

SPORT NZ GROUP

# Statement of Performance Expectations

2024/25





## Statement of Authorisation

This Statement of Performance Expectations should be read with our Statement of Intent 2024-2028.

We are responsible for the Financial Statements and Statement of Performance contained in this document. We consider that the Financial Statements and Statement of Performance fairly reflect the organisation's expected financial position and performance results for the year ending 30 June 2025, in accordance with the Crown Entities Act 2004.

We authorise this Statement of Performance Expectations on behalf of the Sport New Zealand Board.

**Raewyn Lovett ONZM**

Chair, Sport NZ and High Performance Sport NZ  
13 June 2024

**Duane Kale ONZM**

Deputy Chair, Sport NZ and High Performance Sport NZ  
13 June 2024

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Presented to the House of Representatives pursuant to section 44 of the Public Finance Act 1989.

# Setting the scene for 2024/25

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The Sport NZ Group, comprising Sport New Zealand Ihi Aotearoa (Sport NZ) and High Performance Sport NZ (HPSNZ), has recently released a refreshed Group Strategy for 2024 – 2028. This is the first time a combined strategy has been developed for the Sport NZ Group. The strategy outlines how both organisations contribute to wellbeing across the entire physical activity and sport pathway.

The 2024-28 Statement of Intent highlights the refreshed strategy, which builds on the previous Sport NZ and HPSNZ strategic plans and work programmes.

Our collective aspiration for the Play, Active Recreation and Sport system was revised as part of the strategy review process and is now:

## **Mauri Tū, Mauri Ora** **Every body active, in their way, everyday**

This aspiration is consistent with our 2020-2032 Strategic Direction and each four-year strategic plan we set steers us towards this. The refreshed strategy has been adjusted to reflect our changing operating environment, feedback from our partners and the expectations of the new coalition government.

As a Group, Sport NZ and HPSNZ must also respond to the tighter fiscal environment we are in. The COVID Recovery Package is drawing to a close, we have identified the budgetary cost savings asked for by Government, and there is likely to be less lottery grant and other charitable funding available to us and the sector. Slimming down our budgets has spurred some robust conversations internally about what our operational and funding priorities should be, and how we can make operational improvements to best make our resources go further. The outcomes of these conversations have been reflected in our work programme for 2024/25.

The Government has requested that Sport NZ support their Fiscal Sustainability Programme by ensuring there is a focus on value for money from our Crown funding and we can demonstrate there is a culture of responsible spending across the organisation. In addition to this, we recognize that we can deliver greater value when we partner with other government agencies, particularly in the health and education sector. During 2024/25 we will continue to explore opportunities for joint working and co-production with other agencies to ensure we can generate the greatest value for money from our collective funding.

The Minister for Sport and Recreation has also asked us to focus on some key priority areas for 2024/25 – notably sports diplomacy, major events, and a national facilities strategy. Our 2024/25 work programme includes these priority areas, and we will report progress against them to the Minister.





# Sport NZ

**2024/25 marks the first year of Sport NZ's refreshed strategy and alongside this, we have reset our sector investments, aligned to strategy, for a further four years.**

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Over the past four years, Sport NZ has directed its resources and efforts towards tamariki (5-11 yrs) and rangatahi (12-18 yrs), and addressing whole-of-system issues, with the aim of:

**1**

Reducing the drop off in activity levels of rangatahi

**2**

Improving the activity levels of tamariki and rangatahi who are less active

**3**

Addressing and responding to system-wide issues such as integrity, diversity and inclusion, research, reporting and embedding Treaty Principles.

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We remain committed to the focus on school-aged tamariki and rangatahi as improving the quality of experiences they have, is likely to support them establishing a life-long involvement in Play, Active Recreation and Sport. Moreover, tamariki and rangatahi are natural change agents in their whānau, hapori and local communities, so improving their activity levels can have wider, indirect impacts.

The COVID-19 pandemic exacerbated existing inequities in participation across the system and over the recent strategic period Sport NZ has focused effort on several priority groups by:

- Introducing Sport NZ's Māori Outcomes Framework (Te Pākē o Ihi Aotearoa) and our Māori Activation Plan - Te Aho ā Ihi Aotearoa
- Continuing the implementation of the Women and Girls Strategy and updating Sport NZ's Women and Girls Action Plan (2023-24)
- Continuing the Implementation and delivery of Sport NZ's Disability Plan, including hosting a national Disability Hui, and
- Working with Regional Sport Trusts to integrate their work into geographic communities of greatest need.

For 2024/25 we intend to build on the foundations we have set through Te Aho and maintain a focus on delivering our plan for disabled tamariki and rangatahi. The Women and Girls Action Plan is due to finish in June 2024 and in 2024/25 it will be reviewed to ensure the gains that have been made can be sustained.

COVID-19 also impacted on our partners' ability to deliver quality, accessible physical activity experiences. The significant operational and financial challenges for organisations across the sector posed by the pandemic have yet to be fully resolved. Our new partnerships investment aims to support our partners to build and maintain their capability to deliver the activities and programmes we want as well as provide leadership to their networks. We have also responded to feedback from our partners and staff to simplify our strategy and ensure our new approach to partnership investment allows for better alignment with our strategic objectives.

# High Performance Sport NZ

**In April 2021 HPSNZ launched its 2024 Strategic Plan to guide the first four-year phase of the 2032 HP Systems Strategy. Based on a vision of “inspiring performance everyday” the 2032 HP Systems Strategy was developed through consultation and input from the broader HP sector. Over the past three years HPSNZ have put in motion an evolution of the New Zealand high performance sport system to build the foundations of a sustainable high performance system that enables New Zealand athletes to achieve repeatable success on the world stage.**

HPSNZ’s focus has been on three key system shifts:

## 1

Creating pathways for athletes and coaches that support them to thrive and succeed

## 2

Prioritising the wellbeing of all people within the system

## 3

Investing to build a high performance sport system that is integrated, competitive and sustainable

HPSNZ is currently finalising an implementation plan for its 2028 Strategic Plan which builds on the foundation established in the 2024 Strategic Plan as well as responding to key learnings over the last three years.

