were staged in Auckland;
- Our top equestrians continued their great form, including eventing rider Andrew Nicholson being World Number One and winning four out of five four-star events in quick succession after the Olympic Games;
- Top ranked amateur Lydia Ko defended her title at the Canadian Women's Golf Open and came second in the women's major tournament in France;
- In yachting, London Olympic gold medallists Jo Aleh and Polly Powrie won gold to become women's 470 world champions;
- At the short course world champs, swimmer Lauren Boyle won gold in the 800m and bronze in the 400m and followed that up with three bronze medals in the 400m, 800m and non-Olympic 1500m at the 2013 FINA Swimming World Championships;



- The Paralympics New Zealand swim team produced outstanding results at the 2013 IPC Swimming World Championships winning 15 medals of which 12 were gold;
- The men's and women's Rugby Sevens teams won their respective world series and followed that up by winning at the Sevens World Cup in Moscow;
- And from the non-Olympic sports, New Zealand's Black Sox won the world softball title here at home, while our surf life-saving team also won their world title.



World-class facilities

As part of our expanding network of world-class facilities, the new Apollo Projects Centre in Christchurch was officially opened in May 2013, meaning Canterbury's elite athletes again have access to a high performance training facility. The National Cycling Centre of Excellence; the Avantidrome, in Cambridge is on track for completion in early 2014. And progress has continued on the development of a National Ocean Water Sports Centre in Auckland. This year we have invested \$14.5 million in key infrastructure projects, to enable our elite athletes to have a world-class training and competition environment right on their own doorstep.



Mega events – World Cups Office

In April a 'mega events' office was established within Sport NZ to provide strategic, central government-level oversight for both the ICC Cricket World Cup (which New Zealand is co-hosting with Australia) and the FIFA U20 World Cup.



Supporting key cities

With Sport NZ's help, the new Auckland Sport entity opened its doors on 1 July 2013. Auckland Sport will take over responsibility for strategy and investment at a region wide level, to ensure alignment and maximise opportunities in our biggest city. We're also continuing to play our part in quake-damaged Christchurch, ensuring there are places and spaces for Cantabrians to continue to enjoy sport at all levels.

Celebrating Sport Makers (volunteers)

This year Sport NZ and Lotto got together to recognise and reward the people who make sport happen up and down the country – our army of volunteers. The three-year partnership will see volunteering promoted through RSTs, and more than \$1 million worth of sports gear and clothing handed out to local Sport Makers.



ActivePost

Sport NZ continues to support New Zealand Post's ActivePost programme, which aims to get more Kiwis into sport and recreation through working with athletics, hockey waka ama and cricket, and by promoting water safety.



Hillary Expeditions

Thanks to a concerted effort to raise the profile of the 2013 Sport NZ Hillary Expeditions, our high performance athletes of the great outdoors have received unprecedented levels of media coverage. Their exploits will inspire future generations of great Kiwi adventurers.





Chairman's and Chief Executive's Report



In the wake of an amazing performance by the New Zealand team at the London Olympics, Kiwi athletes have continued to shine, and New Zealand's passion for sport has continued to bring us together on sports fields and sidelines, in stadiums and around televisions.

This year we have seen the true power of sport in action at many levels. At the grass roots, we have seen how sport can positively impact a school community through our Sport in Education pilot. Through KiwiSport, we have seen more young people have the chance to get involved in sport and recreation and develop skills that enable them to take part with confidence.

Through a new partnership with Lotto, we have recognised thousands of Sport Makers around the country and rewarded them and their clubs with sports apparel and equipment.



And at the elite end, we've seen Kiwi athletes continue to thrive in our burgeoning high performance environment at High Performance Sport New Zealand Ltd (HPSNZ). They've backed up their London performances with a string of successes in athletics, canoe sprint, cycling, equestrian, golf, rowing, rugby sevens, sailing, softball, surf life-saving and swimming.

And Emirates Team New Zealand's courageous Americas Cup campaign again illustrated the ability of sport to stop the nation and bring communities together.

All of these things illustrate the power of sport to enrich lives, and the reason Sport NZ is such a passionate advocate.

The Sport New Zealand Group, including HPSNZ, continues to go from strength to strength.

Facilities and events are taking on increasing strategic importance, as you'll see from the year's highlights. Our role with the World Cups Office requires us to make new and stronger connections across government, so that a 'NZ Inc' approach is taken to the two mega events we are about to host. We're also part of the government's new Major Events Investment Panel, which is making decisions on which mega and major events the government invests in the future.

At the same time, we are continuing to invest in and work closely with our key partners in the sport sector, particularly targeted National Sports Organisations (NSOs), RSTs and Local Authorities. We know improving their capability and alignment is the best way to achieve our outcomes.

And as a result of our targeted investment in community sport, we have seen many of our biggest codes – football, hockey, league, netball and rugby – increase participation. Over the next two years we'll invest close to \$50 million in sports like these so they can continue to grow their games.

2012/13 was another exceptional year for New Zealand sport and the Sport NZ Group, and we are pleased to report back on a year in which sport continued to enrich the lives of Kiwis everywhere.





Facilities and Events

Through the help of \$14.5 million of investment this year, significant progress was made on key infrastructure projects. The new Apollo Projects Centre in Christchurch was officially opened and means the region's elite athletes once again have access to a high performance training facility.

Development of the National Cycling Centre of Excellence in Cambridge, the Avantidrome, remains on track for completion in early 2014 and progress has also been made on the building of a high performance sailing facility in Auckland.

We were delighted with the success of both the BMX and Men's Softball World Championships held in Auckland this year, and particularly the crowd support. In the South Island, the New Zealand Winter Games also received great reviews, especially with respect to the event's organisation and the quality of the training facilities. Through an exceptional television rights deal, the event was also showcased globally to an estimated audience of one billion households.

With a view to the 2015 ICC Cricket World Cup and the FIFA U20 World Cup, and events beyond that such as the 2017 World Masters Games, a World Cups Office was established within Sport NZ in April. The Office will provide strategic, central government-level oversight for these major events.

Community Sport

In 2012/13 we continued to work closely with the sector to help ensure that delivery of grass roots sport is as strong and sustainable as it can be.

Implementation of the three-year Sport in Education project and a new Growing Coaches programme are two great examples of youth targeted initiatives that are encouraging more Kiwi kids into sport and recreation. Growing Coaches provided over 700 secondary school students with opportunities to coach younger students while earning NCEA credits.

The New Zealand Coaching Strategy and Community Sport Coaching Plan are in their first year of being implemented. The aim is for more and better coaches, greater coaching recognition and a more positive community sport environment to attract more participants.

To help recognise and reward coaches and all of the wonderful volunteers who literally make sport happen, we have entered a partnership with Lotto NZ and RSTs.



The partnership promotes sport volunteering and will see over \$1 million worth of sports gear and clothing given to Sport Makers and their clubs over the next three years.

Our investment in National Recreation Organisations (NROs) has been driving greater collaboration across the sector. This has enabled NROs to leverage investment from other agencies and has provided more consistent training to both professional and volunteer deliverers of outdoor recreation opportunities. A greater focus on promoting this year's Hillary Expeditions has also resulted in unprecedented levels of online, traditional and social media coverage to raise the profile and awareness of recreational pursuits.

High Performance

Following on from the London Olympic and Paralympic Games, HPSNZ announced the next step in the evolution of its high performance system, with the release of its strategy to 2020, aimed at maximising the impact of the government's recent increased investment in high performance.

The 2013-2020 strategy outlines HPSNZ's investment and support priorities and its release was followed by the next round of investment decisions. Allocations to targeted NSOs and to support particular campaigns were announced in December 2012. A tiered targeted system was introduced – determined by podium probability – and the number of targeted sports was increased to 12 (including Winter Olympic sports and Paralympics).

HPSNZ has also recruited a number of world-leading specialists to ensure there are no gaps in the expertise provided to athletes and sports. This includes the areas of performance and technique analysis, biomechanics, technology and innovation, medical and nutrition.



A Strong and Capable Sector

Sport NZ continues to focus on improving the quality of governance and management across the sector, while also placing emphasis on administrative effectiveness and efficiency. Most recently this has included helping New Zealand Cricket to adopt a new constitution, working with Bike New Zealand to review its strategy and operations, and helping the new Auckland Sport entity to form and begin operating.

Positive feedback continues to be received for the leadership development opportunities that Sport NZ and HPSNZ offer, including Chief Executive, High Performance Director and Community Sport Director programmes. The continued delivery of Sport NZ's commercial programme and an upgraded web-based Organisational Development Tool has also helped to improve sector-wide capability. A joint venture with the New Zealand Olympic Committee has also been initiated to work towards greater gender balance on the boards of sport organisations.

In another collaborative venture (with Skills Active and the New Zealand Recreation Association), Sport NZ commissioned Business and Economic Research Limited to report on the current sport and recreation workforce environment and possible future needs over the next five, 10 and 15 years.

Sport NZ also provided assistance with the recruitment of management and governance positions at organisations including Sport Southland, Sport Wellington, Basketball New Zealand, Swimming New Zealand, New Zealand Cricket, Hockey New Zealand and Auckland Sport.

We are pleased to say that this year we have forged even stronger bonds with the New Zealand Olympic Committee, as we all strive to streamline our sport system, to ensure it is effective and efficient and that our athletes arrive at the start line as ready as they can be.

We are also continuing to play our part in the government's effort to re-build quake-damaged Christchurch. The opening of the new Apollo Projects Centre in May has meant the region's elite athletes once again have access to an HPSNZ training facility. And we continue to invest in, and work as part of, the region's Sport and Recreation Leadership Group to ensure there are places and spaces for Cantabrians to continue to enjoy sport.

How we Work

This was the second year of providing shared services across the Sport NZ Group and efficiencies have been gained by ensuring an integrated approach to the provision of services including IT, finance, human resources and marketing and communications.

A Knowledge Edge project has also been established across the Group to ensure knowledge and best practice are created, captured, shared and leveraged across the sector in both community sport and high performance, including the 2016 Rio Olympics.

Every year we're able to gauge how well we're doing in this through our independent Partner Confidence Survey which we conduct annually. The latest results show a significant increase from 2011 to 2013 in the proportion of partners who rated their overall confidence in us as excellent.

Acknowledgements

In closing, we would like to thank the Minister for Sport and Recreation for his continued support. We would also like to recognise the efforts of the board members of Sport NZ and HPSNZ, and in particular Rob Fisher, whose term ended this year after eight years. Rob has been Sport NZ's longest serving board member and we, and the sector, have benefitted greatly from his experience and wisdom over those years.

The Sport NZ board also welcomed two new members this year – Darrin Sykes and Jackie Barron. Our board members all work with the utmost passion to see more Kiwis involved in sport, more often, and more Kiwis winning on the world stage.

Huge thanks also go to the New Zealand Lottery Grants board for its significant financial contribution, both to our work and to the sector.

Finally we would like to give heartfelt thanks to our partners – especially NSOs, RSTs and Local Authorities – for their continued dedication and drive to help grow sport in New Zealand, and to the hundreds of thousands of volunteers around the country, without whom sport simply wouldn't happen. They are the reason we have a world-leading sport system at all levels, which will enable sport to continue to enrich the lives of Kiwis – everyone, every day.

Paul Collins
Sport NZ Chair

Peter Miskimmin
Sport NZ Chief Executive



Brett Phibbs - NZ Herald

About the Sport NZ Group

Purpose

The purpose of this document is to report to Parliament on the Sport NZ Group's performance during the 2012/13 period as set out in its Statement of Intent for 2012-2015.

The Sport NZ Group's functions

SPORT NZ GROUP

Sport and Recreation New Zealand (Sport NZ Group) was established as a Crown entity on 1 January 2003 under the Sport and Recreation New Zealand Act 2002.

SPORT NZ

Sport NZ's purpose is to *"promote, encourage and support physical recreation and sport in New Zealand"*. Sport NZ's functions are set out in section 8 of the Act, detailed in Appendix 2.

Sport NZ's objectives include *"creating a world-leading sports system at all levels – from grass roots to high performance – which will encourage more Kiwis to participate, and reap the benefits of a life-long involvement in sport"*.



HIGH PERFORMANCE SPORT NEW ZEALAND

HPSNZ was established as a Crown entity subsidiary by the board of Sport NZ in August 2011. It was established through the merger of Sport NZ's High Performance Unit and the acquisition of the New Zealand Academy of Sport's North Island and South Island business activities. Sport NZ is the parent organisation in the group and is the sole shareholder of HPSNZ.

HPSNZ's key objective is *"making New Zealand the most successful sporting nation in the world by developing high performance sport"*. Other objectives are set out in its Constitution, detailed in Appendix 2.

Governance of the Sport NZ Group

SPORT NZ BOARD

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 Sport NZ's strategic direction and for providing governance and leadership for the agency.

The board members who bear responsibility for this Annual Report are:

- Paul Collins (Chair)
- Paul Allison
- Bill Birnie
- Katie Sadleir
- Don Mackinnon
- Joanna Perry
- Murray Gutry
- Jackie Barron
- Darrin Sykes

HIGH PERFORMANCE SPORT NEW ZEALAND

HPSNZ is governed by a board of directors appointed by the Minister for Sport and Recreation as per its Constitution. The directors as at 30 June 2013 were:

- Paul Collins (Chair)
- Bill Birnie
- Katie Sadleir
- Don Mackinnon
- Hamish Carter
- Mike Stanley
- Peter Cox
- Simon Wickham
- Peter Miskimmin, Sport NZ Chief Executive (ex officio)

MINISTERIAL DIRECTIONS

The Sport NZ Group did not receive any directions from the Minister for Sport and Recreation during 2012/13.

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 during 2012/13.

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 2012/13.





Our Performance



Measuring Progress Towards Our Strategic Outcomes

The success of the Sport NZ Group in achieving its strategic outcomes depends on the support of our partners in the sector, particularly National Sport and Recreation Organisations, Regional Sports Trusts and Local Authorities. These organisations work with other regional and community-based organisations to deliver sport to every corner of the country.

Strategic Outcomes

The three strategic outcomes the Sport NZ Group seeks are:

- 1. More young people in sport and recreation;**
- 2. More adults in sport and recreation; and**
- 3. More New Zealand winners on the world stage.**

These outcomes reflect the breadth of the sport and recreation sector, from community participation to high performance success. The following framework represents how the Sport NZ Group and our sector partners work to achieve these outcomes.

Strategic Outcomes	More young people engaging in more sport and recreation	More adults engaging in more sport and recreation	More winners on the world stage
We want to have achieved:	<p>By 2020:</p> <p>90% of school-aged children take part in 3+ hours of organised and/or informal sport a week, comprising not less than:</p> <ul style="list-style-type: none"> ▪ 60% doing 3+ hours of organised sport; and ▪ 70% doing 3+ hours of informal sport. 	<p>By 2015:</p> <ul style="list-style-type: none"> ▪ Half a million more adult New Zealanders participating at least once a week in sport and recreation than 2007/08 baseline. ▪ More than 1 million people volunteering in sport and recreation each year. 	<p>By 2020:</p> <p>More winners on the world stage at Olympic/Paralympic Games and World Championships in targeted sports.</p>
Intermediate Outcomes: What we want to achieve on the way to 2015	<p>More young people participating in sport and recreation through initiatives supported by our partners.</p>	<ul style="list-style-type: none"> ▪ More adults participating in sport and recreation through initiatives supported by our partners. ▪ More volunteers supporting community sport and recreation through initiatives supported by our partners. 	<p>Number of New Zealand athletes placed in the top 3, top 5, top 8 and top 16 in the world in Olympic disciplines; top 3 and top 5 in Paralympic disciplines.</p>



Strategic Outcomes	More young people engaging in more sport and recreation	More adults engaging in more sport and recreation	More winners on the world stage
<p>Our Impacts: The difference we want to make</p>	<p>More and better opportunities for young people to learn movement and sport skills and to participate.</p>	<ul style="list-style-type: none"> ▪ Better management and support of coaches and other volunteers ▪ More participation opportunities for adults ▪ Improved organisational performance of partners to support Sport NZ's growth outcomes ▪ Better alignment between national, regional and local providers and investors. 	<ul style="list-style-type: none"> ▪ A more effective high performance system providing the support needed by elite athletes and coaches to perform ▪ World-class facilities available at home.
<p>Our Outputs: The services we provide</p>	<p>Sport and recreation programmes:</p> <ul style="list-style-type: none"> ▪ Investment ▪ Policy and advice ▪ Technical advice ▪ Knowledge and information. 		<p>High performance sport:</p> <ul style="list-style-type: none"> ▪ Investment ▪ Athlete services ▪ Technical advice ▪ Prime Minister's Scholarships.
<p>Inputs:</p>	<p>Appropriations:</p> <ul style="list-style-type: none"> ▪ Sport and Recreation Programmes ▪ Lottery Grants Board funding. 		<p>Appropriations:</p> <ul style="list-style-type: none"> ▪ High Performance Sport Investment ▪ Prime Minister's Sport Scholarships.





Community Sport

The Community Sport Strategy

NSOs

As part of our Community Sport Strategy, in 2010 we invested in seven targeted community sports – netball, rugby, football, hockey, rugby league, cricket and gym sports. These sports were chosen because they were either mass participation and/or recreational sports, or because they are important in the development of fundamental movement skills in children. Since then, our Community Sport and Recreation team has been helping this group of targeted sports through a series of steps to develop their game, starting with building the capability and capacity of the national office (year 1), getting regional alignment within the sport (year 2) and then working with these sports to improve delivery and impact participation (year 3). These seven sports have now just about completed all three steps, and the results are starting to come – football, hockey, league, netball and rugby are all showing increased participation. In 2012, we targeted a further seven sports in the same way – bike, athletics, tennis, basketball, golf, bowls and triathlon – and they are all now in the early stages of the same journey.

As part of the drive to increase participation, we're also helping our targeted sports look more closely at how people are participating. Traditional season-long club membership is no longer the only game in town. Many sports are offering shorter, less informal opportunities to play their sports, including one-off 'exposure' sessions aimed at getting people to have a go, to see if they want to get involved further. The ability to view participation this way gives both NSOs and Sport NZ valuable business insights into both what today's participants want and what contemporary clubs could be offering in the future.

Regional Sports Trusts

While the Community Sport Strategy is NSO-led, it is strongly supported by Regional Sports Trusts (RSTs) around the country. RSTs have made a significant contribution to this work over the last four years, so their efforts are also reflected in these participation increases. This year RSTs have applied around half their focus and time to supporting the seven targeted sports.

Their work in improving the fundamental movement skills of primary aged children and their work in events also make a significant contribution to Sport NZ's outcomes. RSTs across the country have supported a wide range of events for young people and adults this year, from large regional events such as fun runs and triathlons to more specialised events with less than 50 participants.