2024/25 straddles the last six months of the 2024 high performance cycle which culminates in the Olympic and Paralympic games in Paris, and the first six months of the new strategic period that focuses on the XXXIV Olympiad in Los Angeles and other key pinnacle events in Olympic and non-Olympic sports.

In the early part of 2024/25 HPSNZ will focus on supporting National Sporting Organisations (NSOs) and their athletes in the build-up to the 2024 Paris Olympics and Paralympics. Following the games this focus will shift to supporting NSOs through their review process to debrief and analyse performance, extract learnings from the 2024 cycle and support their athletes through the reintegration phase. In early 2025 HPSNZ will provide final confirmation to partners of its investments for the next four-year cycle aligned to strategy.

Alongside this HPSNZ will continue to work with the sector to ensure Te Whare Tapa Wha wellbeing best practice is embedded in HPSNZ and NSOs and integrated into performance environments. Support NSOs and their elite and developing athletes to train and compete in line with their individual performance plans and ensure HPSNZs investment and resources are best placed to achieve its strategic outcomes.

Following on from the disruption caused by the COVID-19 pandemic, a global inflation surge has pushed up the costs of competing internationally. There are also significant domestic cost pressures for elite sport that need to be managed within existing HPSNZ budget allocations.



# Our Values

Our Sport NZ Group values guide us in our work and represent the essence of our culture and identity. They also support us to be a cohesive organisation working to empower everybody to realise their aspirations in Play, Active Recreation and Sport, whilst giving effect to Te Tiriti o Waitangi.



## HE TANGATA

We stand for the people



## MAHI TOA


We strive for the remarkable



## NGĀTAHI

We're better together





# What we will focus on in 2023/24

# Sport NZ

**Our Strategic Focus Areas are the changes we want to see by 2028. They are the choices Sport NZ has made to best make progress towards achieving our long-term goals, reflecting our learnings over the past four years and the evidence we have for where we can make the biggest difference.**

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Over the next four years, our areas of strategic focus are where we can best make progress to our long-term outcomes – these are:

## **Maintaining physical activity levels of Tamariki**

From ages 5-12 are the formative years for the development of physical literacy - the skills, knowledge and understanding that encourage individuals to be active for life. Our focus is to ensure play, active recreation and sport organisations at national, regional and local levels, alongside schools, kura, and their local communities understand the benefits of physical activity and deliver quality opportunities and experiences.

## **Reducing the decline in physical activity for rangatahi**

The observed decline in physical activity by young people aged between 12 and 18 years old continues through to lower participation in sport and active recreation in later life for many. Our prime interest for this group is in improving the quality of experiences, opportunities and support offered to keep them being active during their teenage years by better understanding and responding to their needs.

## **Improving equity for tamariki and rangatahi who are less active**

Young people who are less active and/or have less equitable access to opportunities for physical activity are missing out on the positive mental health, physical health and wellbeing outcomes physical activity can provide. Our focus is to ensure these groups – especially girls, rangatahi Māori, disabled young people, and those living in more highly deprived communities – have improved access to, and experience of, physical activity.

## Strategic priorities

To deliver on our Strategic Focus Areas we will focus efforts on four interrelated strategic priorities:

# 1

## Capable and resilient partner organisations

Our partners are a critical means to delivering on all our Strategic Focus Areas. Sport NZ works with and invests in Partners who can make the biggest difference to our play, active recreation, and sport system. We and our partners need to be well-positioned to respond and adapt to changes and act longer-term to make sure the future of play, active recreation and sport is bright for future generations.

### What we will do:

We will support and enable organisations across the sector to develop their leadership capabilities in areas such as climate change, business capability, diversity, equity and inclusion, research and evaluation, and upholding the mana of Te Tiriti o Waitangi.

Key Sport NZ activities for 2024/25 include:

- Maintain Women on Boards targets for qualifying partners
- Focus on one-to-many capability initiatives (eg MyHR, communities of practice), and consolidating current tools to improve usability and reach
- Support partner decision making through the provision of relevant and actionable research and insights
- Build and maintain a network of “Futures” champions
- Cultural and DEI capability build across our partners, and
- Environment and sustainability focus.

### Success means:

#### Effective governance and leadership

Partner organisations have fit for purpose governance and leadership structures and practices to ensure long-term sustainability and resilience.

#### Diverse and inclusive systems and structures

Partner organisations have effective systems and structures and capable people in place to deliver services that are responsive to diverse and changing needs.

#### Uphold the mana of Te Tiriti o Waitangi

Partner organisations uphold authentic relationships with mana whenua and Māori organisations that support improved outcomes in Play, Active Recreation and Sport.

#### Environmentally responsible

Partner organisations are aware of and reduce their negative impacts on the environment and are responsive to the changing landscape of our natural environment.



# 2

## Quality opportunities and experiences

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The motivation to participate differs across age, gender, ethnicity and disability. We know that if tamariki and rangatahi have a positive experience there is a greater chance of them establishing a life-long involvement in play, active recreation and sport.

### What we will do:

We will support and enable the sector to develop tamariki and rangatahi-centred opportunities and experiences to meet their needs, wants and aspirations. All tamariki and rangatahi have access to opportunities that meet their needs, wants and aspirations.

Key Sport NZ activities for 2024/25 include:

- Continue to evolve and support our sport partners to better commit to Balance is Better with a focus on competition structures and coach development
- Stronger focus on youth development
- Increasing usage of Neighbourhood Play System modelling in identified priority communities
- Continue to support the development and implementation of Regional Spaces and Places Plans and
- Continue to integrate a focus on young women and girls and disabled tamariki and rangatahi.

### Success means:

#### Aligned and integrated systems

National, regional and local organisations are aligned and work effectively together to enable quality play, active recreation and sport opportunities.

#### Diverse and inclusive

Partner organisations implement approaches and practices that promote diverse and inclusive play, active recreation and sport opportunities.

#### Participant centered

Key enablers of play, active recreation and sport understand and are responsive to the needs, wants and aspirations of tamariki and rangatahi.

#### Culturally distinctive pathways

National, regional and local organisations honour cultural distinctiveness and promote inclusion and diversity within play, active recreation and sport.

# 3

## Empowered local communities and hapori

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We know that we can have the greatest impact if we enable local solutions with tamariki, rangatahi, and their whānau. Our evidence tells us that living in areas of high deprivation has a negative impact on participation in play, active recreation and sport. By working with and in communities and hapori we can target our efforts to address the barriers to participation and enable a more meaningful and sustainable response.

### What we will do:

We will work to support an aligned national, regional, and local approach that improves access to play, active recreation and sport in neighbourhoods, within priority communities.

Key Sport NZ activities for 2024/25 include:

- Priority Communities - Supporting and partnering with Regional Sports Trusts, Local Government and other Partners to build and maintain key relationships in communities and hapori
- Within priority communities, support those that have the greatest barriers to be active with a focus on women and girls and disabled tamariki and rangatahi (intersectionality)
- Local Play Workforce Project
- Supporting iwi, hapū, and representatives of mana whenua to fulfil their aspirations about play, active recreation and sport
- Advocate for the protection and enhancement of te taiao, and the natural and built local environments that enable physical activity, and
- Invest directly and through our partners in local communities and hapori.

### Success means:

#### Supported to lead and act

Local communities and hapori are empowered to lead the provision of quality play, active recreation and sport opportunities.

#### Community and hapori centred

Regional and local organisations work effectively together to enable the needs, wants and aspirations of local communities and hapori.

#### Equity focused

Regional and local organisations are focussing on increasing equitable access to quality play, active recreation and sport for those who are less active.

#### Accessible natural and built environments

Te Taiao (natural environments) and built environments are accessible and promote quality play, active recreation and sport.



# 4

## Active schools and kura

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Schools and kura play a pivotal role in shaping the lives of tamariki and rangatahi. By supporting the education system to embrace the holistic value of play, active recreation and sport, we can enhance the attitudes and motivation of tamariki and rangatahi to be physically active.

### What we will do:

Key Sport NZ activities for 2024/25 include:

- Healthy Active Learning and Mātaiao in primary and intermediate schools, and kura Kaupapa
- Influencing education providers on the importance of physical activity to improve a range of education outcomes
- Influencing secondary schools by the provision of Regional Sports Directors, and
- Implementing the secondary school programme - Active As.

### Success means:

#### Active learning environments

Schools and kura (including teachers/kaiako) value and prioritise quality play, active recreation, sport and Physical Education.

#### Culturally distinctive approaches

Schools and kura value matauranga Māori and promote culturally distinctive approaches to play, active recreation and sport.

#### Ākonga centred and equity focused

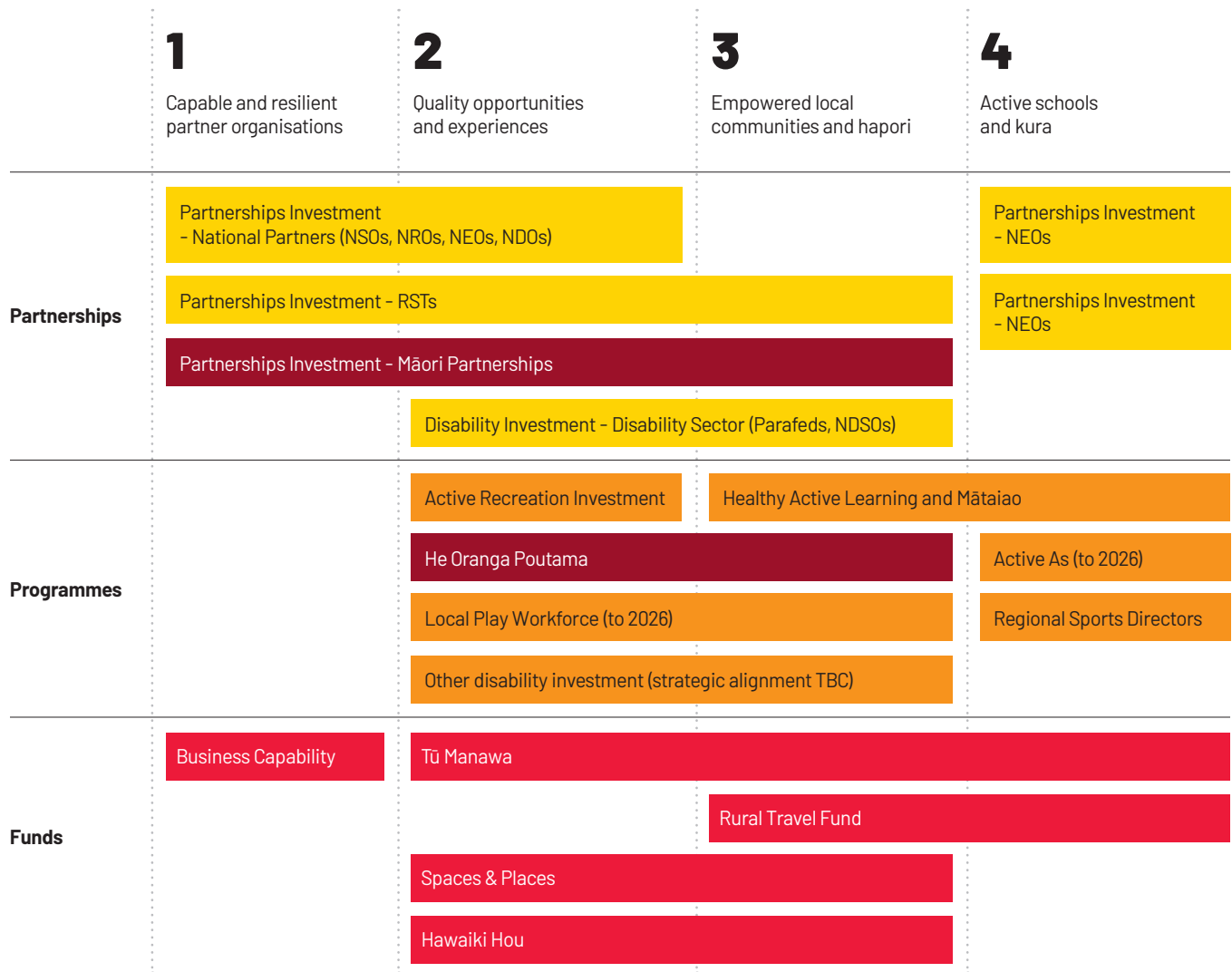
Schools and kura adopt ākonga centred approaches and promote inclusive and equitable opportunities to be physically active.