Outcome One: More Young People in More Sport and Recreation

Strategic Framework	We want to have achieved	Baseline	Progress
<p>Strategic Outcome: More young people engaging in more sport and recreation</p> <p>Performance Measure: Percentage of young people [5-18 years] who participated in sport or recreation (including physical education) for at least 3 hours per week.</p>	<p>By 30 June 2020: 90% of school-aged children take part in 3+ hours of organised and/or informal sport a week, comprising not less than:</p> <ul style="list-style-type: none"> 60% doing 3+ hours of organised sport; and 70% doing 3+ hours of informal sport. 	<p>Results from the 2011 Young People's Survey show:</p> <ul style="list-style-type: none"> 56% of school-aged children took part in 3+ hours of organised sport a week; 66% of school-aged children took part in 3+ hours of informal sport a week; and (61% response rate). 	<p>Next measured through the 2nd Young People's Survey (date to be confirmed).</p>
<p>Intermediate Outcome: More young people participating in sport and recreation through initiatives supported by our partners</p> <p>Performance Measures: Number of young people [5-18 years] participating in sport and recreation as reported by Sport NZ's partner organisations Number of young people [5-18 years] participating in organised sport through primary and secondary schools as reported by Sport NZ's partner organisations.</p>	<p>An annual participation increase in baseline figures (as reported by partner organisations).</p> <p>Significant progress has been made during the period in establishing robust participation information from our key partners for both 2011/12 and 2012/13.</p> <p>This has allowed us to reset baselines and report progress for 2012/13 with a high degree of confidence.</p> <p>Data from the following NSOs is included:</p> <p>New Zealand Football New Zealand Rugby New Zealand Cricket Netball New Zealand New Zealand Rugby League Hockey New Zealand Gymsports New Zealand Golf New Zealand Tennis New Zealand Bowls New Zealand.</p>	<p>Reset baseline from 2011/2012 reporting period for 10 of our targeted sports.</p> <p>Fundamental movement</p> <ul style="list-style-type: none"> NSO = 813,000 RSTs = 138,000 <p>Club members</p> <ul style="list-style-type: none"> NSO = 430,000 <p>Events</p> <ul style="list-style-type: none"> NSO = 36,000 RSTs = 147,000 <p>Primary schools</p> <ul style="list-style-type: none"> NSO = 566,000 RSTs = 255,000 <p>Secondary schools</p> <ul style="list-style-type: none"> NSO = 84,000 RSTs = 88,000 <p>RST information related to the club member category has been omitted as the NSO figures are primarily inclusive of the number of club members RSTs have impacted through their work.</p>	<p>Information represents data as reported by 17 Regional Sports Trusts and 10 targeted sports for the 2012/2013 reporting period.</p> <p>Fundamental movement</p> <ul style="list-style-type: none"> NSOs = 939,000 RSTs = 458,000 <p>Club members</p> <ul style="list-style-type: none"> NSOs = 441,000 <p>Events</p> <ul style="list-style-type: none"> NSOs = 38,000 RSTs = 135,000 <p>Primary schools</p> <ul style="list-style-type: none"> NSOs = 625,000 RSTs = 192,000 <p>Secondary schools</p> <ul style="list-style-type: none"> NSOs = 101,000 RSTs = 54,000



Strategic Framework	We want to have achieved	Baseline	Progress
<p>Impact: More and better opportunities for young people to learn movement and sport skills and to participate</p> <p>Performance Measure: KiwiSport Regional partnership fund results in increased participation in local initiatives.</p> <p>Sport in Education pilot underway with at least five schools.</p>	<p>KiwiSport Programme: At least 313,000 children and young people participating in funded KiwiSport initiatives annually.</p>	313,000 children and young people participating in funded KiwiSport initiatives annually.	2012/2013: 837,000 [2011/2012: 592,000]
	<p>Sport in Education Project: By 2015 we can demonstrate (for 8 pilot schools), an increase in the number of:</p> <ul style="list-style-type: none"> Young people participating in sport and PE Teacher involvement in sport; Number of student coaches and leaders. 	Baselines will be established in 2013/14.	8 pilot schools have been established with initiatives implemented from the beginning of the 2013 school year. An initial evaluation ¹ indicates progress against all measures. Specific progress against these standards will be captured through the NZSSSC census due in December 2013 and reported in the 2014-17 SOI.

¹Undertaken by NZCER using a case study approach.



Putting sport at the heart of education

Sport NZ's Sport in Education (SiE) project is a three-year campaign to improve academic, social and sporting outcomes for schools and their students by using sport as a context for learning and student engagement. In its first year, the project has been fully embraced by the participating schools, the wider education sector and the many other stakeholders associated with the initiative. As an example a Tauranga Boy's College Year 9 class has used the NRL rugby league competition as a learning context for Maths, by analysing kicking percentages, tackling tallies and crowd figures. The pilot schools have all started to see improved student engagement, a rise in the number of students playing sport, and a rise in the amount of coaching received by both secondary and primary students. While at Dunedin's Queen's High School, they have managed to double their number of summer sports teams.

KiwiSport success through SportStart programme

In order to increase the fundamental movement skills of young people, Sport Canterbury, with the aid of KiwiSport investment, has established a successful SportStart programme. The programme teaches children the thinking, movement and communication skills they need to participate effectively in sport. The activities are planned, progressive and contribute to the mastery of physical, social, emotional and cognitive skills that are relevant to sport. It has also been designed to empower teachers and coaches to deliver high quality learning opportunities. From the outset the demand for SportStart has been constant and Sport Canterbury says feedback has been very encouraging, particularly from teachers. Over the first three years of KiwiSport, 5.5 million new opportunities have been created around the country. \$23.2 million has now been invested in KiwiSport through Regional Sports Trusts (RSTs), and plans are now in place for programmes through to 2015

The NZCT AIMS GAMES

– one of the largest sporting events in New Zealand

From small beginnings in 2004, the NZCT AIMS GAMES have grown into what are now considered the National Championships for Intermediate and Middle schools in New Zealand. Providing opportunities for students to compete at an elite level, be active, celebrate fair play and enjoy success has seen the Games grow to be one of the largest sporting events in New Zealand. The Games now attract over 6,500 participants from 193 schools, including a handful of Australian schools and one from the Cook Islands. They also involve 1,400 coaches, managers and officials across the 16 different sporting codes. The Games were created through a partnership between Sport Bay of Plenty, the Tauranga City Council and four western Bay of Plenty intermediate schools, and they now enjoy a contribution from KiwiSport investment.





Outcome Two: More Adults in more Sport and Recreation

Strategic Framework	We want to have achieved	Baseline	Progress
<p>Strategic Outcome: More adults in sport and recreation</p> <p>Performance Measure: Number of adults [16 years and over] participating in at least one sport and recreation activity during any one week</p> <p>Number of adults [16 years and over] who volunteer [e.g. unpaid club administrators or coaches etc.] in sport and recreation at least once a year.</p>	<p>By 30 June 2015:</p> <ul style="list-style-type: none"> Half a million more adult New Zealanders participating at least once a week in sport and recreation More than 1 million New Zealanders volunteering in sport and recreation. 	<p>Results from the 2007/08 Active NZ Survey show:</p> <ul style="list-style-type: none"> 2,388,195 adults² (73% of the population) participated in at least one sport or recreation activity during any one week 829,735 adults (25% of the population) volunteered³ in sport and recreation at least once a year. 	<p>The 2013/14 Active NZ Survey is currently in the field with results expected in 2014.</p>
<p>Intermediate Outcome: More adults participating in sport and recreation through initiatives supported by our partners</p> <p>More volunteers supporting community sport and recreation through initiatives supported by our partners.</p> <p>Performance Measures: Number of adults participating in sport and recreation as reported by Sport NZ's partner organisations</p> <p>Number of volunteers participating in community level sport as reported by Sport NZ's partner organisations.</p>	<p>An annual increase in baseline figures (as reported by partner organisations).</p> <p>Significant progress has been made during the period in establishing robust participation information from our key partners for both 2011/12 and 2012/13.</p> <p>This has allowed us to reset baselines and report progress for 2012/13 with a high degree of confidence.</p> <p>Data from the following NSOs is included:</p> <ul style="list-style-type: none"> New Zealand Football New Zealand Rugby New Zealand Cricket Netball New Zealand New Zealand Rugby League Hockey New Zealand Gymsports New Zealand Golf New Zealand Tennis New Zealand Bowls New Zealand. 	<p>Reset baseline from 2011/2012 reporting period for 10 of our targeted sports.</p> <p>Club Members</p> <ul style="list-style-type: none"> NSOs = 283,000 <p>Events</p> <ul style="list-style-type: none"> NSOs = 32,000 RSTs = 100,900 <p>Volunteers</p> <ul style="list-style-type: none"> NSOs = 32,000 coaches and 11,000 officials <p>RST information related to the club member and volunteers categories has been omitted as the NSO figures are primarily inclusive of the number of club members and volunteers RSTs have impacted through their work.</p>	<p>Information represents data as reported by 17 Regional Sports Trusts and 10 targeted sports for the 2012/2013 reporting period.</p> <p>Club members</p> <ul style="list-style-type: none"> NSOs = 273,000 <p>Events</p> <ul style="list-style-type: none"> NSOs = 36,000 RSTs = 56,000 <p>Volunteers</p> <ul style="list-style-type: none"> NSOs = 36,000 coaches and 13,000 officials

² Active New Zealand Survey

³ Active New Zealand Survey

Strategic Framework	We want to have achieved	Baseline	Progress
<p>Impact: More participation opportunities for adults</p> <p>Performance Measure: NSO community sport investment results in increased numbers of participation opportunities for adults.</p>	An annual increase in baseline figures (as reported by partner organisations).	Not yet available.	<p>The mechanism and/or method of collection is being revised in 2013/2014.</p> <p>Through the refined monitoring and data collection system established during 2012/13, Sport NZ aims to capture better quality data in this area.</p>
<p>Better management and support of coaches and other volunteers</p> <p>Performance Measure: Community coaching plan implemented leading to increase in active community coaches.</p>	<p>By 2012/13: 7 NSOs have community coaching plans in place and establish baselines.</p> <p>By 2014/15: % increase in the number of active community coaches across the 7 NSOs.</p>	NSOs = 32,000 Coaches (for 10 targeted NSOs).	<p>7 NSOs have community coaching plans in place</p> <p>NSOs = 36,000 Coaches (for 10 targeted NSOs).</p>
<p>Improved organisational performance of partners to support Sport NZ's growth outcomes</p> <p>Performance Measure: NSOs experience improved commercial capability through the development of commercial plans.</p>	Through working with NSOs to develop their commercial capability we are anticipating that this will lead to participation and revenue growth. Indicators used to track progress will include: the development of new target markets and new products and services, working with new commercial partners and developing an effective on-line presence.	Not yet available.	A Commercialisation Impact Assessment model has been developed. The model identifies appropriate indicators (both time-series and key-informant information) to track and analyse improved commercial capability. The model is currently being piloted. Baselines will be established pending the outcome of the pilot.
<p>Better alignment between national, regional and local providers and investors</p> <p>Performance Measure: Increase in adult participation through joint community sport and recreation initiatives</p>	We will encourage more 'joined-up' approaches to growing participation through initiatives such as Active Communities investment and the implementation of joint NSO and RST initiatives.	Baseline established in 2012/13.	<p>6,300 Adults.</p> <p>The Active Communities initiative currently supports 26 projects working across the following areas:</p> <ul style="list-style-type: none"> ▪ Councils and community boards, ▪ Education, pre-schools, schools, universities (Waikato, Auckland, AUT) ▪ RSTs, clubs, NSOs-RSOs, sportsvilles ▪ NROs including DOC ▪ Iwi organisations ▪ Community organisations e.g. In2 IT, H2O etc ▪ Health, DHBs and PHOs ▪ Funding agencies e.g. ASB, community funding trusts.



Sport Maker Ambassador Katrina Grant takes Plimmerton School netball players through some drills

Recognition for New Zealand's Sport Makers

Sport NZ has teamed up with Lotto NZ and RSTs in a new partnership to recognise and reward the volunteers, or Sport Makers who make sport happen all over the country. The three-year partnership will support the 750,000 sport volunteers nationwide, who enable everyone to take to a field, court, turf or the water to play sport. It includes the distribution of \$1 million worth of quality sports gear and clothing to Sport Makers and the sports organisations they volunteer for.

“The partnership builds on the great work that’s already being done by our partners throughout the country to support and acknowledge our wonderful volunteers, who are the lifeblood of sport.” – Sport NZ CE Peter Miskimmin.

“Sport NZ is the largest lottery grant recipient and for the past 25 years Lotto profits have gone into helping the sporting community. We’re delighted to build on this relationship by supporting local Sport Makers.” – Lotto NZ CE Wayne Pickup.

New Zealand netball star Katrina Grant has also been keen to get involved, acting as a Sport Maker Ambassador – “I wouldn’t be where I am today without the help of a huge bunch of volunteers, going right back to my first day putting on a netball bib. Even at an elite level we rely on volunteers to make our games possible, with members of the score bench just one example.”



2013 Sport NZ Hillary Expeditions include world first achievement

Hillary Expedition grant recipient, Sarah Wilson achieved a world first this year when she completed a three-stage challenge that saw her climb Mount Cook then cycle to the top of the South Island before paddling the Cook Strait. It was the first time all three stages had been completed in succession. Thanks to greater emphasis on promoting the expeditions this year, her feat attracted significant media coverage. Other successful expeditions so far this year have included Christine Burke becoming the first New Zealand woman to reach the summit of both the Gasherbrum 1 (G1) and the Gasherbrum 2 (G2) mountains on the Pakistan-China border, and the Gradient and Water Team's Papua New Guinea white water kayak adventure.

Two expeditions were unable to be completed. Brothers Nathan and Nigel Watson set out to climb the 21 named peaks above 2,000 metres of the Nelson Lakes National Park – all within 21 days – but the expedition was called off part-way through due to illness. And the White Wave climbers were just 350 metres short of their summit near Nepal when one of the party fell 90 metres and was rescued by his fellow climbers.

The two expeditions taking place later in the year are Mayan Smith-Gobat's climb in Yosemite and Neelusha Memon's blind climb in Aconcagua, Argentina.

The Hillary Expeditions, named after this country's greatest adventurer, are enabling this generation's great adventurers to continue to push the boundaries and inspire us all.

Sarah Wilson nears the summit of Mount Cook during her Cook to Cook Hillary Expedition





Mark Taylor - Fairfax

Sharpened coaching focus

The focus on coaching within the 14 targeted sports has sharpened with Sport NZ assisting four NSOs to undertake a review of their coaching strategy and also providing seed funding for new coach development projects in nine other NSOs. Significant progress has also been made in clarifying the nature and scope of coaching support to be provided by the RSTs.

The development of 'Coaching Communities' also gathered pace with working group meetings for the Foundation, Development and Performance Communities all providing deeper insights that will inform our approach over the next 12 months.

Diverse boards get better results

Good governance is the key to enabling sports organisations to increase their membership and participation levels. So improving the governance capability and gender diversity of sports organisations is a focus area for Sport NZ. Through a Woman in Governance partnership with the NZOC, a range of initiatives have been rolling out with considerable success over the last year. One of the initiatives is a mentoring programme that brings together women who have shown interest and potential in governance with experienced leaders in the sector. An early success for the mentoring programme has been the appointment of Olympian Robyn Wong to the Bike New Zealand board. Robyn represented New Zealand in mountain-biking at the 2004 Athens games, and is also a board member for Volleyball NZ.



Robyn Wong

New Zealand Sport and Recreation Awards

Excellence and outstanding achievement in sport and recreation in New Zealand were recognised at the annual Sport and Recreation Awards ceremony held in April. Sport Waikato CEO and former All Black, Matthew Cooper, received the prestigious CK Doig Leadership Award. The award recognises an executive sport or recreation leader who displays outstanding leadership in relation to their organisation or the sector as a whole.



Matthew Cooper, recipient of the prestigious CK Doig Leadership Award, with Peter Miskimmin, Sport NZ CE

OTHER AWARD WINNERS WERE:

- Communications Excellence** – Sport Tasman
- Community Collaboration** – Greater Auckland Aquatic Action Plan (GAAAP)
- Event Excellence** – World Triathlon Championships
- Innovation** – London 2012 Project
- Commercial Partnership** – New Zealand Rugby (AIG)
- Lifetime Achievement Awards** – Pat Barwick, Dave Norris, Ivan Sutherland





High Performance

Outcome Three: More Winners on the World Stage

Following the adoption and implementation of HPSNZ's Strategy 2013-20, some of the 2012-15 measures are no longer able to be reported against. Consequently performance information relating to the 2013-16 Statement of Intent and the performance measures associated with the new high performance strategy have been included throughout this document.



Strategic Framework	We want to have achieved	Baseline	Progress
<p>Strategic Outcome: More winners on the world stage at Olympic/ Paralympic Games and World Championships at targeted sports</p> <p>Performance Measures: Number of medals at Olympic Summer Games Number of athletes or teams who win at world championship events in targeted non-Olympic sports. Number of medals at Olympic Winter Games. Number of gold medals at Paralympic Summer Games. Number of gold medals at Paralympic Winter Games.</p>	<p>More medals at Olympic Summer Games:</p> <ul style="list-style-type: none"> 2016 – 14+ 2020 – 16+ 	2012: 13 medals (London).	Next measured after 2016 Rio Olympic Games.
	<p>Winning at World Championship events in targeted non-Olympic Sports.</p>	<p>Non-Olympic sports were categorised as ‘targeted’ for the purposes of winning world championships for the first time during 2012/13. Currently the Silver Ferns (netball) are the only team meeting this category. The last world championship was held in 2011 where they finished 2nd.</p>	Next Netball World Championship in 2015.
	<p>More medals at Olympic Winter Games:</p> <ul style="list-style-type: none"> 2014 – 1+ 2018 – 2+ 	2010: 0 medals.	Next measured after 2014 Sochi Winter Olympics.
	<p>More gold medals at Paralympic Summer Games:</p> <ul style="list-style-type: none"> 2016 – 8+ 2020 – 8+ 	2012: 6 gold medals (London).	Next measured after 2016 Rio Paralympic Games.
	<p>More gold medals at Paralympic Winter Games:</p> <ul style="list-style-type: none"> 2014 – 2+ 2018 – 2+ 	2010: 1 gold medal.	Next measured after 2014 Sochi Winter Paralympics.
	<p>Number of athletes or teams ranked in the world’s top 3 in Olympic disciplines.</p>	Increase in results each year.	22 athletes or teams placed in the top 3 at their most recent world championship or similar pinnacle event.
<p>Number of athletes or teams ranked in the world’s top 8 in Olympic disciplines.</p>	Increase in results each year.	41 athletes or teams are ranked in the world’s top 8 in Olympic disciplines.	World ranking data has been replaced by ‘world placing’ data and is reported in the Intermediate Outcomes section of this report.
<p>Number of athletes or teams ranked in the world’s top 16 in Olympic disciplines.</p>	Increase in results each year.	63 athletes or teams ranked in the world’s top 16 in Olympic disciplines.	World ranking data has been replaced by ‘world placing’ data and is reported in the Intermediate Outcomes section of this report.



Strategic Framework	We want to have achieved	Baseline	Progress
Number of athletes or teams ranked in the world's top 3 in non-Olympic disciplines	Increase in results each year.	44 athletes or teams ranked in the world's top 3 in non-Olympic disciplines (incl. netball, rugby and cricket).	World ranking data has been replaced by 'world placing' data and is reported in the Intermediate Outcomes section of this report.
Intermediate Outcome: Achieve a sustainable high performance sport system capable of constant improvement through collaborative leadership and investment	Improved world placing in Olympic disciplines by 2015: <ul style="list-style-type: none"> Top 3: 16 Top 5: 24 Top 8: 40 	London 2012 results ⁴ : <ul style="list-style-type: none"> Top 3: 13 Top 5: 25 Top 8: 37 	Post-London results ⁵ : <ul style="list-style-type: none"> Top 3: 5 Top 5: 7 Top 8: 15
Performance Measures: Number of New Zealand athletes placed in the top 3, top 5, and top 8 in the world in Olympic disciplines	World placing in Paralympic disciplines by 2015: <ul style="list-style-type: none"> Top 3: 12 Top 5: 21 	London 2012 results: <ul style="list-style-type: none"> Top 3: 17 Top 5: 27 	Post-London results: <ul style="list-style-type: none"> Top 3: 1 Top 5: 1
Number of New Zealand athletes in the top 3 and top 5 in the world in Paralympic disciplines	Emerging athletes are supported through regional talent hubs: <ul style="list-style-type: none"> 2014 – 150 2015 – 200 	New measure.	A Talent Development Implementation Plan is being developed.
Number of emerging athletes supported through regional talent hubs.			
Athletes performing to a higher level in the high performance system.	Increase in results each year	Not yet available.	This information will be available once HPSNZ's recently established athlete management database starts to capture this information.
Performance Measure: Percentage of athletes supported by the high performance system who achieve their performance goals.			
Impact: A more effective high performance system providing the support needed by elite athletes and coaches to perform	High performance programme and process goals are achieved by targeted NSOs (as per agreed KPIs).	New measure.	KPIs with targeted NSOs have been agreed and the monitoring system is in place. A full assessment of achievement will be completed at NSOs' annual reviews in October/ November each year.
Performance Measure: Percentage of key high performance programme and process goals achieved by targeted NSOs.			

⁴ Numbers relate to the 2012 Olympic and Paralympic Games.

⁵ Based on World Championships held to date, with most World Championships held between June and September 2013.

Strategic Framework	We want to have achieved	Baseline	Progress
Percentage of NSOs achieving their performance goals	An increase in the % of NSOs achieving their performance goals.	Baseline established	25 NSOs received HP funding and 72% of these achieved their performance goals.
Percentage of athletes achieving their performance goals	An increase in the % of athletes achieving their performance goals.	Not yet available.	NSO performance reviews are conducted in November. This measure will be assessed at that time.
Percentage of high performance teams and athletes with world class full time coaches.	An increase in the % of teams and athletes with world-class full-time coaches.	Not yet available.	NSO performance reviews are conducted in November. This measure will be assessed at that time.
World-class facilities available at home.	<p>Athletes and coaches have access to international-standard facilities for training and competition.</p> <p>New/improved facilities are supported including:</p> <ul style="list-style-type: none"> ▪ The National Cycling Centre of Excellence is scheduled for completion by 2015. ▪ Investing \$1.5 million towards the Phase 2 Development of MISH (including the construction of a second indoor swimming pool). ▪ The National Ocean Water Sports Centre (NOWSC) is on track for completion in 2014. ▪ Planning for National Hockey Centre and National Canoe Racing Centre completed. 	<p>National Training Centre at MISH completed.</p> <p>HP training centres has been established in Wellington, Dunedin, Wanaka and Christchurch (Apollo Centre).</p>	<ul style="list-style-type: none"> ▪ The National Cycling Centre of Excellence on budget and due to open in March 2014 ▪ \$1.5 million investment is confirmed to MISH for the swimming pool ▪ NOWSC resource consent application is currently being prepared ▪ Feasibility studies for the Hockey and Canoe centres have been completed. A detailed design is being undertaken to determine exact cost of each project ▪ The Apollo Centre was officially opened on 31 May 2013.



Technical expertise from world-class staff

As demand from sports and athletes wanting access to HPSNZ's services has grown, additional technical specialists have been recruited onto the team. These include a joint HPSNZ/NZOC medical lead, a world-leading biomechanist for swimming, a performance and technique analyst for yachting who is recognised as the best in the world, a world leading performance nutritionist and leading performance psychologists who are working with athletes across a number of sports.

High performance knowledge and innovation

HPSNZ is at the cutting edge of new technology for high performance sport and trying to find that one percent performance edge to give New Zealand a competitive advantage. As part of HPSNZ's innovation programme, the

Goldmine team has broken ground in providing real time data for a number of sports, to help them analyse multiple factors influencing performance. The Goldmine team has come up with a way of providing measurements for power, speed, heart rates, stroke rates, and even how close a track cyclist has ridden to the wheel in front during a training session – all of which can be downloaded and analysed while an athlete is still cooling down.

This year HPSNZ has also started a search for the next wave of innovation in high performance sport. Through its innovation fund, it is looking for projects that represent a new way of thinking, perhaps a new training method or technological device. Funded projects will represent game changers in high performance sport. HPSNZ has also initiated a 'Knowledge for Rio' project which gathers information on the critical factors that will distinguish medallists from non-medallists. This work is being shared with targeted national sport organisations to help their athletes and coaches with their Rio campaigns.



New facility for Christchurch's elite athletes

A new, purpose-built high performance training facility was opened in Christchurch in May 2013, called the Apollo Projects Centre. With the primary funding coming from Sport NZ, there were also contributions from Apollo Projects and the International Olympic Committee to the facility which includes; a state-of-the-art strength and conditioning gym; a full-size netball court; a flume pool with an in-water treadmill for swim training, technique analysis and rehabilitation; and a 40m long running straight where video analysis and electronic speed timing can be undertaken. The centre also has medical and rehabilitation consulting rooms and a cold water pool and spa pool for recovery sessions.



2012 Westpac Halberg Award Winners

Given the success of New Zealand's 2012 London Olympic and Paralympic campaigns and many other New Zealand sporting triumphs in 2012, picking the winners of the Westpac Halberg Award categories was always going to be a tough ask. However, in the end HPSNZ Sportswoman and Sportsman of the Year winners, Valerie Adams and Mahe Drysdale, were still able to shine through in outstanding short-lists of finalists. World dominant men's rowing pair, Eric Murray and Hamish Bond, deservedly took out the Supreme Award, while the Sport NZ Leadership Award went to Sir John Wells, who has advanced the cause of the entire sport sector over several decades.



World-class events

Extremely successful BMX and Men's Softball World Championships were held in Auckland this year, while in the South Island, the New Zealand Winter Games also received rave reviews, especially with respect to the event's organisation and the quality of the training facilities.





Statement of Service Performance

The Sport NZ Group's outputs for 2012/13 to achieve the strategic outcomes, set out in the 2012-2015 Strategic Plan, are grouped into two areas of work:

1. **Sport and Recreation Programmes** – funded through Appropriation: Sport and Recreation Programmes.
2. **High Performance, including Prime Minister's Sport Scholarships** – funded through Appropriation: High Performance Sport and Prime Minister's Sport Scholarships.

1. SPORT AND RECREATION PROGRAMMES

Outcomes sought

Long-term

- More young people and adults in sport and recreation.

Medium-term

- More young people and adults participating in sport and recreation through initiatives supported by our partners; and
- More volunteers supporting community sport and recreation through initiatives supported by our partners.

Performance

Sport NZ's investment in sport and recreation organisations will deliver programmes, resources and services that contribute to increased participation in sport and recreation by New Zealanders.

Sport NZ's assessment of its performance against Sport and Recreation Programmes for 2012/13 is set out on the following page.

Programme Investment and Management

Output/Delivery	Performance Standard	Performance at 12 Months	Status
Sport NZ invests in National Sport and Recreation Organisations, Regional Sports Trusts, Local Authorities, Iwi and other organisations to achieve community sport and recreation outcomes.	At least 70% of total sport and recreation spending will be invested in partners. This includes: <ul style="list-style-type: none"> National Sport and Recreation Organisations Regional Sports Trusts KiwiSport Regional Partnership Fund Disability sport organisations He Oranga Poutama initiatives Active communities investment through Local Authorities and RSTs. 	2012/13: 75% [2011/12: 78%]	Achieved
	95% of payments to partners are delivered in the agreed timeframe ⁶ (unless KPIs or requirements are not met).	2012/13: 93% [2011/12: Not measured]	Not Achieved Sport NZ is working to address this as part of a business process review.
Investment into sport and recreation organisations and regional sports trusts to achieve capability outcomes (governance, leadership, commercialisation, people management, IT, finance).	\$2 million invested directly into partners to build capability.	2012/13: \$2.1 million [2010/11: \$1.8 million]	Achieved
	95% of payments to partners are delivered in the agreed timeframe ⁶ (unless KPIs or requirements are not met).	2012/13: 98% [2011/12: Not measured]	Achieved
Sport NZ invests in National Sport and Recreation Organisations to achieve event and facility outcomes.	In order to deliver this output 2% of total sport and recreation spending will be invested in partners.	2012/13: 2.4% [2011/2012: 2.6%]	Achieved
	95% of payments to partners are delivered in the agreed timeframe ⁶ (unless KPIs or requirements are not met).	2012/13: 96% [2011/12: Not measured]	Achieved

⁶For all performance standards related to 'payments to partners delivered in the agreed timeframe' the standard is calculated where payment has been made within five working days of scheduled payment date.



Technical Advice and Resources

Output/Delivery	Performance Standard	Performance at 12 Months	Status
<p>Community Sport: Sport NZ provides expert advice, guidance and assistance to National Sport and Recreation Organisations to design community sport plans, programmes and delivery systems to grow and sustain participation and to RSTs for the delivery of community sport and recreation initiatives.</p>	Expert advice, guidance and assistance provided to: 14 selected sports to develop participant/athlete pathways that inform sport planning and delivery structure.	2012/13: 14 sports [2011/12: 8 sports]	Achieved
	14 selected sports to develop community sport plans.	2012/13: 14 sports [2011/12: 8 sports]	Achieved
	17 RSTs develop regional support plans for targeted community sports.	2012/13: 17 RSTs [2011/12: 17 RSTs]	Achieved
	17 RSTs for sport and recreation outcomes, delivery of KiwiSport, Regional Sports Directors in schools, and/or He Oranga Poutama	2012/13: 17 RSTs [2011/12: 17 RSTs]	Achieved
	70% partner satisfaction [top 2 categories of 5-point scale] with quality and timeliness of community sport and recreation team consultancy and advice.	2012/13: 84% quality, 88% timeliness (55% response rate, 8% margin of error) [2011/12 ⁷ : 82.9% partner satisfaction – 68% response rate, 6% margin of error]	Achieved
<p>Capability Development: Sport NZ provides expert advice, guidance and assistance to National Sport and Recreation Organisations and RSTs to improve organisational capability in the areas of governance, leadership, commercialisation, people management, IT, finance.</p>	18 national organisations provided with capability support.	2012/13: 18 national organisations [2011/12: 16 national organisations]	Achieved
	10 professional development programmes/workshops delivered.	2012/13: 10 programmes [2011/12: 16 programmes]	Achieved
	70% professional development programme/workshop participants responding to surveying are satisfied [top 2 categories of 5-point scale] with the programme/workshops.	2012/13: 96% satisfaction rating for workshops delivered [2011/12: 95% satisfaction]	Achieved
	70% partner satisfaction [top 2 categories of 5-point scale] with quality and timeliness of capability support.	2012/13: 93% quality, 88% timeliness (55% response rate, 8% margin of error) [2011/12 ⁷ : 82.9 partner satisfaction - 68% response rate, 6% margin of error]	Achieved

⁷All partner satisfaction results for 2011/2012 include only the 'quality' measure as timeliness was not included as a separate question in the survey.

Technical Advice and Resources

Output/Delivery	Performance Standard	Performance at 12 Months	Status
Events and Facilities: Sport NZ provides expert advice, guidance and assistance to stakeholders (including NSOs, Local Authorities) on the development and management of facilities (with a focus on Christchurch) and major events.	Expert advice, guidance and assistance provided to: 10 NSOs on delivering national/international events.	2012/13: 18 NSOs [2011/12: 10 NSOs]	Achieved
	3 NSOs to develop sport-specific national facility strategies.	2012/13: Strategies have been completed for two NSOs and a joint strategy has been completed for three water-based NSOs. [2011/12: 4 NSOs]	Achieved
	70% partner satisfaction [top 2 categories of 5-point scale] with quality and timeliness with Sport NZ's event consultancy and advice.	2012/13: Facilities: 92% quality, 91% timeliness Events: 81% quality, 81% timeliness (55% response rate, 9% margin of error) [2011/12 ⁸ : 83.3% satisfaction – 68% response rate, 6% margin of error. The 2011/2012 result is reflective of consultancy and advice related to events only.	Achieved

Policy Advice

Output/Delivery	Performance Standard	Performance at 12 Months	Status
Policy advice provided to the Minister.	95% of briefings and correspondence provided to the Minister for Sport and Recreation in the agreed timeframes.	2012/13: 85% 2011/12: not measured and not achieved	Not Achieved We are engaging with the Minister's Office to further refine processes to measure and monitor not only the timeliness but also the quality of our services. This follows a shift in expectations due to staff changes and the creation of new ministerial processes.
	90% of briefings and correspondence meet the standards set by the Minister for Sport and Recreation.	2012/13: 80% 2011/12: not measured	

⁸All partner satisfaction results for 2011/2012 include only the 'quality' measure as timeliness was not included as a separate question in the survey.

Knowledge and Information

Output/Delivery	Performance Standard	Performance at 12 Months	Status
Development and dissemination of knowledge and information that supports policy development process and Sport NZ monitoring.	\$900,000 invested into research, national monitoring and knowledge dissemination.	2012/13: \$1.4 million [2011/12: \$1.5 million]	Achieved
	Number of page views for Sport NZ's 'research and reports' pages on Sport NZ website.	2012/13: 4,435 [2011/12: not measured due to the page not being available prior to Aug 2012]	Achieved
	70% partner satisfaction [top 2 categories of 5-point scale] with quality and timeliness of information sharing by Sport NZ.	2012/13: 90% quality, 90% timeliness (55% response rate, 9% margin of error) [2011/12 ⁹ : 82.5% partner satisfaction – 68% response rate, 6% margin of error]	Achieved
Development and dissemination of knowledge and information to facilitate sharing good practice.	Number of page views for 'developing capability' and 'research and resources' webpages of the Sport NZ website.	2012/13: 42,887 individual visitors to the 'research and resources' pages [2011/12: 38,302 page views and unique visitors]	Achieved
	2,200 subscribers to the Sport NZ newsletter <i>Relay</i> .	2012/13: 1949 subscribers ¹⁰ [2011/12: 1819 subscribers]	Not Achieved Technical issues have impacted subscriber retention rates in 2012/13. These have now been resolved.
Sport NZ provides resources and tools (e.g. organisational development tool, online templates, survey tools, club warrant of fitness tool).	70% partner satisfaction [top 2 categories of 5-point scale] with quality and timeliness with Sport NZ's research publications.	2012/13: 84% quality, 86% timeliness (55% response rate, 9% margin of error) [2011/12: not measured]	Achieved
	70% partner satisfaction [top 2 categories of 5-point scale] with quality and timeliness of Sport NZ's resources and toolkits.	2012/13: 85% quality, 85% timeliness (55% response rate, 9% margin of error) [2011/12 ¹¹ : 75% partner satisfaction – 68% response rate, 6% margin of error]	Achieved

⁹All partner satisfaction results for 2011/2012 include only the 'quality' measure as timeliness was not included as a separate question in the survey.

¹⁰This figure does not include around 200 Sport NZ and HPSNZ staff who receive *Relay* through internal communications but who are not subscribers.

¹¹All partner satisfaction results for 2011/2012 include only the 'quality' measure as timeliness was not included as a separate question in the survey.

Cost of Service by Output Class: Sport and Recreation Programmes

For the year ended 30 June 2013

GROUP		GROUP	
Actual 2012 \$000		ACTUAL 2013 \$000	BUDGET 2013 \$000
19,151	Crown funding	19,151	19,151
37,596	Other operating revenue	38,947	39,412
56,747	Total Revenue	58,098	58,563
	Less expenses		
48,166	- Sector investment and consulting	43,736	49,757
4,111	- Programme management	2,216	2,668
7,077	- Technical advice and resources	7,487	7,435
762	- Policy advice	951	1,152
2,442	- Knowledge and information	3,137	3,524
62,558	Total Expenses	57,527	64,536
(5,811)	Net Operating Surplus/(Deficit)	571	(5,973)

This financial information is to be read in conjunction with the accounting policies and notes to the financial statements.

Major variations in the level of operating revenues and expenditures between years are explained as follows:

REVENUE

Other revenue has increased from 2011/12 due to increased distributions from the New Zealand Lotteries Grants Board as a result of increased profits generated by the NZ Lotteries Commission.

EXPENDITURE

Sector investment and consulting has dropped by \$5 million due to a one-off distribution made to targeted NSOs in 2011/12.



2. HIGH PERFORMANCE PROGRAMMES

Outcomes sought

Long-term

- More winners on the world stage at Olympic/ Paralympic Games and World Championships at targeted sports.

Medium-term

- Achieve a sustainable high performance sport system capable of constant improvement through collaborative leadership and investment; and
- Athletes performing to a higher level in the high performance system.

High Performance Sport Investment

HPSNZ's assessment of its high performance programmes for 2012/13 is set out below. HPSNZ purchases programmes, resources and services that contribute to more New Zealand winners on the world stage.