#### Connected local communities

Schools and kura work effectively with whānau and their local community to enable quality play, active recreation and sport opportunities.

## Sport NZ investment portfolio

We have reviewed the Sport NZ investment portfolio for alignment to the refreshed organisational strategy. Sport NZ will ensure that the 2024/25 investments across Partnerships, Programmes and Funds focuses on delivering the new Strategic Priorities. The following diagram shows how Sport NZ's investment portfolio aligns to our Strategic priorities.



# High Performance Sport NZ

The 2028 strategic cycle marks phase two of a three-phase evolution of the New Zealand high performance sport sector. The vision for this evolution was set out in the 2032 High Performance System Strategy and initiated the most important shift in the sector since HPSNZ was created in 2011.

Developed in consultation with the country's high performance sport sector, and supported by independent experts, the System Strategy identified what we must strive to achieve between now and 2032 to deliver repeatable success on the world stage.

HPSNZ were tasked with leading the implementation of the strategy's priorities with the goal of building a sustainable high performance sport system.

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The three key shifts identified in the 2032 strategy have stood the test of time and the HPSNZ 2028 Strategic Plan will continue to build on these three strategic focus areas and the progress and learnings from the 2024 strategic period.

## **Tū te ihi** **Performance pathways**

Pathways for athletes and coaches that enable them to develop and succeed now and in the future.

## **Tū te Wehi** **Wellbeing and leadership**

High performance sport environments that empower individuals to thrive.

## **Tū te Wana** **Sustainable investment**

An efficient, integrated and collaborate high performance sport system enabling sustainable success. Kia Pono, Kia Tika, Me Aroha.

## Strategic priorities

To deliver on our Strategic Focus Areas we will focus efforts on four interrelated strategic priorities to 2028. Many of the initiatives delivering to these priority areas are already in place, and this reflects the ongoing prioritisation and evolution of these.

# 1

## Support targeted athletes to succeed on the world stage

HPSNZ will partner with NSOs to ensure the critical elements a targeted athlete requires to train and compete on the world stage are provided inside funding limits.

### What HPSNZ will do:

#### Athlete funding and scholarships

Through NSOs, provide an athlete funding framework that supports athletes to train and compete in line with their individual performance plan. Manage the Prime Ministers' Scholarship programme to enable athletes to build their future career opportunities.

#### Athlete Performance Support

In partnership with NSOs provide Athlete Performance Support driven by the identified need of targeted athletes and campaigns.

#### Coaching capability and depth

Partner with NSOs to build coaching practice that supports and raises the capability and effectiveness of coaches where required and builds system wide depth.

#### Daily training environments

Partner with NSOs to deliver quality daily training environments for targeted athletes.

#### Innovation and performance research

Invest in expertise to deliver cutting edge innovation and research, supporting targeted athletes and campaigns to push performance boundaries.

# 2

## Enhance system capability to ensure that wellbeing is everyone's right and everyone's responsibility

HPSNZ will partner with NSOs to execute a system-wide approach to build capability and embed wellbeing best practice in all high performance environments.

### What HPSNZ will do:

#### Taha Wairua

##### - Wellbeing best practice and accountability:

Provide best practice guidance and support to NSOs and dedicated wellbeing investment into NSO led wellbeing initiatives. Build and maintain effective accountability systems aligned to the Wellbeing Framework and Guidelines.

#### Taha Whanau

##### - Build transparent and robust partnerships:

Prioritise opportunities for genuine engagement with NSOs, coach and athlete groups in key decision-making processes where it affects them and ensure roles and responsibilities of all stakeholders are clear.

#### Taha Hinengaro

##### - Mental Health support:

Implement a system wide Mental Health Strategy to raise system wide awareness, knowledge, and advocacy to enable effective recognition and timely responses to individuals with mental health considerations.

#### Taha Tinana

##### - Athlete transition support:

Partner with NSOs to ensure effective and safe transition of their athletes through their pathway.

# 3

## Enhance collaboration, capability and sustainability of the high performance system

HPSNZ will partner with NSOs to build the capability and depth required to support a sustainable and innovative high performance system that can evolve to meet the challenges and opportunities of New Zealand's unique environment and achieve repeatable success on the world stage.

### What HPSNZ will do:

#### Invest in NSOs and their campaigns

Invest in targeted NSO campaigns most likely to succeed, are sustainable and align to longer term strategic goals and wider government priorities.

#### Support athlete and coach pathways

Partner and invest in NSO led coach and athlete pathways including in aspirational sports.

#### System wide depth, capability, and resilience

Provide appropriate support through investment, education and programmes to grow leadership, financial and risk management capability including climate risk mitigation.

#### High performance facilities

Build an HPSNZ Facilities Strategy and implementation plan to ensure the high performance facilities network remains fit for purpose and responsive to changing need.

#### 2032 Brisbane Olympic and Paralympic games focus

Build a plan to maximise opportunities for success at the Brisbane Olympic and Paralympic games and build campaigns that leverage the 'Oceania games' opportunity to inspire and unite more New Zealanders and promote the 'New Zealand story' to the world.

# 4

## Build system capability to increase the use of quality data to support performance and investment decision making

HPSNZ will lead an intelligence platform, and partner with NSOs to build capability and robust processes to capture, store and use quality data to optimise athlete health and performance outcomes.

### What HPSNZ will do:

#### HP system intelligence framework

Implement an HP intelligence framework that drives quality data and reporting capabilities.

#### Qualitative learning tools

Expand HPSNZ Knowledge Edge reporting capabilities supporting system and invested NSO learnings.

#### Data capture and storage

Work with Sport NZ and NSOs to build a centralised data platform and people capability to ensure ongoing quality data capture, security and use, applying data protection and data sovereignty principles.

#### Accessible insights

Publish accessible intelligence reports that will enhance future performance and decision making. Implement a safe and effective AI platform across HPSNZ.





# Sport NZ Group

**At the Group level (ie for both Sport NZ and HPSNZ) there are two key focus areas for 2024/25: National Leadership and Direction Setting, and Organisational Development.**

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## National leadership and direction setting

In our national leadership and direction setting role, the Sport NZ Group gives effect to a wide range of initiatives that support the play, active recreation and sport sector to be capable and effective, and to achieve the Government's strategic priorities for the sector. Providing leadership that is grounded in cultural competence, evidence, community engagement, vision and strategic planning.

The way we seek to achieve these goals is by:

### Direction setting

- Uniting people behind a common vision of Every Body Active
- Continuing to lead and champion collective action across the system to ensure all New Zealanders are realising their potential in and through Play, Active Recreation and Sport
- Taking a prominent position and facilitating a cross-agency response on policy issues relating to Play, Active Recreation and Sport
- Setting universal principles to instil confidence in our sport system and call out poor behaviour
- Giving policy and purchase advice to the government on Play, Active Recreation and Sport, and
- Looking ahead to anticipate future threats and opportunities that might impact our ability to realise our vision.

### Advocacy

- Promoting the importance of all New Zealanders being active for their health and wellbeing
- Promoting and championing the importance of cultural capability, diversity and inclusion, including women and girls, those with a disability and all ethnicities
- Informing, educating and empowering key influencers (parents, caregivers, teachers, coaches) to promote quality experiences, and
- Sharing inspiring stories on 'what works'.

### Research and insights

- Improving our understanding of participant needs and the drivers of behavioural change (what works and why)
- Better identifying and addressing barriers to people being more active
- Conducting and sharing research and evidence, as well as enhancing the evaluation capability of our partners
- Collecting the data needed to track changes in levels of being active over time, and
- Measuring our return on investment and holding ourselves and the system to account.





Key activities for 2024/25 include:

### Honouring Te Tiriti o Waitangi

- We are committed to partnership with tangata whenua and the protection of Māori culture and taonga. We value the distinctiveness that tangata whenua bring to physical activity and our success on the world stage. Our engagement with Māori is future-focused and we are strengthening our capacity to understand Māori perspectives in different ways.
- Te Pākē o Ihi Aotearoa, our Māori Outcomes Framework, continues to guide our mahi and how we measure progress. During the period we will begin to track cultural integration outcomes over time and identify strategies for continued growth and improvement.

### Women and Girls Strategy

- There have been significant gains achieved through the Women and Girls Action Plan, designed to address the inequities women and girls experience in sport and recreation. This remains a primary focus for us in our 2024 – 2028 strategy to ensure we collectively achieve sustainable change.

### Disability Plan

- Disability remains a key focus in the next strategic period and is reflected throughout all four of the strategic priorities. We will continue to build on the gains made in the previous strategic period, through strengthening leadership in disability including ongoing investment directly into national and regional disability sport and active recreation organisations.

### Other leadership activities

- Ongoing implementation and coordination of the National Physical Activity & Play Plan
- Understand & demonstrate the value of Play, Active Recreation and Sport through research, insights & evaluation
- Strategic Foresight – continue to evolve our understanding of possible futures, disruptors and assumptions
- Develop a Sport Diplomacy Strategy, and
- Develop a Sport and Recreation National Facilities Strategy.

## Organisational development

As part of a continuous improvement culture, we have identified several work streams that will lead to more efficient and effective operations. These were identified in our investment and strategy refresh and in a wider simplification project that sought to reduce the complexity and challenges of working with and within Sport NZ.

Key activities for 2024/25 include:

### Business systems reform

A business systems reform programme is to be undertaken so Sport NZ can deliver better systems, process and capabilities for our kaimahi, partners and athletes. The reform process aims to create improved experiences, more efficiency and effectiveness, and meaningful impacts on individual performance.

### Te Aho

Building internal cultural capability is key to strengthening our ability to understand Māori perspectives and to be able to engage with Māori in a manner that enhances the mana of all parties and respects Māori tikanga. Building our internal Te Ao Māori capability through our Tū Te Ihi programme will support the advancing our bicultural approach.

### HPSNZ post-Olympic review

Following the analysis of Games performance, HPSNZ will extract learnings and support athletes' reintegration. HPSNZ will also focus on supporting NSOs through their review process to overall medal results to determine its partner investments for the next four-year cycle.

Performance against our National Leadership and Organisational Development objectives will be monitored and regularly reported to the Minister for Sport and Recreation and Sport NZ Board as part of our quarterly reporting and in the 2024/25 Annual Report.

# Government priorities

**The Minister of Finance recently requested that Sport NZ support the Government's Fiscal Sustainability Programme through reducing expenditure, especially on contractors and consultants, and a greater focus on value for money. To achieve this, Sport NZ has identified a series of cost savings equating to 7.5% of our 2023/24 Vote baseline that have been factored into the prospective 2024/25 appropriations outlined below.**

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The Minister for Sport and Recreation is also seeking improved outcomes from Crown funding received and expects Sport NZ to be able to clearly demonstrate the benefit we are achieving using hard performance measures and regular progress reporting. A new business planning process instituted by Sport NZ for 2024/25 has created a clearer alignment between our proposed work and the outcomes being sought and has led to the identification of more meaningful performance measures. The results of this process are reflected in the Statement of Performance Expectations below.

In addition, a new programme management process for Sport NZ's 2024/25 business plan is being developed that will allow better monitoring of progress by generating stronger management information. This will support us to meet the Ministerial expectations around improved performance monitoring and reporting.

In his annual Letter of Expectation, the Minister for Sport and Recreation has indicated that for 2024/25 he wants the Sport NZ Group's support in achieving the Government's economic priorities through improved effectiveness and efficiency. This will include regular progress reporting by Sport NZ and HPSNZ against the strategic priorities outlined in this document and ongoing efficiencies. The Minister also wants Sport NZ to work more closely with other agencies to deliver health and wellbeing benefits for New Zealand, particularly through the Healthy Active Learning programme in schools and the Physical Activity and Play Plan that guides cross-agency work.