Programme Investment and Management

Output/Delivery	Performance Standard	Performance at 12 Months	Status
Sport NZ invests in National Sport and Recreation Organisations, Regional Sports Trusts, Local Authorities, Iwi and other organisations to achieve community sport and recreation outcomes.	At least 65% of total high performance funding will be invested in high performance programmes and initiatives including: <ul style="list-style-type: none"> Targeted NSOs Performance Enhancement Grants (PEGs) for elite athletes Technology and innovation High performance events. 	2012/13: 68.7%, \$38 million (2011/12: 68.1%, \$40.7 million) was invested in the following high performance programmes and initiatives: <ul style="list-style-type: none"> \$28.8 million in NSOs for delivery of their high performance programmes [2011/12: \$31.0 million] \$7.0 million in PEGs for elite athletes [2011/12: \$7.4 million] \$1.1 million in technology and innovation to give NZ athletes a competitive edge [2011/12: \$1.5 million] \$1.1 million in high performance events. [2011/12: \$0.8 million] 	Achieved
	95% of payments to partners are delivered in the agreed timeframe ⁶ (unless KPIs or other requirements are not met).	2012/13: 98% 2011/12: Not measured	Achieved

Technical Advice and Resources

Output/Deliverable	Performance Standard	Performance at 12 Months	Status
HPSNZ provides expert advice, guidance and assistance to NSOs regarding the delivery of their high performance programmes and the development of athlete development.	Expert advice, guidance and assistance provided to at least 9 sport organisations to support the delivery of their high performance programmes.	2012/13: 25 NSOs [2011/12: 13 NSOs]	Achieved
	80-85% partner (NSO) satisfaction [top 2 categories of 5-point scale] with quality and timeliness of HPSNZ consultancy and advice.	2012/13: 90% quality, 95% timeliness (55% response rate, 9% margin of error) [2011/12 ¹² : 85.7% partner satisfaction – 68% response rate, 6% margin of error]	Achieved

¹²All partner satisfaction results for 2011/2012 include only the 'quality' measure as timeliness was not included as a separate question in the survey.



Athlete Services

Output/Deliverable	Performance Standard	Performance at 12 Months	Status
Directly support athletes through Performance Enhancement Grants (PEGs).	PEGs allocated to at least 200 high performance athletes.	2012/13: 279 athletes [2011/12: 294 athletes]	Achieved
Provide direct performance support to athletes in exercise physiology, biomechanics, strength and conditioning, nutrition, physiotherapy, massage, planning, athlete life, medical and specialist services.	500 athletes receive funding and/or access to services through the high performance system.	2012/13: 593 athletes [2011/12: 469 athletes]	Achieved
	80 coaches receive funding and/or access to services provided by the high performance system.	2012/13: 82 coaches [2011/12: 80 coaches]	Achieved
	29 service provider FTEs delivered to athletes.	2012/13: 67.7 ¹³ [2011/12: 50 FTEs]	Achieved
	80-85% athlete satisfaction [top 2 categories of 5 point scale] with support	2012/13: Not yet measured ¹⁴ [2011/12: Not measured]	Not Achieved
Provide professional development opportunities for athletes and support personnel.	A number of professional development opportunities for athletes and coaches run by HPSNZ.	2012/13: Every carded athlete assigned an advisor at carding to assist with professional development opportunities; including the development of an individualised plan, workshop programme and external professional development offerings through an Athlete Friendly Network and partnership with the IOC Athlete Career Programme. HPSNZ works actively with carded coaches to develop individualised PD plans. HPSNZ has run 7 workshops (2011/12: 6 workshops) during the year catering to a range of key PD opportunities identified.	Achieved

¹³Due to the restructure of the Athlete Performance support model and additional services purchased by targeted and non-targeted sports, a number of new and vacant roles were filled during this period.

¹⁴NSO performance reviews were conducted in November 2013 and this measure was assessed at the time.

Cost of Service by Output Class: High Performance Programmes

For the year ended 30 June 2013

GROUP		GROUP	
Actual 2012 \$000		ACTUAL 2013 \$000	BUDGET 2013 \$000
53,338	Crown funding	58,192	58,192
9,699	Other operating revenue	5,935	5,165
63,037	Total Revenue	64,127	63,357
	Less expenses		
41,399	- Sector investment	36,911	38,007
13,189	- Infrastructure investment	5,652	13,550
4,019	- Programme management	1,316	1,350
4,942	- Technical advice and resources	5,567	6,530
9,399	- HP athlete services	11,094	10,826
72,948	Total Expenses	60,540	70,263
(9,911)	Net Operating Surplus/(Deficit)	3,587	(6,906)

This financial information is to be read in conjunction with the accounting policies and notes to the financial statements.

Major variations in the level of operating revenues and expenditures between years are explained as follows:

Revenue

As a result of the high performance sport initiatives announced in 2010, Crown funding has increased by \$5 million in 2012/13.

The decrease in other operating revenue reflects one-off revenue received in 2011/12 associated with the establishment of HPSNZ; contract funding for HPSNZ to deliver contracts that had been novated to HPSNZ totalling \$6.916 million and residual funds of \$0.972 million from the

New Zealand Academies of Sport that were gifted to Sport NZ. These decreases have been partially offset by increases in lotteries funding allocated to infrastructure investment of \$3 million and sport buy backs and the receipt of rental contribution in Dunedin for the full year.

Expenditure

The decrease in expenditure is primarily due to the reduction in the investment in High Performance facilities from \$13.2 million in 2011/12 to \$5.4 million due the completion of the High Performance National Training Centre in 2011/12 and delays in the construction of infrastructure investments in 2012/13.

Prime Minister's Sport Scholarships

To increase participation and achievement in sport and physical recreation by providing scholarships enabling talented New Zealanders to pursue tertiary study and elite-level sport development concurrently, and/or to develop skills that contribute to the quality of New Zealand's sport performance at the elite level.

Programme Investment and Management

Output/Delivery	Performance Standard	Performance at 12 Months	Status
Sport NZ invests in the development of high performance athletes, coaches, officials and support personnel through allocating Prime Minister's Sport Scholarships, on the recommendation of HPSNZ.	\$4.25m invested for: At least 250 Prime Minister's Athlete Scholarships.	\$3.157m invested: [2011/12: \$3.777m invested] Expenditure was down in 2012/13 as a result of fewer applicants for scholarships post the London 2012 Olympics. 2012/13: 361 scholarships [2011/12: 379 scholarships]	Achieved
	At least 50 Prime Minister's Coach, Support Team and Officials Scholarships.	2012/13: 140 scholarships [2011/12: 100 scholarships]	Achieved
	Administration costs are less than 10% of the total funds being allocated.	2012/13: 4.4% [2011/12: 3.9%]	Achieved

Cost of Service by Output Class: Prime Minister's Sport Scholarships

For the year ended 30 June 2013

GROUP		GROUP	
Actual 2012 \$000		ACTUAL 2013 \$000	BUDGET 2013 \$000
4,250	Crown funding	4,250	4,250
4,250	Total Revenue	4,250	4,250
	Less expenses		
3,777	- Sector investment	3,157	4,250
149	- Programme management	138	145
3,926	Total Expenses	3,295	4,395
324	Net Operating Surplus/(Deficit)	955	(145)

This financial information is to be read in conjunction with the accounting policies and notes to the financial statements.

Major variations in the level of operating revenues and expenditures between years are explained as follows:

Expenditure

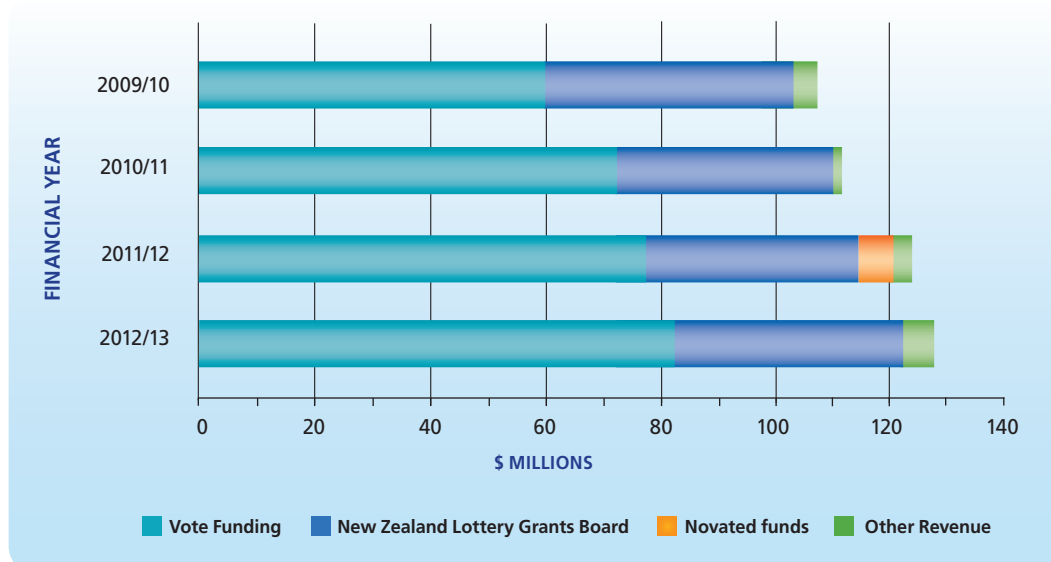
Expenditure was down in 2012/13 as a result of fewer applicants for scholarships post Olympics.

Financial Information

Financial Overview

The financial information presented within this annual report represents the consolidated financial statements for the Sport NZ Group, comprising Sport NZ (previously referred to as 'SPARC') and wholly-owned subsidiary HPSNZ. The Sport NZ Group has been operating since August 2011 and therefore the 2011/12 figures represent the first 11 months of the Sport NZ Group operations. The 2012/13 financial year represents the first full-year impact of HPSNZ.

Table One: Analysis of Revenue from 2009/10 to 2012/13



Revenue from Novated Funds in 2011/12 relates to funds acquired through the merger of the two NZ Academies of Sport. Vote funding for High Performance has increased since 2009/10 by \$20 million.

Table Two: Analysis of 2012/13 expenditure

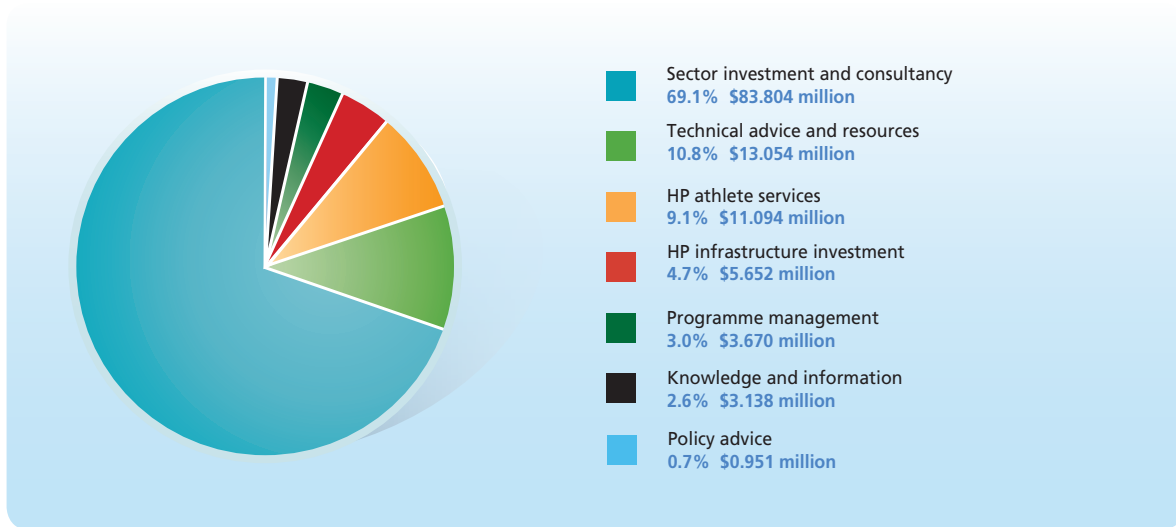


Table Two shows that in 2012/13, \$94.898 million of expenditure was directly invested into the sport and recreation sector (e.g. national governing bodies of national sport and recreational organisations and regional sports trusts) through direct sector and consultancy investment (\$83.804 million) and the provision of HP athlete services (\$11.094 million). Direct investment in 2011/12 made up \$93.342 million of total expenditure. A further \$5.652 million has been invested in the development of high performance facilities (\$13.189 million in 2011/12).

Table Three: Analysis of 2012/13 Investments and Grants (by appropriation)

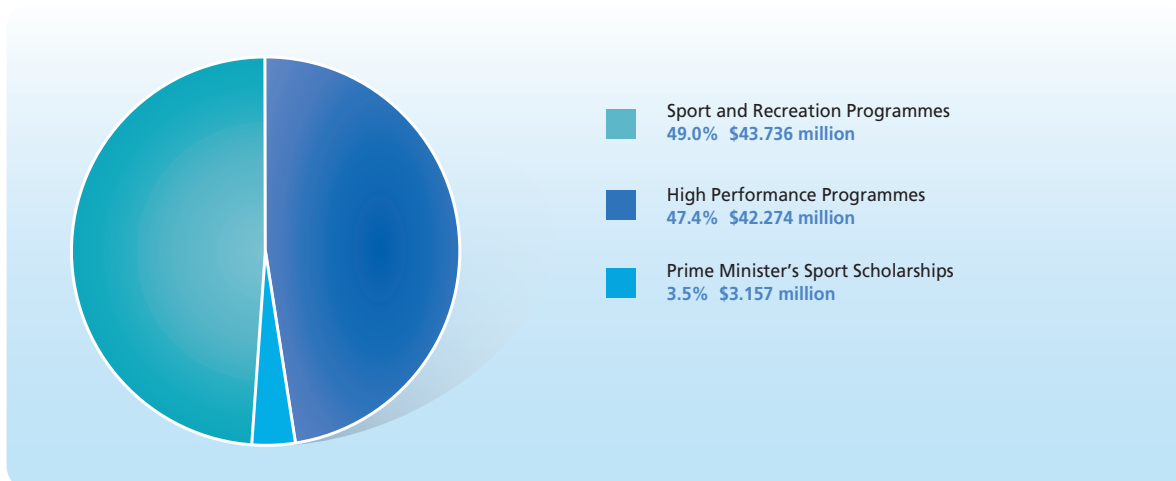


Table Three shows the output classifications (by appropriation) into which the 72% of expenditure invested directly into the sport and recreation sector in 2012/13 was made. This table only includes investment made of investments made directly in our sector partners and where consultants have been working directly with our partners. The total expenditure for each of these output classifications is further explained within the Cost of Service by Output section on pages 37 through 42.

Table Four: Analysis of 2012/13 Investments and Grants (by partner)

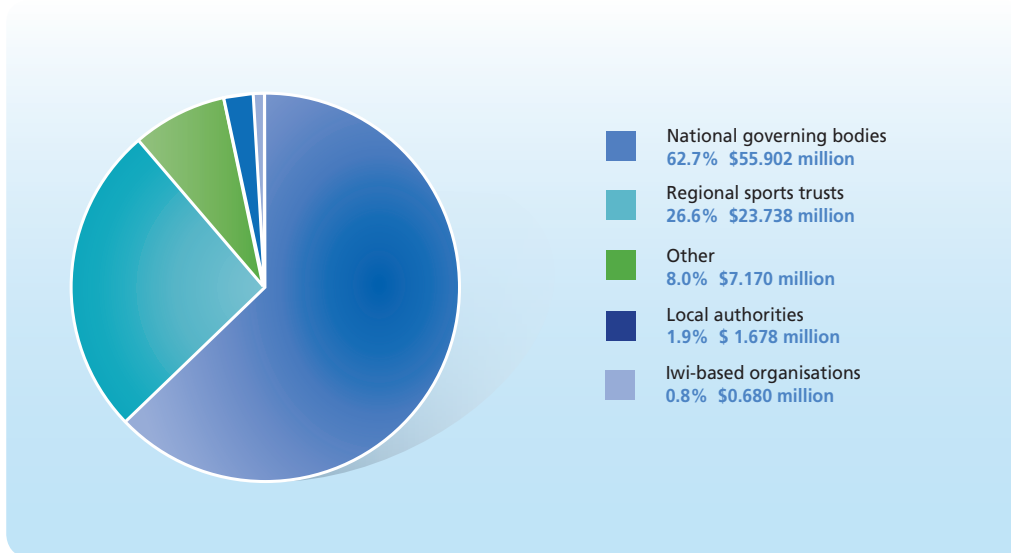


Table Four shows how the 72% of total expenditure invested into the sport and recreation sector in 2012/13 has been distributed between the Sport NZ Group's partner organisations. The primary channel for sector investment for both high performance and community sport is through NGBs and RSTs which received 89.3% of the investment. In 2012/13 the Sport NZ Group invested \$7.170 million (8%) into other partners including \$5.363 million for the construction of high performance infrastructure projects. A summary of the Sport NZ Group's Sector Investment and Grants is further contained in Appendix 1 on pages 77 through 80.

Financial Summary

For the year ended 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	BUDGET	ACTUAL	BUDGET
2012	2012			2013	2013	2013	2013
\$000	\$000			\$000	\$000	\$000	\$000
117,919	124,034	Operating revenue		126,639	127,105	126,475	126,170
115,183	106,531	Investment and grants		109,142	123,349	89,168	105,564
16,138	30,905	Operating expenditure		16,080	16,780	32,195	33,630
(13,402)	(13,402)	Net Operating Surplus/(Deficit)		1,417	(13,024)	5,112	(13,024)
22,042	23,642	Assets		25,931	12,404	28,660	14,254
2,834	4,434	Liabilities		5,306	7,069	4,340	8,919
19,208	19,208	Public Equity		20,625	5,335	24,320	5,335

This financial information is to be read in conjunction with the accounting policies and notes to the financial statements.

2012/13 saw the first full year of operations for HPSNZ. The comparatives are for the 11 month operations from 8 August 2011.

In 2011/12 Sport NZ made the decision to reduce its reserves which were \$32.6 million. At 30 June 2013, they had reduced to \$24.4 million, with current commitments against the remaining reserves totalling \$19.59m.