More specifically, the Minister would like progress from Sport NZ during 2024/25 on the creation and implementation of a strategy for Sports Diplomacy and on a national sports facilities strategy. Both these initiatives are underway and we expect to be able to meet the Minister's expectations for these during the coming year. The Minister would also like Sport NZ to help identify and capture opportunities for bringing major sporting events to New Zealand over the course of 2024/25. Led through the Major Events Office at the Ministry for Business Innovation and Employment (MBIE), we will continue to work collaborative with MBIE in this regard.



# Managing Risks

**Risk management helps the Sport NZ Group identify, anticipate, plan for, minimise, and respond to events, incidents, and factors that could impact our ability to achieve our strategic priorities and operational objectives.**

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The Group's risk management arrangements include our risk management policy, risk appetite statement, risk registers, regular reporting, a business continuity plan, and pandemic and cyber security plans. The Boards receive regular reports of significant strategic and operational risks and mitigations, actions and controls to manage them.

Key risks critical to strategy that are being actively managed during the year include:

## Funding uncertainty

Sector funding sources are eroding and there is uncertainty around future funding levels from Lotteries and Government. Sport NZ, HPSNZ and their partners are facing inflation-driven cost pressures, while in addition, HPSNZ has added cost pressures from the evolution of its programmes and commitments to athletes.

The government's request for cost savings means Sport NZ Group's overall funding envelope for 2024/25 will be smaller than in previous years.

### Management/mitigation

- The new four-year Sport NZ Group strategy provides the framework for management prioritisation decisions.
- Priority has been given to maintain and/or increase investment levels to our sector partners to support management of their cost pressures.
- The development of the Sport NZ 2024/25 business plan will require managers to reprioritise work effort within new team funding envelopes.
- To work collaboratively with The Department of Internal Affairs (DIA) and the Ministry of Culture and Heritage (MCH) on a sustainable Lottery funding model for the Lotteries Grants Board.
- Research is underway into the wider funding landscape and exploring potential solutions in collaboration with the sector, to presenting challenges.
- Continue work on the Social Return of Investment and economic impact of the play, active recreation and sport sector, to demonstrate value for money of investments.

## Sector integrity incidents

Risk of incidents involving high performance athletes and/or sector participants, resulting in safety and/or wellbeing impacts for affected people, reputational damage for the organisation(s) involved, and potential funding and participation impacts for organisation(s) and wider sector.

### Management/mitigation

- Establishment of the Integrity Sport and Recreation Commission underway for a 1 July 2024 start date.
- The transition programme for this new entity is being led by the Integrity Transition Team and Ministerial Advisory Group. This includes the development of an Integrity Code for Sport and Recreation to support consistent standards across the sport and recreation sector.
- Athletes have access to education and support services and to the Sport and Recreation Complaints and Mediation Service.
- An independent athlete voice organization (Athlete Leadership Network) has been established to enhance athletes' voice in the high performance system.
- HPSNZ will partner with NSOs to execute a system-wide approach to build capability and embed wellbeing best practice in all high performance environments.
- HPSNZ undertakes an NSO health check process to monitor the individual NSO's and high performance system's performance, health and sustainability, ensuring the early detection of individual and systemic issues.

## Climate change impacts

Risk that impacts of climate change on the Group, and the sport and active recreation sector, impact our ability to achieve our shared strategic objectives through *oranga taiao, oranga tangata*. Potential impacts include: the direct impacts of climate change, with extreme heat, bushfires, smoke, and flooding affecting sport fixturing and the health and wellbeing of participants, availability of sportsgrounds, increased costs (eg. insurance), and potential disruption to elite sport pinnacle events, training environments and the direct impact of climate change affecting athlete welfare.

### Management/mitigation

- Sport NZ Group Emission reduction plan, baseline year and emissions report submitted.
- An emissions reduction implementation plan agreed and internal messaging/reporting on reduction expectations underway.
- Lead for the sustainability programme for Sport NZ Group and the wider sector recruited.
- Sport NZ's role and emission reduction initiatives considered as part of the strategy and investment refresh and broader work programme for 2024/25.

## Capability and capacity of the sector

Risk of lack of sufficient capability and/or capacity within our partners to successfully complete all the planned work required to achieve our shared strategic objectives and outcomes.

### Management/mitigation

- Strategy and investment refresh will make Sport NZ investment processes easier to work with and simplify and clarify what we are asking our partners to do.
- Business planning process rebuild will give partners (and staff) greater visibility of work 'in the pipeline' and streamline the 'asks' we make of our partners.
- Business capability investments currently help build sector capacity in certain areas (eg governance and planning, leadership development, workforce management, technology and commercial expertise).

## Societal pressures and changes

Risk that societal pressures and changes, including demographic changes and social cohesion, impact the Group's ability to achieve our strategic objective of increasing participation levels in play, active recreation and sport.

### Management/mitigation

- Confirmed funding for Tu Manawa and Health Active Learning to 2028 – with both having a strong equity focus.
- Strategic engagement approach to Education and specific education investments (eg Active As).
- Co-ordinated approach to local government LTP processes in 2024 as part of strategic advocacy with key TLAs.
- Stronger focus on working into place-based priority communities (with socio-economic disadvantages).

# Measuring our Performance

The Sport NZ and HPSNZ strategies to 2028 are outlined below. The Long-Term Outcomes they contain represent the change we are seeking from pursuing our wider Strategic Direction to 2032. They require sustained effort to be achieved, so we don't expect to see significant changes at this level over this four-year period. Instead, we are looking to measure progress against our respective Strategic Focus Areas and Strategic Priorities over 2024/25, which are at the heart of our four-year strategies, and are how we will achieve our long-term outcomes.