A summary of planned expenditure against accumulated reserves is shown below:

Sport NZ Group Reserves	2013/14+ Commitments \$ million
Public Equity at 1 July 2013	24.38
National Cycling Centre of Excellence	1.50
NOWSC	2.50
MISH Stage II	1.50
Jellie Park – capitalisation of costs	3.26
Canoe Racing Centre of Excellence	0.50
Community sport NSO investment commitments	3.75
NSO Commercialisation	0.10
NSO Website redevelopment	0.13
Sport in Education	1.24
KiwiSport Special Projects – targeted sport	1.11
Recreation investment	0.25
HPSNZ funding (reallocated to out-years)	2.21
HPSNZ costs carried over to 2013/14 & Out-years (forecast)	1.54
TOTAL	19.59
Minimum reserve balance	3.00
Uncommitted Reserves at 1 July 2013	1.79

Financial Statements

Statement of comprehensive income

For the year ended 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	BUDGET	ACTUAL	BUDGET
2012	2012			2013	2013	2013	2013
\$000	\$000	Note		\$000	\$000	\$000	\$000
Revenue							
76,739	76,739	Crown funding	2	81,593	81,593	81,593	81,593
36,689	36,689	New Zealand Lottery Grants Board		41,365	42,680	41,365	42,680
886	973	Interest received		940	319	977	419
-	6,916	Novated funds		-	-	-	-
3,605	2,717	Sundry revenue		2,741	2,513	2,540	1,478
117,919	124,034	Total Operating Revenue	3	126,639	127,105	126,475	126,170
Investments and Grants							
-	-	Investment consulting		672	500	672	500
60,600	91,475	Sector investment		43,065	49,257	83,133	91,514
1,867	1,867	Academy investment		-	-	-	-
39,527	-	HPSNZ funding		60,042	60,042	-	-
13,189	13,189	Infrastructure investment		5,363	13,550	5,363	13,550
115,183	106,531	Total Investments and Grants		109,142	123,349	89,168	105,564
Operating Expenditure							
149	236	Board members remuneration	25	147	182	231	266
8,146	14,762	Personnel costs	5	8,504	8,719	16,861	17,263
3,387	7,330	Professional and technical services	6	2,890	2,738	6,847	7,018
644	1,080	Leased property		622	564	1,897	1,692
314	753	Depreciation and amortisation	12,13	774	518	1,466	1,248
3,498	6,744	Other operating costs		3,143	4,059	4,893	6,143
16,138	30,905	Total Operating Expenditure		16,080	16,780	32,195	33,630
131,321	137,436	Total Expenditure		125,222	140,129	121,363	139,194
(13,402)	(13,402)	Net Profit/(Loss)		1,417	(13,024)	5,112	(13,024)
-	-	Other comprehensive income		-	-	-	-
(13,402)	(13,402)	Total Comprehensive Income		1,417	(13,024)	5,112	(13,024)

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 32.

Statement of financial position

As at 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	BUDGET	ACTUAL	BUDGET
2012	2012			2013	2013	2013	2013
\$000	\$000	Note		\$000	\$000	\$000	\$000
Assets							
CURRENT ASSETS							
7,836	8,681	8		11,699	350	11,816	519
10,325	11,241	9		9,277	9,383	9,925	9,683
28	44			17	-	17	-
2,002	-	34		-	-	-	-
37	37	10		58	20	58	20
-	68	11		-	500	-	500
20,228	20,071			21,051	10,253	21,816	10,722
NON-CURRENT ASSETS							
814	1,783	12		3,799	830	5,294	1,750
557	1,345	13		627	867	1,096	1,328
443	443	14		454	454	454	454
1,814	3,571			4,880	2,151	6,844	3,532
22,042	23,642			25,931	12,404	28,660	14,254
Liabilities							
CURRENT LIABILITIES							
1,728	2,767	15		1,509	6,402	2,678	7,802
-	-	34		2,785	-	-	-
189	223	16		156	154	183	154
803	1,330	17		746	513	1,369	963
114	114	18		110	-	110	-
2,834	4,434			5,306	7,069	4,340	8,919
2,834	4,434			5,306	7,069	4,340	8,919
19,208	19,208	7		20,625	5,335	24,320	5,335
Represented by:							
32,610	32,610			19,208	18,359	19,208	18,359
(13,402)	(13,402)			1,417	(13,024)	5,112	(13,024)
19,208	19,208	7		20,625	5,335	24,320	5,335

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 32.

Statement of changes in equity

For the year ended 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	BUDGET	ACTUAL	BUDGET
2012	2012			2013	2013	2013	2013
\$000	\$000	Note		\$000	\$000	\$000	\$000
32,610	32,610			19,208	18,359	19,208	18,359
(13,402)	(13,402)			1,417	(13,024)	5,112	(13,024)
19,208	19,208	7		20,625	5,335	24,320	5,335

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 32.

Statement of cash flows

For the year ended 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	BUDGET	ACTUAL	BUDGET
2012	2012			2013	2013	2013	2013
\$000	\$000		Note	\$000	\$000	\$000	\$000
Cash flows from operating activities							
CASH INFLOWS							
76,739	76,739	Receipts from Crown revenue		81,593	81,593	81,593	81,593
		Receipts from other revenue					
28,009	28,009	- New Zealand Lotteries Grants Board		40,819	35,680	40,819	35,680
1,516	9,035	- Sundry revenue		774	13	2,915	1,128
1,011	1,094	Interest received		942	319	979	419
2,000	-	Shared services recovery		2,000	2,000	-	-
109,275	114,877	Total Cash Inflows		126,128	119,605	126,306	118,820
CASH OUTFLOW							
		Payments to suppliers					
64,062	94,897	- Sector investment		42,746	56,728	82,814	98,385
8,178	14,877	- Other payments		13,525	4,070	20,478	11,596
41,529	-	Transfers between Sport NZ and HPSNZ		55,255	58,942	-	-
1,784	2,186	Goods and services tax (net)		(1,597)	383	(1,516)	383
115,553	111,960	Total Payments to Suppliers		109,929	120,123	101,776	110,364
8,036	14,122	Payments to employees		8,565	8,919	16,793	17,463
123,589	126,082	Total Cash Outflows		118,494	129,042	118,569	127,827
(14,314)	(11,205)	Net Cash Inflow/(Outflow) from Operating Activities	22	7,634	(9,437)	7,737	(9,007)
Cash flow from investing activities							
CASH INFLOWS							
2	23	Disposal of fixed assets	12	-	-	-	-
-	3	Disposal of intangible assets	13	-	-	-	-
668	-	Assets transferred to HPSNZ		-	-	-	-
50	50	Loan repayment	14	58	50	58	50
24,759	24,759	Investments maturing	11	-	3,500	68	3,500
25,479	24,835	Total Cash Inflows		58	3,550	126	3,550
CASH OUTFLOW							
18	1,153	Purchase of property, plant and equipment	12	3,430	24	4,243	374
381	798	Purchase of intangible assets	13	399	252	485	302
10,891	10,891	Loans and advance drawdown	14	-	-	-	-
-	68	Acquisition of investments	11	-	500	-	500
11,290	12,910	Total Cash Outflows		3,829	776	4,728	1,176
14,189	11,925	Net Cash Inflow/(Outflow) from Investing Activities		(3,771)	2,774	(4,602)	2,374
(125)	720	Net Increase/(Decrease) in Cash Held		3,863	(6,663)	3,135	(6,633)
7,961	7,961	Opening cash balance as at 1 July		7,836	7,013	8,681	7,152
7,836	8,681	Closing Cash Balance as at 30 June		11,699	350	11,816	519

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 32.

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.

Notes to the Financial Statements

1. STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2013

Reporting Entity

Sport and Recreation New Zealand 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. A full list of functions is set out in the Appendix to this annual report.

SPARC was the trading name of Sport and Recreation New Zealand until 1 February 2012 when it changed its trading name to Sport New Zealand (Sport NZ). Sport NZ formed a wholly-owned subsidiary High Performance Sport New Zealand Limited (HPSNZ) in August 2011 by merging Sport and Recreation New Zealand’s high performance unit with the business activities of the two New Zealand Academies of Sport (North and South Island).

Accordingly, Sport NZ and its wholly-owned subsidiary, HPSNZ are designated public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (‘NZ IFRS’).

These financial statements are for the Sport NZ Group, comprising both Sport NZ and HPSNZ. They are for the year ended 30 June 2013. Prior year comparisons include the information since HPSNZ was formed but exclude the operations of the two New Zealand Academies of Sport from 30 June 2011 until 7 August 2011.

Basis of preparation

STATEMENT OF COMPLIANCE

The financial statements of the Sport NZ 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 comply with NZ IFRS and other applicable Financial Reporting Standards appropriate for public benefit entities.

MEASUREMENT BASE

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

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$’000). The functional currency of the Sport NZ Group is the New Zealand dollar.

Changes in accounting policies

There have been no changes in accounting policies during the financial year.

The Sport NZ Group has not adopted any revisions to accounting standards during the financial year.

Standards, amendments and interpretations issued that are not yet effective and have not been early adopted

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, the Sport NZ Group is classified as a Tier 1 reporting entity and it will be required to apply full public sector Public Benefit Entity Accounting Standards (PAS). The effective date for the new standards for public sector entities is for reporting periods beginning on or after 1 July 2014. This means the Sport NZ Group will transition to the new standards in preparing its 30 June 2015 financial statements. Sport NZ Group has not assessed the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standard Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

NZ IFRS standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Sport NZ group, are:

NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following three main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial assets (its business model) and the contractual cash flow characteristics of the financial assets. The financial liability requirements are the same as those of NZ IAS 39, except for when an entity elects to designate a financial liability at fair value through the surplus/deficit. The new standard is required to be adopted for the year ended 30 June 2016. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities.

Significant Accounting Policies

BASIS OF CONSOLIDATION

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

SUBSIDIARIES

The Sport NZ Group has consolidated HPSNZ in the Group financial statements, as a wholly owned subsidiary of Sport NZ. Sport NZ has the capacity to control their financing and operating policies so as to obtain benefits from their activities.

HPSNZ has been fully consolidated from the date of establishment.

REVENUE

Revenue is measured at the fair value of consideration received or receivable.

Revenue from the Crown

Sport NZ Group is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of Sport NZ Group meeting its objectives as specified in the statement of service performance on pages 32 through 42.

Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it is appropriated.

Revenue from the New Zealand Lottery Grants Board

The New Zealand Lottery Grants Board (LGB) allocates 20% of its profit to Sport NZ under section 279 of the Gambling Act 2003. The core funding is allocated based on the LGB's forecast profit for the financial year.

Sport NZ also receives 20% of the LGB's profit over and above the forecast profits. This revenue is not accounted for until the following financial year at the time it is confirmed.

Grants and donations

Grants and donations are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the grant are not met. If there is such an obligation the grants are initially recorded as grants received in advance, and recognised as revenue when conditions of the grant are satisfied.

Interest

Interest income is recognised using the effective interest method. Interest income on an impaired financial asset is recognised using the original effective interest rate.

SECTOR INVESTMENTS AND GRANTS (EXPENDITURE)

Discretionary investments are those investments where there exists no obligation to award on receipt of the investment application and are recognised as expenditure when expenditure is due against the agreement.

Non-discretionary investments are those investments awarded if the application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the investment has been received.

The Sport NZ Group has disclosed all grant expenditure within these financial statements as 'Sector Investments'.

LEASES

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the Sport NZ Group are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the statement of comprehensive income.

Lease incentives received are recognised in the statement of comprehensive income over the lease term as an integral part of the total lease expense.

CASH AND CASH EQUIVALENTS

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.

TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Impairment of a receivable is established when there is objective evidence that the Sport NZ Group will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the debtor is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income. When the receivable is uncollectible, it is written off against the allowance account for receivables. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due).

Bank deposits

Treasury investments in bank deposits are initially measured at fair value plus transaction costs.

After initial recognition, treasury investments in bank deposits are measured at amortised cost using the effective interest method.

LOANS

Loans are loans to other entities in the sport and recreation sector. They are recognised initially 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.

INVENTORIES

Inventories held for distribution or consumption in the provision of services that are not issued on a commercial basis are measured at the lower of cost (calculated using the weighted average cost method) and current replacement cost. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

The replacement cost of the economic benefits, or service potential of inventory held for distribution, reflects any obsolescence or any other impairment.

Inventories held for sale or use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the weighted average cost method.

The write-down from cost to current replacement cost or net realisable value is recognised in the statement of comprehensive income in the period when the write-down occurs.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment asset classes consist of leasehold improvements, plant and equipment, computer hardware, furniture and fittings and property.

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

The Sport NZ Group does not own any land and does not account for any revaluations of property, plant and equipment.

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 cost of the item can be measured reliably.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of comprehensive income.

Subsequent costs

Costs incurred subsequent to initial acquisition 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 cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income as they are incurred.

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 of major classes of assets have been estimated as follows:

Audio visual equipment	3 to 5 years	(20-33%)
Furniture and fittings	4 to 10 years	(10-25%)
Sports science equipment	2 to 5 years	(20-50%)
Gym and coaching equipment	2 to 5 years	(20-50%)
Office equipment	4 to 10 years	(10-25%)
Computer hardware	2 to 3 years	(33-50%)
Property – Apollo Projects Centre	3 years	(33%)

The Property – Apollo Projects Centre has been depreciated over three years to align with the temporary resource consent granted for the building. While at this present time we are confident of gaining permanent resource consent, we are taking a conservative approach in determining the depreciation rate on the building which will be reviewed at each balance date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

INTANGIBLE ASSETS

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use by the Sport NZ Group are recognised as an intangible asset.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with the development and maintenance of the Sport NZ Group's websites are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the statement of comprehensive income.

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

Acquired computer software	3 years	(33%)
Developed computer software	3 years	(33%)

IMPAIRMENT OF NON-FINANCIAL ASSETS

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

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Sport NZ Group would, if deprived of the asset, replace its remaining future economic benefits or service potential.

TRADE AND OTHER PAYABLES

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

EMPLOYEE ENTITLEMENTS**Short-term employee entitlements**

Employee entitlements that the Sport NZ Group expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay.

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

The Sport NZ Group recognises a liability and an expense for bonuses where it is contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

Long-term employee entitlements

The Sport NZ Group doesn't have any employee entitlements payable beyond 12 months.

SUPERANNUATION SCHEMES**Defined contribution schemes**

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

PROVISIONS

The Sport NZ Group recognises a provision for future expenditure of an uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, so it is probable that an outflow of future economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

GOODS AND SERVICE 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 Sport NZ Group is a public authority in terms of the Income Tax Act 2007 as provided for in the Sport and Recreation New Zealand Act 2002 and consequently is exempt from the payment of income tax.

BUDGET FIGURES

The budget figures for the year ended 30 June 2013 are derived from the Statement of Intent 2012-15, as approved by the Sport NZ Board on 20 June 2012.

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

COMPARATIVES

When presentation or classification of items in the financial statements is amended, comparative figures have been restated to ensure consistency with the current period unless it is impracticable to do so.

COST ALLOCATION

Within the statement of service performance, the cost of outputs has been determined through a direct allocation and overhead allocation:

- Direct allocation – where costs can be directly allocated to an output; and
- Overhead allocation – where costs cannot be directly attributed to an output they have been classified as an overhead. Overhead costs include expenditure related to the Executive, Corporate Services, Business Operations and Marketing and Communications.

Overhead costs are allocated across the outputs based on the proportional allocation of fulltime equivalent employees (FTEs) within each directly allocated cost.

Critical accounting estimates and assumptions

The Sport NZ Board is responsible for the financial statements presented, including the appropriateness of the assumptions underlying the financial statements and all other required disclosures.

The financial information has been prepared to meet the Crown financial reporting requirements of the Crown Entities Act 2004, to enable Parliament and other readers of the financial statements to assess the Sport NZ Group's actual financial results against those previously forecast.

The information in these financial statements may not be appropriate for purposes other than those described.

In preparing these financial statements the Sport NZ Group has made estimates and assumptions. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The basis and appropriateness of the assumptions used in preparing the financial statements are those which the Board have determined reasonably reflect the results of the Sport NZ Group as at 31 October 2013, the date on which the financial statements have been authorised for issue by the Board.

There are no estimates or assumptions deemed to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year.

Critical judgements in applying the Sport NZ Group's accounting policies

Management has exercised the following critical judgements in applying the Sport NZ Group's accounting policies for the period ended 30 June 2013:

FAIR VALUE OF LOANS AND ADVANCES

The fair value of loans and advances are based on the discounted cash flows of the expected repayments for each loan and advance. Future cash flows are discounted using a rate appropriate to each loan and advance. The Sport NZ Group has exercised its judgement in determining the appropriate discount rates for each loan and advance, having taken into account the interest rates, repayment terms and any other risks associated with each loan and advance.

The Sport NZ Group reviews the discount rates for each loan and advance on an annual basis. If the cash flow or discount rate assumptions were to change because of market conditions, the fair value could be different and could result in increases or reversals, in part or in full, of the fair value of the loans and advances.

2. CROWN FUNDING

The Sport NZ Group has been provided with funding from the Crown for the specific purposes contained within the Sport NZ Statement of Intent 2012-15 and the scope of the relevant government appropriations from which funding is received. Apart from these general restrictions, there are no unfulfilled conditions or contingencies attached to government funding.

3. OPERATING REVENUE

For the year ended 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2012	2012			2013	2013		
\$000	\$000			\$000	\$000		
			Crown funding				
19,151	19,151	-	Sport and Recreation Programmes	19,151	19,151		
53,338	53,338	-	High Performance Sport	58,192	58,192		
4,250	4,250	-	Prime Minister's Sport Scholarships	4,250	4,250		
76,739	76,739		Total Crown Funding	81,593	81,593		
			Other revenue				
36,689	36,689		NZ Lottery Grants Board	41,365	41,365		
886	973		Interest received	940	977		
-	6,916		Novated funds	-	-		
2,000	-		Shared services recovery	2,000	-		
1,605	2,717		Sundry revenue	741	2,540		
117,919	124,034		Total Operating Revenue	126,639	126,475		

Major variations in the level of operating revenues between 2011/12 and 2012/13 are explained as follows:

CROWN FUNDING

Total Crown funding increased by \$4.854 million as a net result of:

- an increase of \$5 million in baseline funding reflecting the Government's increased investment into high performance sport and infrastructure;
- a permanent baseline decrease of \$0.146 million that was transferred to Drug Free Sport New Zealand to fund their increased drug testing programme.

NOVATED FUNDS

Associated with the formation of HPSNZ in 2011/12 there were funds that have been brought into the group from the New Zealand Academies of Sport. These funds are made up of contract funding for HPSNZ to deliver contracts that have been novated to HPSNZ totalling \$6.916 million and residual funds of \$0.972 million from the New Zealand Academies of Sport have been gifted to Sport NZ.

Explanation of significant variances between actual revenues for 2013 and those budgeted for 2013 is further detailed in note 32 of the notes to the financial statements.

4. INVESTMENTS AND GRANTS

For the year ended 30 June 2013

SPORT NZ	GROUP		SPORT NZ	GROUP
ACTUAL	ACTUAL		ACTUAL	ACTUAL
2012	2012		2013	2013
\$000	\$000		\$000	\$000
		Investments and Grants as reported in the Statement of Comprehensive Income is made up of investments into the following appropriations:		
48,166	48,166	Sport and Recreation Programmes	43,737	43,737
67,021	54,588	High Performance Programmes	65,405	42,274
(4)	3,777	Prime Minister's Sport Scholarships	-	3,157
115,183	106,531	Total Investments and Grants	109,142	89,168
		Investments and Grants as reported in the Statement of Comprehensive Income is made up of investments to the following organisations:		
31,668	62,543	National Governing Bodies	16,008	55,902
24,410	24,410	Regional Sports Trusts	23,738	23,738
2,002	2,002	Regional Academies of Sport	-	-
1,932	1,932	Local Authorities	1,678	1,678
680	680	Iwi-Based Organisations	680	680
14,964	14,964	Other	6,996	7,170
39,527	-	High Performance Sport New Zealand	60,042	-
115,183	106,531	Total Investments and Grants	109,142	89,168

A breakdown of investments made to individual organisations is contained in Appendix 1. However the information contained within Appendix 1 has not been audited and as such does not form part of these financial statements.

5. PERSONNEL COSTS

For the year ended 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP
ACTUAL	ACTUAL			ACTUAL	ACTUAL	
2012	2012			2013	2013	
\$000	\$000		NOTE	\$000	\$000	
7,681	13,603	Salaries and wages		8,128	15,493	
469	968	Other personnel costs		292	1,052	
-	46	Employer contributions to defined contribution schemes		141	277	
(4)	145	Increase/(decrease) in employee entitlements	17	(57)	39	
8,146	14,762	Total Personnel Costs		8,504	16,861	

As at 30 June the 2013 Sport NZ Group employed 159.6 FTEs (2011/12: 136.8 FTEs).

Salaries and wages are those costs associated with salaries and wages paid to Sport NZ Group's permanent employees.

In 2012/13, six employees have received compensation and other benefits in relation to cessation of employment totalling \$70,738 (2011/12: 4 employees totalling \$232,712).

Other personnel costs include recruitment and professional development costs.

Employer contributions to defined contribution plans are contributions to KiwiSaver.

6. PROFESSIONAL AND TECHNICAL SERVICES

For the year ended 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP
ACTUAL	ACTUAL			ACTUAL	ACTUAL	
2012	2012			2013	2013	
\$000	\$000			\$000	\$000	
1,518	1,707	Contractors and consultants		958	1,210	
-	3,573	Athlete service contractors		-	2,760	
1,814	1,971	Other professional and technical services		1,876	2,794	
		Audit fees (Audit NZ)				
55	79	- For financial statement audit		56	83	
3,387	7,330	Total Professional and Technical Services		2,890	6,847	

Athlete service contractors represent a key part of the delivery for High Performance Athlete services. This includes contracted specialists who provide direct performance support to athletes in exercise physiology, psychology, strength and conditioning, nutrition, biomechanics, physiotherapy, massage, planning, athlete life, medical and specialist services.

7. ACCUMULATED FUNDS

The Sport NZ Group has accumulated funds over the current and previous financial years through the generation of operating surpluses resulting from unbudgeted Lotteries revenues.

8. CASH AND CASH EQUIVALENTS

As at 30 June 2013

SPORT NZ	GROUP		SPORT NZ	GROUP
ACTUAL	ACTUAL		ACTUAL	ACTUAL
2012	2012		2013	2013
\$000	\$000		\$000	\$000
336	1,181	Bank balances and cash held	699	816
		Short-term investment (deposits < 90 days)		
-	-	- ASB Bank	9,000	9,000
6,000	6,000	- Rabobank NZ	-	-
1,500	1,500	- Westpac	2,000	2,000
7,500	7,500	Total Short-Term Investments	11,000	11,000
7,836	8,681	Total Cash and Cash Equivalents	11,699	11,816

As at 30 June 2013 the weighted average interest rate on short-term treasury investments was 2.75% (2011/12: 3.80%).

As at 30 June 2013 the above short-term treasury investments were on call, as was the case at 30 June 2012.

The Sport NZ Group's deposits with investment maturity dates of 90 days or less and at fixed interest rates are disclosed in the statement of financial position as cash and cash equivalents.

The Sport NZ Group's deposits with investment maturity dates greater than 90 days have been classified as investments and are further disclosed in note 11 of the notes to the financial statements.

Being fixed interest rate investments, there is no impact on the measurement of amortised cost.

Financial instrument risks are further explained in note 29 of the notes to the financial statements.

9. TRADE AND OTHER RECEIVABLES

As at 30 June 2013

SPORT NZ	GROUP		SPORT NZ	GROUP
ACTUAL	ACTUAL		ACTUAL	ACTUAL
2012	2012		2013	2013
\$000	\$000		\$000	\$000
8,680	8,680	New Zealand Lotteries Grant Board	9,204	9,204
36	36	Trade receivables due from the Crown and related entities	23	23
49	563	Other trade receivables	50	215
1,560	1,962	Goods and services tax	-	483
10,325	11,241	Total Trade and Other Receivables	9,277	9,925

The carrying value of receivables approximates their fair value. The ageing profile of receivables at year end is detailed below:

2012				2013		
GROSS \$000	IMPAIRMENT \$000	NET \$000		GROSS \$000	IMPAIRMENT \$000	NET \$000
11,055	-	11,055	Not past due	9,876	-	9,876
143	-	143	Past due 1-30 days	17	-	17
12	-	12	Past due 31-60 days	32	-	32
25	-	25	Past due 61-90 days	-	-	-
6	-	6	Past due >91 days	-	-	-
11,241	-	11,241	Total Trade and Other Receivables	9,925	-	9,925

There has not been, nor is it anticipated that there will be, a requirement for any provision for the impairment of receivables.

10. INVENTORIES

As at 30 June 2013

SPORT NZ	GROUP		SPORT NZ	GROUP
ACTUAL 2012 \$000	ACTUAL 2012 \$000		ACTUAL 2013 \$000	ACTUAL 2013 \$000
13	13	Inventory held for the use in provision of goods and services	-	-
24	24	Inventory held for sale	58	58
37	37	Total Inventories	58	58

The carrying amount of inventories held for distribution that are measured at the lower of cost or net realisable value as at 30 June 2013 is nil (2011/12:\$13,046).

No inventories are pledged as security for liabilities.

11. TREASURY INVESTMENTS

As at 30 June 2013

SPORT NZ	GROUP		SPORT NZ	GROUP
ACTUAL 2012 \$000	ACTUAL 2012 \$000		ACTUAL 2013 \$000	ACTUAL 2013 \$000
-	68	Investments (deposits > 90 days) - ANZ National Bank	-	-
-	68	Total Investments	-	-

As at 30 June 2013 there were no Treasury investments. At 30 June 2012 the weighted average interest rate on short-term treasury investments was 4.35%, with an average maturity of 365 days.

Financial instrument risks are further explained in note 29 of the notes to the financial statements.

12. PROPERTY, PLANT AND EQUIPMENT

For the year ended 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL		ACTUAL		ACTUAL		ACTUAL	
2012		2012		2013		2013	
\$000		\$000		\$000		\$000	
Property							
-	-	-	-	-	-	-	-
-	-	-	-	3,396	3,396	3,396	3,396
-	-	-	-	3,396	3,396	3,396	3,396
-	-	-	-	-	-	-	-
-	-	-	-	283	283	283	283
-	-	-	-	283	283	283	283
-	-	-	-	-	-	-	-
-	-	-	-	3,113	3,113	3,113	3,113
Leasehold improvements							
938	938	938	938	938	1,527	938	1,527
-	4	-	-	-	-	-	-
-	589	-	-	29	330	-	330
-	(4)	-	-	-	-	-	-
938	1,527	938	938	967	1,857	967	1,857
243	243	243	243	347	379	347	379
104	136	104	136	107	209	107	209
347	379	347	379	454	588	454	588
695	695	695	695	591	1,148	591	1,148
591	1,148	591	1,148	513	1,269	513	1,269
Plant and equipment							
51	51	51	51	51	491	51	491
-	155	-	-	-	-	-	-
-	285	-	-	-	292	-	292
-	-	-	-	-	(3)	-	(3)
51	491	51	491	51	780	51	780
45	45	45	45	48	137	48	137
-	-	-	-	-	-	-	-
3	92	3	92	3	141	3	141
-	-	-	-	-	-	-	-
-	-	-	-	-	(3)	-	(3)
48	137	48	137	51	275	51	275
6	6	6	6	3	354	3	354
3	354	3	354	-	505	-	505

Continues overleaf

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2012	2012			2013	2013		
\$000	\$000			\$000	\$000		
Computer hardware							
135	135		Opening cost	137	216		
(14)	-		Transferred between group	-	-		
-	76		Acquisitions on merger	-	-		
18	23		Additions	5	23		
(2)	(17)		Disposals	-	-		
137	216		Closing Cost	142	239		
81	81		Opening depreciation	101	134		
(2)	-		Transferred between group	-	-		
23	54		Depreciation for current year	21	50		
(1)	(1)		Disposals	-	-		
101	134		Closing Depreciation	122	184		
54	54		Opening carrying value	36	82		
36	82		Closing Carrying Value	20	55		
Furniture and fittings							
361	361		Opening cost	361	380		
-	21		Acquisitions on merger	-	-		
-	-		Additions	-	202		
-	(2)		Disposals	-	-		
361	380		Closing Cost	361	582		
141	141		Opening depreciation	177	181		
-	-		Acquisitions on merger	-	-		
36	40		Depreciation for current year	31	49		
-	-		Impairment	-	-		
-	-		Disposals	-	-		
177	181		Closing Depreciation	208	230		
220	220		Opening carrying value	184	199		
184	199		Closing Carrying Value	153	352		
814	1,783		Total Property, Plant and Equipment	3,799	5,294		

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2012	2012			2013	2013		
\$000	\$000			\$000	\$000		
Propert, Plant and Equipment							
1,485	1,485		Opening cost	1,487	2,615		
(14)	-		Transferred between group	-	-		
-	256		Acquisitions on merger	-	-		
18	897		Additions	3,430	4,243		
(2)	(24)		Disposals	-	(3)		
1,487	2,614		Closing Cost	4,917	6,855		
510	510		Opening depreciation	673	832		
(2)	-		Transferred between group	-	-		
166	322		Depreciation for current year	445	732		
(1)	(1)		Disposals	-	(3)		
673	831		Closing Depreciation	1,118	1,561		
975	975		Opening carrying value	814	1,783		
814	1,783		Closing Carrying Value	3,799	5,294		
814	1,783		Total Property, Plant and Equipment	3,799	5,294		

13. INTANGIBLE ASSETS

For the year ended 30 June 2013

SPORT NZ	GROUP		SPORT NZ	GROUP
ACTUAL	ACTUAL		ACTUAL	ACTUAL
2012	2012		2013	2013
\$000	\$000		\$000	\$000
		Computer software		
2,529	2,529	Opening cost	1,973	3,324
(937)	-	Transferred between group	-	-
381	798	Additions	399	485
-	-	Impairment	(103)	(103)
-	(3)	Disposals	-	-
1,973	3,324	Closing Cost	2,269	3,706
1,549	1,549	Opening amortisation	1,416	1,979
(281)	-	Transferred between group	-	-
148	430	Amortisation for current year	260	665
-	-	Impairment	(34)	(34)
1,416	1,979	Closing Amortisation	1,642	2,610
980	980	Opening carrying value	557	1,345
557	1,345	Closing Carrying Value	627	1,096
557	1,345	Total Intangible Assets	627	1,096

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

Work in progress of \$18,172 (2011/12: \$5,000) is included within the additions reported above.

14. LOANS AND ADVANCES

As at 30 June 2013

SPORT NZ	GROUP		SPORT NZ	GROUP
ACTUAL	ACTUAL		ACTUAL	ACTUAL
2012	2012		2013	2013
\$000	\$000		\$000	\$000
		Rowing New Zealand		
429	429	Opening balance	443	443
-	-	Increase in loan drawdown	-	-
(50)	(50)	Loan repayment	(58)	(58)
64	64	Fair value movement on loan drawdown	69	69
443	443		454	454
		AUT Millennium Trust		
-	-	Opening balance	-	-
10,891	10,891	Increase in loan drawdown	-	-
(10,891)	(10,891)	Fair value movement on loan drawdown	-	-
-	-		-	-
443	443	Total Loans and Advances	454	454

The Sport NZ Group has two loans on issue as follows:

- Rowing New Zealand's \$1.3 million loan to part-fund the financial loss following the 2010 Rowing World Championships being held at Lake Karapiro
- During 2011/12 the Sport NZ group funded AUT Millennium Trust its final drawdowns of \$10.891 million. The loan of \$15 million was to part-fund the expansion of the National High Performance Training Centre in Mairangi Bay, Auckland.

The fair value movement of loans reflects the timing of their expected repayments and the interest free nature of the loans.

At balance date the fair value movement of the interest free loan to Rowing New Zealand has been recognised at \$68,993 (2011/12: \$64,276). Over the remaining life and repayment of the loan the fair value will be amortised back up to its full nominal value.

The loan to the AUT Millennium Trust is interest free and in perpetuity, and accordingly the loan has a nil fair value.

15. TRADE AND OTHER PAYABLES

As at 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2012	2012			2013	2013		
\$000	\$000			\$000	\$000		
171	172	Trade payables due to Crown and related entities		162	162		
907	1,607	Other trade payables		923	1,652		
1,078	1,779	Total Trade Payables		1,085	1,814		
-	-	Goods and services tax		37	37		
650	988	Accrued expenses		387	827		
1,728	2,767	Total Trade and Other Payables		1,509	2,678		

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

16. REVENUE RECEIVED IN ADVANCE

As at 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2012	2012			2013	2013		
\$000	\$000			\$000	\$000		
189	189	Lease incentive payment		156	156		
-	34	Sundry revenue		-	27		
189	223	Total Revenue Received in Advance		156	183		

The lease of Sport NZ's Wellington premises included an owner contribution to fit-out of \$300,000. This lease incentive payment has been treated as revenue received in advance and is being amortised over the life of the lease.

17. EMPLOYEE ENTITLEMENTS

As at 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP
ACTUAL	ACTUAL			ACTUAL	ACTUAL	
2012	2012			2013	2013	
\$000	\$000			\$000	\$000	
426	942	Annual leave provision		483	1,048	
10	10	Sick leave provision		9	14	
367	378	Remuneration accrued		254	254	
-	-	Long service leave provision		-	53	
803	1,330	Total Employee Entitlements		746	1,369	

18. PROVISIONS

As at 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP
ACTUAL	ACTUAL			ACTUAL	ACTUAL	
2012	2012			2013	2013	
\$000	\$000			\$000	\$000	
		Redundancy				
-	-	Opening provision		114	114	
114	114	Unused amounts reversed		(4)	(4)	
-	-	Amounts used		-	-	
114	114	Closing Provisions		110	110	
114	114	Total Provisions		110	110	

The Sport NZ Group has made provision for two redundancies in 2012/13. A provision of \$109,611 (2011/12: \$114,416) has been recorded for these roles.

19. CONTINGENCIES

The Sport NZ Group did not have any contingent assets or liabilities as at 30 June 2013 (2011/12: \$nil).

20. CAPITAL EXPENDITURE COMMITMENTS

The Sport NZ Group did not have any contracted commitments for the acquisition or development of property, plant and equipment or intangible assets as at 30 June 2013 (2011/12: \$nil).

21. LEASE COMMITMENTS

As at 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2012	2012			2013	2013		
\$000	\$000			\$000	\$000		
Non-cancellable operating lease commitments							
859	1,976	Less than one year		946	2,032		
752	1,624	One to two years		836	1,791		
1,974	4,086	Two to five years		1,767	3,917		
431	2,221	Over five years		-	1,480		
4,016	9,907	Total Non-Cancellable Operating Lease Commitments		3,549	9,220		

Non-cancellable operating lease commitments include:

- lease of premises, \$8,180,778 (2011/12: \$8,752,335)
- lease of computer and office equipment, \$556,449 (2011/12: \$405,856)
- lease of vehicles, \$321,524 (2011/12: \$499,176).

Location	Expiry date	Total future minimum lease payments
Wellington	25/02/2018	\$3,015,078
Auckland	27/02/2018	\$1,425,923
Dunedin	30/06/2022	\$2,880,000

There are three major non-cancellable operating leases that the Sport NZ Group have entered into, all relating to leased premises, as follows:

The Sport NZ Group has subleased a portion of its Wellington office space and has a commitment to receive \$119,527 by 30 November 2014.

22. RECONCILIATION OF NET SURPLUS/(DEFICIT) TO NET CASH FLOWS FROM OPERATING ACTIVITIES

For the year ended 30 June 2013

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2012	2012			2013	2013		
\$000	\$000			\$000	\$000		
(13,402)	(13,402)	Net operating surplus/(deficit)		1,417	5,112		
Add/(deduct) non-cash items							
281	720	Depreciation and amortisation		774	1,466		
10,826	10,826	Net fair value movement in financial assets		(69)	(69)		
11,107	11,546	Total Non-Cash Items		705	1,397		
Add/(deduct) movements in working capital items							
(10,119)	(11,034)	Trade and other receivables		1,047	1,330		
(28)	(44)	Prepayments		11	11		
76	76	Inventories		(21)	(21)		
(56)	982	Trade and other payables		(218)	(94)		
0	34	Revenue received in advance		(33)	(33)		
(2,002)	-	Net movement in interentity account		4,787	-		
114	114	Provisions		(4)	(4)		
(4)	523	Employee benefits		(57)	39		
(12,019)	(9,349)	Net Movement in other Working Capital Items		5,512	1,228		
(14,314)	(11,205)	Net Cash Inflows/(Outflows) from Operating Activities		7,634	7,737		

23. RELATED PARTY TRANSACTIONS

RELATED PARTY TRANSACTIONS WITH SUBSIDIARY

Sport NZ is the ultimate parent of the group and controls HPSNZ as a wholly-owned subsidiary. The related party transactions with HPSNZ are detailed below:

ACTUAL 2012 \$000	Subsidiary	ACTUAL 2013 \$000
	High Performance Sport New Zealand	
39,527	Funding from Sport NZ	60,042
41,529	Funding paid by Sport NZ	55,255
2,000	Services provided by Sport NZ	2,000
(2,002)	Interentity	2,785
668	Assets sold by Sport NZ	-

SIGNIFICANT TRANSACTIONS WITH GOVERNMENT-RELATED ENTITIES

The Sport NZ Group is a wholly-owned entity of the Crown. The Sport NZ Group has been provided with funding from the Crown of \$81,593,000 (2011/12: \$76,739,000) for specific purposes as set out in its founding legislation and the scope of the relevant government appropriations.

The Sport NZ Group is the recipient of funding of \$41,365,000 (2011/12: \$36,688,880) from the New Zealand Lotteries Grants Board which is administered by the Department of Internal Affairs. At balance date \$9,203,600 was receivable (2011/12: \$8,680,000).

COLLECTIVELY, BUT NOT INDIVIDUALLY, SIGNIFICANT TRANSACTIONS WITH GOVERNMENT-RELATED ENTITIES

In conducting its activities, the Sport NZ Group is required to pay various taxes and levies (such as GST, FBT, PAYE, and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, is based on the standard terms and conditions that apply to all tax and levy payers. The Sport NZ Group is exempt from paying income tax.

The Sport NZ Group also purchases goods and services from entities controlled, significantly influenced, or jointly controlled by the Crown totalling \$500,035 (2011/12: \$279,142). These payments include \$409,963 paid to Air New Zealand. At balance date Sport NZ Group had payables of \$162,000 (2011/12: \$172,000).