## Sport NZ Strategy 2024-2028

### Sport NZ Vision

# Every Body Active

### Long-term Outcomes

1

Increased frequency, intensity, time and type of participation in physical activity and sport

2

Enhanced experience of participants, supporters, volunteers and workforces

3

Increased variety of culturally distinct pathways for tangata whenua and all New Zealanders

### Strategic Focus Areas

Through Play, Active Recreation and Sport, we will focus on:

1

Maintaining physical activity levels of tamariki

2

Reducing the decline in physical activity levels for rangatahi

3

Improving equity for tamariki and rangatahi who are less active

### Strategic Priorities

To be successful, we will aim to achieve:

1

#### Capable and resilient partner organisations

Effective governance and leadership  
Diverse and inclusive systems and structures  
Uphold the mana of Te Tiriti o Waitangi  
Environmentally responsible

2

#### Quality opportunities and experiences

Aligned and integrated systems  
Diverse and inclusive  
Participant centred  
Culturally distinctive pathways

3

#### Empowered local communities and hapori

Supported to lead and act  
Community and hapori centred  
Equity focused  
Accessible natural and built environments

4

#### Active schools and kura

Active learning environments  
Culturally distinctive approaches  
Ākonga centred, equity focused  
Connected local communities

### How We Deliver

System leadership and direction setting

Research insights and foresight

Partnerships and collaboration

Advocacy and policy development

Investment and funds

Programmes and initiatives

Targeted campaigns

Advice, tools and resources

## HPSNZ Strategy 2025-2028

### HPSNZ Vision

# Inspiring Performance Every Day

## Long-term Outcomes

### Performances that Connect

International performances that inspire and unite New Zealanders, contributing to national pride and wellbeing

### Engagement

Increased proportion of New Zealanders engaging with high performance sport

## Strategic Focus Areas

Through partnerships we work to deliver a sustainable high performance system that enables New Zealand athletes to achieve repeatable success on the world stage. Our focus will be:

### Tū te Ihi Performance Pathways

Pathways for athletes and coaches that enable them to develop and succeed now and in the future

### Tū te Wehi Wellbeing and Engagement

High Performance sport environments that empower individuals to thrive

### Tū te Wana Sustainable Investment

An efficient, integrated and collaborative high performance sport system enabling sustainable success  
Kia Pono, Kia Tika, Me Aroha

## Strategic Priorities

To be successful, we will aim to achieve:

1

Support targeted athletes to succeed on the world stage

2

Enhance system capability to ensure that wellbeing is everyone's right and everyone's responsibility

3

Enhance collaboration, capability and sustainability of the high performance system

4

Build system capability to increase the use of quality data to support performance and investment decision making

## How We Deliver

Athlete investment

Targeted NSO and campaign investment

Athlete Performance Support

Performance environments and facilities

Programmes and partnerships

Research and innovation

Intelligence and systems

Leveraging success

## Outcome measurement

To track progress towards the achievement of our long-term outcomes, a set of measures for our Strategic Focus Areas has been developed for both organisations. These measures are created to allow us to form a view of whether we are achieving those objectives that will lead to our long-term outcomes. We will also continue to measure and monitor our long-term outcomes but expect movement in them to be over a longer period of time.

For the Sport NZ Group these measures are focused on our vision of Every Body Active in Aotearoa New Zealand. In this strategic period, Sport NZ are concentrating on improving the activity levels of tamariki and rangatahi, with an additional focus on communities who are less active and/or those who do not have equitable access to be active. While for HPSNZ, outcome measures focus on high performance results on the world stage that inspire and engage New Zealanders.

These measures are captured in the Statement of Performance Expectations section under strategic focus areas.

### Performance of key programmes

Our Performance Framework also allows us to track the performance of our key programmes - known as strategic priorities. Measures have been created for these strategic priorities and these are also captured in the Statement of Performance Expectations section.

### Organisational health

Supporting our Performance Framework is a shared set of measures to internally track organisational health and capability. The key organisational health initiatives we will focus on during 2024/25 are:

#### Carbon neutrality

Sport NZ is a participant in the Carbon Neutral Government Programme and submitted an Emissions Reduction Plan to MfE in December 2023. Ensuring we deliver on this plan is a key task for the newly appointed Group Climate Change lead.

#### Stakeholder satisfaction

Given the importance of our partners to the delivery of our strategic priorities, we are interested in understanding the experience of those interacting with us. This is measured through our annual Partner Confidence Survey.

#### Employee Engagement

Engaged employees are more likely to be more productive and higher performing, and we want to create a highly motivated, engaged, and productive workforce. This is measured through one annual engagement survey, and two 'pulse' (mini) surveys throughout the year.

#### Employee Turnover rate

The retention of talent is key to ensuring we meet our performance objectives. To monitor our turnover a rolling average is calculated at the end of every month to determine average staff turnover for the previous 12 months.

#### Leave management

We monitor and report on leave entitlements (including annual and sick leave) to ensure a healthy and productive workforce.



# Statement of Performance Expectations

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## Output Expense: Sport and Recreation programmes

### What is intended to be achieved

This appropriation is intended to achieve an increase in the number of young people and adults participating in play, active recreation and sport.

### How we will assess performance

We assess performance across the following main areas, drawing on methods such as surveys, evaluations and partner reporting:

#### Play, active recreation and sport participation

Active NZ surveys around 30,000 children and adults per year to measure nationwide participation in play, active recreation and sport.

#### Stakeholder and participant satisfaction levels

The Partnership Confidence Survey allows the Sport NZ Group to gauge the value our partners derive from the services and advice Sport NZ and HPSNZ provide. Through the Voice of Participant survey we can better understand the experience participants have as members of sports codes.

#### Partner capability

Annual partner reporting requires partners that receive above \$50k to report progress against funded initiatives that are going to achieve our mutually agreed outcomes. This process allows us and partners to assess how partners are changing and learning to deliver further impact.

#### Implementation and impact of initiatives

Formal evaluation programmes, such as of Healthy Active Learning, tell us how efficiently the programme is being implemented and mark progress towards the programme outcomes.

### A note on the Active NZ survey

Sport NZ has been running its national participation survey - the Active NZ survey - in its current form since 2017 to monitor physical activity levels, behaviours and determinants.

During 2023/24 Sport NZ undertook a refresh of the Active NZ survey to decrease costs and complexity, improve long-term feasibility of the survey, and to address some challenges around responses. The process included reviewing and refreshing the method, the length and content of the questionnaires, applying a Te Tiriti lens, and ensuring the survey is inclusive and speaks to all New Zealanders. Sport NZ is working towards launching the survey in its refreshed form on 1 July 2024.