24. BOARD AND KEY MANAGEMENT PERSONNEL COMPENSATION

The total value of compensation paid to board and key management personnel for the year ended 30 June 2013 is as follows:

SPORT NZ	GROUP		SPORT NZ	GROUP
ACTUAL 2012 \$000	ACTUAL 2012 \$000		ACTUAL 2013 \$000	ACTUAL 2013 \$000
1,207	2,032	Salaries and other short-term employee benefits	1,174	2,330
60	155	Termination benefits	-	-
1,267	2,187	Total Board and Key Management Personnel Compensation	1,174	2,330

Board and key management personnel include the members of the Sport NZ and HPSNZ Boards, the chief executives of both Sport NZ and HPSNZ, and eight general managers from both organisations (2011/12: 7 general managers).

25. BOARD MEMBER REMUNERATION

The total value of remuneration paid to Board members for the year ended 30 June 2013 is as follows:

ACTUAL 2012 \$000	SPORT NZ BOARD	APPOINTED	TERM ENDS	ACTUAL 2013 \$000
32	Paul Collins (Chairperson)	May 2009	Apr 2012	32
7	Katie Sadleir	Jul 2009	Jun 2012	16
16	Waimarama Taumaunu	Jul 2009	Jun 2012	-
16	Don Mackinnon	Jul 2009	Jun 2012	16
16	Bill Birnie	May 2009	Apr 2012	16
16	Rob Fisher	Jul 2005	Jun 2013	16
16	Paul Allison	Aug 2007	Sep 2010	16
15	Joanna Perry	Aug 2011	Jul 2014	16
15	Murray Gutry	Aug 2011	Jul 2014	16
-	Jackie Barron	May 2013	Apr 2016	3
149				147

ACTUAL 2012 \$000	HPSNZ BOARD	APPOINTED	TERM ENDS	ACTUAL 2013 \$000
14	Paul Collins (Chairperson)	Jul 2011	Apr 2012	14
10	Hamish Carter	Jul 2011	Jul 2014	10
9	Mark Weldon	Jul 2011	Jun 2012	-
10	Bill Birnie	Jul 2011	Apr 2012	10
4	Katie Sadleir	Jul 2011	Jun 2012	10
10	Don Mackinnon	Jul 2011	Jun 2012	10
10	Mike Stanley	Jul 2011	Jul 2014	10
10	Peter Cox	Jul 2011	Jul 2014	10
10	Simon Wickham	Jul 2011	Jul 2014	10
87				84

236	Total Board Members' Remuneration			231
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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 no other benefits provided to board members (2011/12: \$1,622).

There were no other payments to committee members who were not board members during the year ended 30 June 2013 (2011/12: \$nil).

All board members, with the exception of Waimarama Taumaunu, whose term expired on balance date last year, and Mark Weldon, who resigned last year, have had their terms rolled over.

The Sport NZ Group has provided Directors and Officers Liability and Professional Indemnity insurance cover for the year ended 30 June 2013 in respect of the liability or costs of board members and employees.

26. EMPLOYEE REMUNERATION

The number of employees who received or who are due to receive annual remuneration of \$100,000 or more during the year ended 30 June 2013, is provided within \$10,000 bands in the table below.

SPORT NZ		GROUP	SPORT NZ		GROUP
ACTUAL	ACTUAL		ACTUAL	ACTUAL	
2012	2013		2013	2013	
\$000	\$000		\$000	\$000	
-	-	\$400,001 - \$410,000	-	1	
-	-	\$350,001 - \$360,000	1	1	
1	1	\$340,001 - \$350,000	-	-	
1	2 (1)	\$210,001 - \$220,000	-	-	
-	-	\$200,001 - \$210,000	1	1	
1	1	\$180,001 - \$190,000	1	3	
1	2	\$170,001 - \$180,000	2	2	
1	2	\$160,001 - \$170,000	-	1	
2	2	\$150,001 - \$160,000	3	3	
4	6	\$140,001 - \$150,000	5	10(1)	
9	11	\$130,001 - \$140,000	8	11	
3	6(1)	\$120,001 - \$130,000	3(1)	6(1)	
2	2	\$110,001 - \$120,000	7	14(1)	
6	14	\$100,000 - \$110,000	5	9	
31	50(2)		36(1)	62(3)	

The above table includes those employees who ceased employment during the periods reported. For the year ended 30 June 2013, three employees who ceased employment during the period had received annual remuneration of greater than \$100,000, as indicated in brackets (2011/12: 2).

The chief executive of Sport NZ's salary is within the band range \$350,000 to \$360,000 (2011/12 – \$340,001 to \$350,000).

During the year ended 30 June 2013, six employees have or are entitled to receive compensation (2011/12: 4) and other benefits in relation to cessation of employment totalling \$70,738 (2011/12: \$232,712).

During the 2013 financial year Sport NZ Group had a 2% general pay increase (2011/12: 2%).

27. EVENTS AFTER BALANCE DATE

There were no significant events after balance date.

28. CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of financial assets and liabilities in each of the NZ IAS 39 categories are as follows:

As at 30 June 2013

SPORT NZ		GROUP			SPORT NZ		GROUP	
ACTUAL	ACTUAL			Note	ACTUAL	ACTUAL		
2012	2012				2013	2013		
\$000	\$000				\$000	\$000		
7,836	8,681	Cash and cash equivalents		8	11,699	11,816		
10,325	11,241	Trade and other receivables		9	9,277	9,925		
-	68	Investments		11	-	-		
443	443	Loans and advances		14	454	454		
18,604	20,433	Total Loans and Receivables			21,430	22,195		
1,728	2,767	Trade and other payables		15	1,509	2,678		
1,728	2,767	Total Financial Liabilities Measured at Amortised Cost			1,509	2,678		

All of the Sport NZ Group's financial liabilities are trade and other payables, with these trade and other payables being non-interest bearing and normally settled on 30-day terms, the carrying value of trade and other payables approximates their fair values.

29. FINANCIAL INSTRUMENT RISKS

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

These policies do not allow any transactions that are speculative in nature to be entered into.

FAIR VALUE

The fair value of financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

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 Sport NZ Group's exposure to interest rate risk is limited to bank deposits.

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 Sport NZ Group has no material exposure to currency risk.

CREDIT RISK

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

The Sport NZ Group is only permitted to deposit funds with a registered bank that meets the specified credit-rating test¹⁵ and Government-issued securities. The Sport NZ Group's investment policy limits the amount of credit exposure to any one institution. The single most significant receivable carried at balance date is the final payment of NZ Lotteries Grants Board revenue received in July each year. This is a guaranteed amount and is therefore low risk. For its other financial instruments, the Sport NZ Group does not have significant concentrations of credit risk.

The Sport NZ 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 8 and 9 of the notes to the financial statements 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 Sport NZ Group will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements, the Sport NZ Group closely monitors its forecast cash requirements with expected cash drawdowns from the Crown and NZ Lotteries Grants Board. The Sport NZ Group maintains a target level of available cash to meet liquidity requirements.

¹⁵The credit-rating test sets the minimum allowable credit-rating threshold for a Crown Entity to operate a registered bank. The credit-rating test is specified within the Crown Entities Act 2004 (S.158), and the Crown Entities (Financial Powers) Regulations 2005 (Reg. 7).

30. CAPITAL MANAGEMENT

The Sport NZ Group's capital is its equity, which comprises accumulated funds and other reserves. Equity is represented by net assets, see note 7.

The Sport NZ 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 Group manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure Sport NZ effectively achieves its objectives and purpose, whilst remaining a going concern.

31. INSURANCE COVER – ASSOCIATIONS LIABILITY

Sport NZ holds Associations liability insurance for its board members, office holders and employees. The limits of liability are:

- Directors liability, professional indemnity and public liability \$5 million
- Statutory and employers liability \$1 million

The insurer will pay up to the limit of indemnity for damage and defence costs for claims alleging breach of duty and loss of documents.

The cost of this insurance in 2012/13 was \$16,440 (2011/12:\$10,950).

32. EXPLANATION OF SIGNIFICANT VARIANCES AGAINST BUDGET

Explanations for significant variations in the Sport NZ Group's actual results for the year ended 30 June 2013 to budgeted figures in the Statement of Intent 2012-15 are as follows:

Statement of comprehensive income SECTOR INVESTMENT

Sector investments were \$8.381 million under budget due to the decision not to invest lottery funding that was preliminary earmarked for investment into community sport initiatives of \$5.7 million and instead spreading this investment over multiple years. There were also underspends in the PEGS & PM Scholarships programmes, partially due to tightening criteria and unspent contingency of \$1.590 million.

INFRASTRUCTURE INVESTMENTS

Infrastructure investments are underspent due to delays in the starting of the National Ocean Water Sports Centre in Takapuna (\$2.7 million) and delays in the start of phase 2 to the National High Performance centre in Auckland (\$1.5 million). In addition, budgeted infrastructure investment

of \$3 million in the Apollo Projects Centre in Christchurch has now been capitalised due to Sport NZ's on-going ownership of this facility.

OTHER OPERATING COSTS

Actual other operating costs are \$1.250 million underspent, primarily in relation to Programme resources which were underspent at year end due to timing delays and the decision to stop producing some community sport resources.

Statement of financial position

CASH AND CASH EQUIVALENTS

Cash and cash equivalents balance at 30 June 2013 was \$11.297 million higher than planned due to an improved operating result that required less funding during the year.

PROPERTY, PLANT AND EQUIPMENT

The balance of property, plant and equipment was \$3.544 million higher than budgeted primarily due to the Sport NZ retaining ownership of the Apollo Projects Centre facility previously budgeted as Infrastructure Investment.

Statement of changes in equity

TOTAL COMPREHENSIVE INCOME

Total comprehensive income for 2012/13 was greater than budgeted by \$18.136 million due to the budget variances explained in the Statement of Comprehensive Income above.

33. BUSINESS COMBINATIONS

There have been no business combinations during 2012/13, but during 2011/12 the business activities of the New Zealand Academy of Sport North Island and the New Zealand Academy of Sport South Island were acquired by Sport NZ on 8 August 2011 to form the wholly owned subsidiary, HPSNZ. On that date, the assets and liabilities of the New Zealand Academies were transferred into the Sport NZ Group at their carrying values which was considered to equate to their fair value.

The acquisition is intended to fulfil the objectives of HPSNZ which include "making New Zealand the most successful sporting nation in the world by developing high performance sport". Their objectives are set out in its Constitution, detailed in Appendix 2.

The effect on the Sport NZ Group accounts, at the date of transfer, is summarised on the following page.

	NZASNI \$000	NZASSI \$000
Cash and cash equivalents	1,368	1,484
Current assets	231	-
Investments	4,121	-
Fixed assets	257	252
Total Assets	5,977	1,735
Income received in advance	5,489	1,427
Trade payables	80	57
Advance from Sport NZ	-	-
Employee benefits	245	64
Total Liabilities	5,814	1,547
Total Net Assets	163	188

During the year to 30 June 2012, HPSNZ contributed independent revenue of \$1.199 million and no operating profit. If the acquisition of the business activities had occurred on 1 July 2011, it is estimated that the contribution from the New Zealand Academies to Group revenue would have been \$0.129 million and operating loss would have been \$0.070 million.

34. INTER ENTITY

The inter entity balance at 30 June 2012 represents funding owed to Sport NZ by HPSNZ from pre-funding of the high performance system prior to the establishment of HPSNZ. At balance date the majority of the inter entity balance was made up of 2012-13 funding owing to HPSNZ and not yet drawn down at balance date.

Organisational Health and Capability

The Sport NZ Group – a coordinated approach

Sport NZ and HPSNZ are being actively managed through a coordinated approach under the banner of the Sport NZ Group. In particular:

- Shared Services Agreement – Sport NZ provides Finance, Organisational Development, IT, Procurement, Stakeholder Management & Governance, Marketing & Communications and Corporate Accountability services to HPSNZ. This includes operating a single IT network, FMIS and payroll system. A service catalogue describes both the services and associated service levels of all shared service functions;
- Corporate Policies, Procedures and Internal Controls – these are consistent across both Sport NZ and HPSNZ;
- Governance Committees – the Audit, Finance and Risk Committee and Remuneration Committee have responsibility to preside over both Sport NZ and HPSNZ and include dual board member representation;
- Senior Leadership Teams (SLT) – the Chief Executives of Sport NZ and HPSNZ attend each other's SLT meetings on a regular basis and a combined SLT meeting is held quarterly;
- Relationship Management – Sport NZ has a dedicated team of Relationship Managers who operate across our investment partners on behalf of both Sport NZ and HPSNZ;
- Contract and Investment Management – Sport NZ and HPSNZ operate a single contract and investment management system; and
- Joint Procurement Processes – Joint procurement processes are carried out where possible to achieve cost savings, including the adoption of All of Government contracts across the Group.

Improving our systems

A knowledge edge is essential for us to achieve competitive advantage on the world stage. So we are investing in new ways to capture, share and leverage knowledge for the success of the sport and recreation sector of New Zealand. We are working on this jointly

in a project we are calling Knowledge Edge. In the first instance, this will provide us a document management system, a common platform for collaboration between staff across Sport NZ and HPSNZ.

Now in place at Sport NZ, the next three months will see implementation within HPSNZ. Within 12 months, we will have:

- a common platform for collaborating across the Group;
- a common platform in place for collaborating with a few NSOs and the ability to extend this model to other partners;
- the ability to work remotely for those who do this often; and
- the capacity to add other tools for collaboration.

We will also be compliant with the Public Records Act, a crucial obligation for us as a Crown entity.

Project Kahiwi is about strengthening the Sport NZ Group contracting and investment processes and related systems which lie at the very heart of our partner-centric approach. We are at the final stages of seeking joint senior management approval for the underlying business processes and are seeking Expressions of Interest for the supporting technology.

The migration of the Sport NZ Group IT infrastructure onto a single network was completed in December 2012 and the implementation of a Group-wide telephony system was introduced in April 2013.

A critical requirement for sustained high performance success is quality planning. We have created a software tool called Zed that supports the development and management of athlete and team performance plans. This Customer Relationship Management-styled system provides the framework for performance planning and case management by detailing support strategies, action plans, KPIs and outcome summaries for each athlete. Zed also acts as an information transfer tool, allowing coaches and support staff to stay "live" with communications, medical treatments, programmes, assessments and the day-to-day activities of their athletes. Zed is the key tool for daily athlete management and is designed to save time, improve focus and allow coaches and athletes to make better decisions. In addition to this core function, Zed also plays a key role in organisational performance tracking, the management of staff and coach professional development, and the storage of athlete results and events.

Being a good employer

Sport NZ seeks to be a good employer (as defined in section 118 of the Crown Entities Act 2004). Sport NZ actively promotes the principles of equal employment opportunities (EEO) to ensure it develops a culture which values staff and provides an opportunity for all to contribute to and share in the success of the organisation.

People

Sport NZ and HPSNZ have a broad range of functions, working with and providing support for a diverse range of people within the sport and recreation sector – from volunteers to high performance coaches, from sports administrators to high performance athletes. To provide high quality policy and support, Sport NZ Group staff need a diverse set of skills and knowledge.

For this reason, our staffing includes high performance sport specialists, athletes and coaches, technical specialists from within the sport, government and commercial sectors, and specialist researchers.

We regularly monitor how engaged our staff are in the work of the organisation through the use of a staff engagement survey. This survey also provides an indicator of discretionary effort and an intention to stay with the organisation. Employee engagement results for 2012/13 are highlighted in the table on the next page. Analysis of the survey results will continue to help inform initiatives in 2013/2014 to improve employee engagement, particularly in the areas of ensuring our values are reflected in the day-to-day running of the organisation, that individual staff feel that their job is valued, that the roles of other teams are clearly understood and we celebrate our successes.

Staff turnover for the Sport NZ Group for the year ended 30 June 2013 was 8.9% which compares better to the Public Service turnover statistics for the same period.

Recruitment, Selection and Induction

The Sport NZ Group demonstrates EEO principles in its recruitment and selection practices. All individuals are employed on the basis of merit, according to skills, knowledge and relevant experience.

Recruitment and selection practices have been strengthened by the development of a policy aimed at ensuring we recruit the best possible people for roles and provide equal opportunities for all existing and potential employees.

The Sport NZ Group has a Preferred Supplier Agreement in place in order to ensure high quality recruitment and to achieve cost savings.

A managers' tool kit has been developed to assist managers in these processes.

An induction package is available to support new employees in their first 90 days at Sport NZ or HPSNZ.

Learning and Development

The Sport NZ Group provides learning and development opportunities for staff, aimed at ensuring that both organisational and individual needs are met. Training needs analysis provides the basis for identifying and prioritising training and development requirements. Development plans for all staff are an integral part of the Performance Planning and Development processes.

Remuneration

The Sport NZ Group uses job evaluations provided by the Hay Group to set job bands. Salaries are reviewed annually as part of the performance management process.

Flexible Work Environment

The Sport NZ Group applies flexible working arrangements, in line with the Employment Relations (Flexible Working Arrangements) Amendment Act 2007. Arrangements include offering part-time work and allowing employees to work from home, as appropriate. This can assist in retaining key staff, including those returning from parental leave.

Staff Wellness

Sport NZ and HPSNZ both have a Health and Safety Committee. The Committee's role is to develop systems and processes to ensure Sport NZ and HPSNZ are safe and healthy places to work.

A confidential external counselling service is available to all employees.

The Sport NZ Group also has policies, procedures, and a culture that actively encourages staff to participate in sport and physical recreation. The Sport NZ Group has a zero tolerance to workplace bullying and harassment.

Technology and other Physical Assets

The functioning of the Sport NZ Group requires little customised technology. All information and technology-based projects are managed through a three-year Information Systems Road Map. Physical assets such as office accommodation and computers are leased.

Assessing Organisational Health and Capability

The following table demonstrates information captured toward assessing the organisational health of the Sport NZ Group.

Focus	Indicator	Performance Measure	Results/Status
Good employer	Staff Engagement Survey	75-80% engagement from staff	2012/13: <ul style="list-style-type: none"> 70% Sport NZ 77% HPSNZ [2011/12: 69% (excludes HPSNZ staff who were not surveyed during the period)]
	Annual staff turnover	12% or less staff turnover	2012/13: 8.9% (Sport NZ Group) [2011/12: 11.69% (excludes HPSNZ)]
Managing risk	Stakeholder surveys	70% or more of our partners express confidence in Sport NZ/ HPSNZ	2012/13: <ul style="list-style-type: none"> 91% Sport NZ 75% HPSNZ [2011/12: 84.65%] <ul style="list-style-type: none"> 81.8% Sport NZ 87.5% HPSNZ
	Contract management performance	70% partner satisfaction with the quality and timeliness of Sport NZ contract management	2012/13: <ul style="list-style-type: none"> Sport NZ: 86% quality, 75% timeliness HPSNZ: 82% quality, 73% timeliness [2011/12: not measured]
Financial information system and controls	Annual audit rating	Maintain a 'very good' rating	2012/13: Very good [2011/12: Very good]
Service performance information and associated systems and controls	Annual audit rating	Improve to 'good'	2012/13: Needs improvement [2011/12: Good]
Effectiveness and efficiency	Operating expenditure (excluding investments) is maintained within current levels	No target set in 2011/12 due to change in organisational structure	2012/13: 10.5% increase, the prior year only included 47 weeks of HPSNZ operations [2011/12: Operating expenditure was \$31 million. Not comparable as a % as the prior year didn't include HPSNZ]



Statement of Responsibility

The Board of Sport New Zealand accepts responsibility for:

- preparing these financial statements and statement of service performance and the judgements made concerning these; and
- establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.

In the opinion of the Board of Sport and Recreation New Zealand the financial statements and statement of service performance fairly reflect the financial position, operations and performance of the Sport and Recreation New Zealand Group for the year ended 30 June 2013.

Paul Collins

Chair Sport NZ
and HPSNZ

31 October 2013

Bill Birnie

Board Member
Sport NZ and HPSNZ

31 October 2013

Independent Auditor's Report

To the readers of Sport New Zealand and group's financial statements and non-financial performance information for the year ended 30 June 2013.

The Auditor-General is the auditor of Sport New Zealand (Sport NZ) and group. The Auditor-General has appointed me, John O'Connell, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and non-financial performance information of Sport NZ and group on her behalf.

We have audited:

- the financial statements of Sport NZ and group on pages 47 to 70, that comprise the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and notes to the financial statements that include accounting policies and other explanatory information; and
- the non-financial performance information of Sport NZ and group that comprises the statement of service performance on pages 32 to 42 and the report about outcomes on pages 14 to 31.

Opinion

In our opinion:

- the financial statements of Sport NZ and group on pages 47 to 70:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect Sport NZ and group's:
 - financial position as at 30 June 2013; and
 - financial performance and cash flows for the year ended on that date.
- the non-financial performance information of Sport NZ and group on pages 32 to 42 and 14 to 31:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects Sport NZ and group's service performance and outcomes for the year ended 30 June 2013, including for each class of outputs:
 - the service performance compared with forecasts in the statement of forecast service performance at the start of the financial year; and
 - the actual revenue and output expenses compared with the forecasts in the statement of forecast service performance at the start of the financial year.

Our audit was completed on 31 October 2013. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities, and we explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and non-financial performance information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and non-financial performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and non-financial performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and non-financial performance information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of Sport NZ and group's financial statements and non-financial performance information that fairly reflect the matters to which they relate. We consider internal control 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 Sport NZ and group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board;
- the appropriateness of the reported non-financial performance information within Sport NZ and group's framework for reporting performance;
- the adequacy of all disclosures in the financial statements and non-financial performance information; and
- the overall presentation of the financial statements and non-financial performance information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and non-financial performance information. Also we did not evaluate the security and controls over the electronic publication of the financial statements and non-financial performance information.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Board

The Board is responsible for preparing financial statements and non-financial performance information that:

- comply with generally accepted accounting practice in New Zealand;
- fairly reflect Sport NZ and group's financial position, financial performance and cash flows; and
- fairly reflect Sport NZ and group's service performance and outcomes.

The Board is also responsible for such internal control as is determined is necessary to enable the preparation of financial statements and non-financial performance information that are free from material misstatement, whether due to fraud or error. The Board is also responsible for the publication of the financial statements and non-financial performance information, whether in printed or electronic form.

The Board's responsibilities arise from the Crown Entities Act 2004.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and non-financial performance information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in Sport NZ or its subsidiary.



John O'Connell
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Additional Information

Appendix 1: Allocation of Investment Funds

Investing in Regional Sports Trusts

2011/12 \$000	ORGANISATION	COMMUNITY SPORT	ACTIVE COMMUNITIES	EVENTS	FACILITIES	HE ORANGA POUTAMA (HOP)	INVESTMENT CONSULTING	ORGANISATIONAL SUPPORT	YOUNG PEOPLE PARTNER INVESTMENT	2012/13 \$000
2,855	Sport Canterbury West Coast	1,030					1	10	1,291	2,332
2,024	Sport Waikato	925			50	170			1,020	2,165
2,163	Counties Manukau Sport	955							1,153	2,108
2,010	Sport Wellington	925		15					1,009	1,949
1,899	Sport Auckland	885							916	1,801
1,550	Sport Bay of Plenty	765	115				2		694	1,575
1,429	Sport Waitakere	620				383			462	1,464
1,811	Harbour Sport	725							724	1,449
1,286	Sport Northland	730				213	2		407	1,351
1,327	Sport Hawkes Bay	625	50			255	1		418	1,349
1,132	Sport Tasman	635			26			3	385	1,048
1,047	Sport Otago	690							348	1,038
958	Sport Manawatu	575							386	961
945	Sport Taranaki	565				85			262	912
662	Sport Southland	450					2	5	231	688
671	Sport Wanganui	465							183	648
643	Sport Gisborne Tairāwhiti	430	20					3	165	618
-	Auckland Sport						283			283
24,410	TOTAL	11,995	185	15	76	1,105	290	20	10,052	23,738

Investing in Iwi-based Organisations

2011/12 \$000	ORGANISATION	HE ORANGA POUTAMA (HOP)	2012/13 \$000
170	Te Papa Takaro O Te Arawa	213	213
85	Mataatua Sports Trust	128	128
85	Te Wharekura O Rakaumanga	85	85
85	Tuwharetoa - Te Whaiora Sports	85	85
-	Awa Sports Trust	85	85
85	Te Hauora o Turanganui a Kiwa	85	85
85	He Oranga Pounamu		-
85	Ngati Hine Health Trust		-
680	TOTAL	680	680

Investing in National Governing Bodies

2011/12 \$000	ORGANISATION	COMMUNITY SPORT	COACH EDUCATION	DISABILITIES	EVENTS	FACILITIES	INVESTMENT - RECREATION ORGANISATIONS	INVESTMENT CONSULTING	INVESTMENT	NSO	ORGANISATIONAL SUPPORT	PEGS	PEOPLE DEVELOPMENT	SCHOLARSHIPS	PM	YOUNG PEOPLE PARTNER INVESTMENT	2012/13 \$000
6,645	Rowing New Zealand	105								4,375	156	1,131		502			6,269
6,575	BikeNZ	600			61					3,659	268	990		277			5,854
3,675	Yachting New Zealand	203			45			9	2,650	132	568			208			3,816
4,379	Hockey NZ	530			56	153			1,900	10	501			230			3,380
791	Snow Sports NZ Incorporated	300			320			27	1,897	240	470			59			3,313
2,861	Athletics New Zealand	175	8						1,950	58	195			280			2,665
2,365	Netball NZ	660							1,100	300	180			279			2,519
2,022	Swimming New Zealand	160						71	1,654	58	323			207			2,473
2,152	Triathlon New Zealand	310			57				1,450	134	142			76			2,169
2,365	Paralympics New Zealand								1,641		326			98			2,065
1,513	New Zealand Football	1,000	5						540	25	300			119			1,989
2,090	NZ Rugby Union	450							1,000					122			1,572
1,628	New Zealand Canoeing Federation		5			35		2	1,035	10	234			181			1,501
2,162	Equestrian Sports New Zealand	180	5						900		271			108			1,464
1,562	NZ Rugby League	500	4					2	650	297				-			1,453
820	NZ Golf Incorporated	465	5						335	189	10		5	-			1,009
1,855	NZ Cricket	398	4						550		-			41			993
570	NZ Olympic Committee								950	25				-			975
950	Halberg Disability Sport Foundation			970													970
850	Softball New Zealand	270	8		122				345		191			17			953
711	Bowls New Zealand	249			13	50			475	38	8			12			844
558	Squash New Zealand	222	5						425		15			16			683
550	Special Olympics New Zealand		5	600													605
530	Surf Life Saving New Zealand	160							250		180			12			602
1,170	GymSports New Zealand	480									30			15			525
405	Touch New Zealand	255	6						-		200			6			467
895	Basketball New Zealand	380						2		60				16			458
325	Outdoors New Zealand Incorporated						375										375
716	New Zealand Tennis	175									116			11			302
165	NZ Recreation Association					34	206										239
49	NZ Curling Association	10										198					208
190	International Taekwon-Do Foundation (ITFNZ)	20										170		8			198
190	YMCA New Zealand						190										190
134	Boxing New Zealand Inc	34							90		60			-			184
166	Motorsport NZ (Inc)	166															166
205	Surfing New Zealand	100			5				20		10			-			135
136	NZ Outdoor Instructors Association						127										127
117	Badminton NZ	115															115
204	Volleyball NZ Inc	100												13			113
168	Taekwondo New Zealand Incorporated								17		71			24			112
74	Croquet New Zealand	35									76						111
100	Motorcycling NZ	100															100
98	New Zealand Water Polo Association	90												10			100
100	NZ Sports Hall of Fame	100															100
-	New Zealand Mountain Safety Council Inc						85										85
80	PENZ															84	84
80	Scout Association of NZ						80										80
58	NZ Judo Federation	58												15			73
150	Skate NZ	35			5							30					70
70	NZ Girl Guides Association							70									70
115	New Zealand Shooting Federation	55										14					69
95	Shearing Sports New Zealand (Inc)											68					68
64	NZ Indoor Bowls	64															64
7	University Sport New Zealand								50					-			50
50	Nga Kaihoe o Aotearoa	50															50
50	Boys' Brigade NZ						50										50
50	Table Tennis New Zealand	50															50
48	NZ Alpine Club						48										48

Continues next page

2011/12 \$000	ORGANISATION	COMMUNITY SPORT	COACH EDUCATION	DISABILITIES	EVENTS	FACILITIES	INVESTMENT - RECREATION ORGANISATIONS	INVESTMENT CONSULTING	NSO INVESTMENT	ORGANISATIONAL SUPPORT	PEGS	PEOPLE DEVELOPMENT	PM SCHOLARSHIPS	YOUNG PEOPLE PARTNER INVESTMENT	2012/13 \$000
33	NZ Water Ski Association	19									26				45
45	Karate New Zealand	45													45
42	NZ Pony Clubs Association	42													42
36	Kart Sport New Zealand	36													36
35	NZ Orienteering Federation	20			15										35
70	New Zealand Rafting Association Incorporated										30				30
28	Flying New Zealand	28													28
40	Olympic Weightlifting New Zealand	10									17				27
25	New Zealand AFL Inc	25													25
20	Wrestling New Zealand	20											4		24
20	Marching New Zealand	20	3												23
12	Diving New Zealand	12											10		22
20	Speedway New Zealand	20													20
20	NZ Darts Council	18													18
17	Gliding New Zealand	17													17
15	NZ Power Boat Association	15													15
15	Archery New Zealand Inc	15													15
9	Synchro Swim New Zealand	9											5		14
10	New Zealand Polocrosse Inc	10													10
10	New Zealand Confederation of Billiard Sports Inc	10													10
9	New Zealand Powerlifting Federation	9													9
6	New Zealand Petanque Association	6													6
6	Ice Speed Skating New Zealand	6													6
6	New Zealand Ice Skating Association	6													6
150	Education Outdoors New Zealand Incorporated						2								2
1,285	Winter Performance NSO														-
30	NZ Mountain Guides Association														-
24	Blind Sport New Zealand														-
12	Deaf Sports Federation of New Zealand														-
12	NZ Ice Hockey Association														-
58,762	TOTAL	9,825	62	1,570	700	272	1,232	112	29,907	2,146	7,004	5	2,982	84	55,901

Other investments

2011/12 \$000		EVENTS	FACILITIES	HILLARY EXPEDITION	INFRASTRUCTURE INVESTMENT	INVESTMENT - RECREATION ORGANISATIONS	INVESTMENT CONSULTING	PM SCHOLARSHIPS	RESEARCH SERVICES	SPORT IN EDUCATION	YOUNG PEOPLE PARTNER INVESTMENT	YOUNG PEOPLE PARTNER SUPPORT	2012/13 \$000	
	FACILITIES PARTNER													
5	Apollo Projects Ltd		(125)										(125)	
-	Max Russell Consultancy Limited		51		10								61	
1,650	The Home Of Cycling Charitable Trust				5,350								5,350	
-	VIP Security Limited		2										2	
10,891	AUT Millennium Ownership Trust												-	
240	Falcon Construction Limited												-	
200	Harbour Access Trust												-	
3	The Building Intelligence Group												-	
442	Schools									568	371	40	979	
1,533	Other Organisations		265	8	62		35	267	174	42	50		903	
14,964	TOTAL		265	(64)	62	5,360	35	267	174	42	568	421	40	7,170

Investing in Local Authorities

2011/12 \$000	ORGANISATION	ACTIVE COMMUNITIES	FACILITIES	INVESTMENT CONSULTING	YOUNG PEOPLE PARTNER INVESTMENT	2012/13 \$000
502	Auckland City Council	197				197
15	Whakatane District Council	172			15	187
100	Wellington City Council	151				151
125	Far North District Council	100	20		25	145
-	Upper Hutt City Council	110				110
10	Christchurch City Council		85		10	95
130	Hutt City Council	80		3		83
46	Hamilton City Council	70				70
19	Marlborough District Council	50			19	69
110	Tauranga City Council	60				60
70	Thames-Coromandel District Council	50				50
100	Rotorua District Council	47				47
60	Waitaki District Council	20			10	30
90	Tasman District Council				20	20
20	Gisborne District Council				20	20
-	Waimakariri District Council		20			20
30	New Plymouth District Council	20				20
15	Selwyn District Council				15	15
15	Taupo District Council				15	15
13	Southland District Council				13	13
12	Ashburton District Council				12	12
12	South Taranaki District Council				12	12
10	Queenstown Lakes District Council				10	10
10	Masterton District Council				10	10
10	Buller District Council				10	10
10	Kaikoura District Council				10	10
10	Hurunui District Council				10	10
10	Rangitikei District Council				10	10
10	Westland District Council				10	10
10	Clutha District Council				10	10
10	Tararua District Council				10	10
10	Central Otago District Council				10	10
10	Chatham Islands Council				10	10
10	Ruapehu District Council				10	10
10	Carterton District Council				10	10
10	Gore District Council				10	10
10	Kaipara District Council				10	10
10	Mackenzie District Council				10	10
-	Waimate District Council				10	10
10	Wairoa District Council				10	10
10	South Wairarapa District Council				10	10
10	Waitomo District Council				10	10
10	Grey District Council				10	10
10	Central Hawkes Bay District Council				10	10
10	Stratford District Council				10	10
10	Opotiki District Council				10	10
10	Otorohanga District Council				10	10
200	Dunedin City Council					-
1,923	TOTAL	1,127	125	3	424	1,678

Appendix 2: Functions of the Sport NZ Group

Sport New Zealand

Under section 8 of the Sport and Recreation New Zealand Act 2002, Sport NZ's functions are to:

- (a) develop and implement national policies and strategies for physical recreation and sport:
- (b) allocate funds to organisations and regional bodies in line with its policies and strategies:
- (c) promote and advocate the importance of participation in physical activity by all New Zealanders for their health and well-being:
- (d) promote and disseminate research relevant to physical recreation and sport:
- (e) provide advice to the Minister on issues relating to physical recreation and sport:
- (f) promote and support the development and implementation of physical recreation and sport in a way that is culturally appropriate to Maori:
- (g) encourage participation in physical recreation and sport by Pacific peoples, women, older New Zealanders, and people with disabilities:
- (h) recognise the role of physical recreation and sport in the rehabilitation of people with disabilities:
- (i) facilitate the resolution of disputes between persons or organisations involved in physical recreation and sport:
- (j) work with schools, regional, central, and local government, and physical recreation and sports organisations to ensure the maintenance and development of the physical and organisational infrastructure for physical recreation and sport:
- (k) work with health, education, and other agencies to promote greater participation in physical recreation and sport through policy development, advocacy, and support, in line with the objectives of the New Zealand health strategy:
- (l) provide advice and support for organisations working in physical recreation and sport at national, regional, and local levels:
- (m) facilitate co-ordination between national, regional, and local physical recreation and sport organisations:
- (n) represent the Government's policy interests in physical recreation and sport internationally.

High Performance Sport New Zealand Limited

The objectives of HPSNZ, as set out in its Constitution, are to:

- make New Zealand the most successful sporting nation in the world by developing high performance sport;
- create a more focused high performance sport system in order to advance the other objectives;
- ensure the high performance sport system is as efficient as possible in order to advance the other objectives;
- effect a culture change in New Zealand high performance sport with an increased focus on excellence;
- be the lead agency for New Zealand high performance sport including athletes and sports people and provide a holistic and multi-disciplinary educational approach for overall personal, career and athletic development of high performance sports people;
- ensure that world-class coaches are recruited, developed and retained to train our high performance athletes and sports people;
- maximise the use of technology and innovation in high performance sport;
- educate, and support the education and development of high performance sports people including by providing access to financial support such as scholarships and grants
- increase the number of high performance sport facilities and services in New Zealand;
- ensure that national sports organisations are accountable for meeting agreed high performance outcomes; and
- ensure alignment and continuity between high performance sport and community sport.

As HPSNZ is wholly owned by Sport NZ, Sport NZ retains ultimate accountability for the oversight and delivery of HPSNZ's high performance programme. It is subject to its Constitution, the Crown Entitles Act 2004, the Companies Act 1993, and the Sport and Recreation Act 2002.

Appendix 3: Board and Key Management Personnel Interests Register

The Sport NZ Group maintains an 'interests' register for members of Sport NZ and HPSNZ boards and Sport NZ Group staff. Any interests they may have in any governing body which is funded by the Sport NZ Group or contracted by the Sport NZ Group for services are reported. Key management personnel are the Senior Leadership Teams of both organisations.

Where the Group has entered into transactions with organisations where interests have been disclosed the board and key management personnel have not been part of the decision-making process.

The following interests were registered by board and key management personnel pertaining to partners and suppliers of the Sport NZ Group.

Board and key management personnel		Organisation	Position
Donald Mackinnon	Board member Sport NZ and HPSNZ	NZ Cricket	Director
		Swarbrick, Beck, Mackinnon	Partner
Simon Wickham	Board member HPSNZ	New Zealand Olympic Committee	Deputy Chair, Board member and selector
Michael Stanley	Board member HPSNZ	New Zealand Olympic Committee	Chairman
		Millennium Institute of Sport and Health	Chief Executive Officer
Peter Cox	Board member HPSNZ	House of Travel	Director
		Cyclone Computers Limited	Director
Paul Allison	Board member Sport NZ	Halberg Trust	Trustee
		NZ Winter Games	Trustee
Joanna Perry	Board member Sport NZ	Rowing New Zealand	Director
Peter Miskimmin	Sport NZ CEO and HPSNZ ex-officio board member	Hockey New Zealand	National selector of men's Black Sticks



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