## Key survey tools we are using in measuring our performance

	Summary	Who provides the information
<b>Voice of Rangatahi (VoR)</b>	VoR is an annual survey delivered into secondary schools/kura with the objective of helping us understand how rangatahi (young people) experience physical activity specifically within a school.	Rangatahi in secondary schools/kura
<b>Voice of the Participant: Club Experience Survey (VoP)</b>	The Voice of Participant club experience survey has been designed to help NSOs to understand club level player experiences, the drivers of participation and how they might adapt to meet people's changing needs.  Sport specific results are provided to those organisations who opt into the survey programme.	Club participants
<b>Diversity &amp; Inclusion survey</b>	The research collects information from both paid employees and Board members about the make-up and experiences of people working in the sector. The 2024 survey provides an update to the benchmark measured in 2020 to understand changes in the diversity of the workforce	Employees and Boards of partner organisations
<b>RST Stakeholder Survey</b>	The survey helps RSTs understand how they are perceived by their stakeholders and covers topics such as: communication, leadership, collaboration, and performance. The purpose is to support the continued development of RSTs as strong regional leaders in play, sport and active recreation.  The survey is intended to be delivered every 2 years.	Stakeholders of RSTs as identified by them

## Performance against Sport NZ Strategy

Strategic Focus Area	Measure	Source	Baseline	Target
<b>Maintaining physical activity levels of tamariki</b>	Percentage of tamariki (aged 5-12) who are meeting the PA guidelines (7+ hours a week)	Active NZ	62%	Meet or exceed baseline
<b>Reducing the decline in physical activity for rangatahi</b>	Percentage of young people age 5-17 years (up to 18th birthday) participating in play, active recreation and sport (7+ hours per week of any intensity)	Active NZ	46%	Meet or exceed baseline
<b>Improving equity for tamariki and rangatahi who are less active</b>	Percentage of adults (18+) participating in sport, exercise and recreation (150+ minutes per week)	Active NZ	9%	Meet or improvement on baseline result
<b>Capable and resilient organisations</b>	% of partners who are rated highly on business capability maturity models	New measure	New measure	Maintain or increase
<b>Quality opportunities and experiences</b>	% of rangatahi who are very or extremely satisfied with the Physical activity experience in school	Voice of Rangatahi	36%	Maintain or increase
	% of young people who are very or extremely satisfied with their club experience	Voice of Rangatahi	68%	Maintain or increase
<b>Empowered local communities and hapori</b>	% of stakeholders who agree their local RST is 'working in partnership with other organisations to achieve shared outcomes in the play, active recreation and sport sector'	RST stakeholder survey	59%	Maintain or increase
<b>Active schools and kura</b>	% of principals at schools we work with who agree with a series of statements: <i>Our kura/school sees physical activity as a key part of ākonga (student) wellbeing,</i> <i>Ākonga (students) are encouraged to design and lead physical activity opportunities</i> <i>Parents and whānau actively provide support for physical activity opportunities</i> <i>I usually integrate te reo Māori/tikanga to my HPE planning and teaching (e.g., karakia, explanations, activities, commands)</i>	Schools leader survey	New measure (average across these 4 statements) Voice of Rangatahi	Maintain or increase
	% rangatahi who have taken part in physical activity that year		87%	Maintain or increase

## Output Class Allocation Appropriation: Sport and Recreation

For the year ended 30 June 2025

	ESTIMATE 2024 \$000	BUDGET 2025 \$000
<b>REVENUE</b>		
Crown funding	33,105	32,179
Other operating revenue	75,444	76,295
<b>Total revenue</b>	<b>108,549</b>	<b>108,474</b>
<b>LESS EXPENSES</b>		
Sector investment and consulting	70,273	81,379
Programme management	9,110	8,732
Technical advice and resources	28,079	24,438
Policy advice	5,352	4,236
Knowledge and information	7,494	6,870
<b>Total expenses</b>	<b>120,308</b>	<b>125,655</b>
<b>Net operating surplus/ (deficit) before Recovery Package</b>	<b>(11,759)</b>	<b>(17,181)</b>
<b>RECOVERY PACKAGE</b>		
Crown funding	34,860	3,955
<b>LESS EXPENSES</b>		
Sector investment and consulting	29,344	14,341
Operating expenditure	3,615	3,169
<b>Total expenses</b>	<b>32,959</b>	<b>17,510</b>
<b>Net operating surplus/ (deficit) from Recovery Package</b>	<b>1,901</b>	<b>(13,555)</b>
<b>Net operating deficit after Recovery Package</b>	<b>(9,858)</b>	<b>(30,736)</b>

## **Output Expense: High Performance Sport**

### **What is intended to be achieved**

Through partnerships, work to deliver a sustainable high performance system that enables New Zealand athletes to achieve repeatable success on the world stage.

### **How we will assess performance**

We assess performance across the following areas, drawing on performance results and other evaluation methods such as the NSO Health Check<sup>1</sup> process and surveys:

- progress across high performance programmes and campaigns, as determined by medals, podium results, placings and world rankings, as well as the annual Health Check process<sup>1</sup> with funded NSO partners.
- stakeholder satisfaction levels are measured through the annual Partner Confidence Survey.
- athlete and coach satisfaction levels are measured through surveys run by NSOs, often following pinnacle events.

Where available, we monitor Aotearoa New Zealand's position within the international environment, for example, the virtual Olympic medal table<sup>2</sup>.

<sup>1</sup> The NSO Health Check process involves a maturity assessment of NSO operations across 27 components using a range of evidence, including from: staff, coach, and athlete surveys, independent audits, and direct observations.

<sup>2</sup> The virtual Olympic medal table predicts the number of medals that will be won by each country, based on current performance: <http://www.gracernote.com/virtual-medal-table/>

## Performance against HPSNZ Strategy:

Long-Term Outcomes	Measure	Source	Target
<b>Performances that Connect</b>	Funded sports deliver targeted performances at pinnacle events	International performance outcomes	2024 Summer Games - Paris <ul style="list-style-type: none"> <li>• Olympic Medals = 13-18</li> <li>• Paralympic Medals = 14-18</li> </ul> 2026 Winter Games - Milano Cortina <ul style="list-style-type: none"> <li>• Olympic = 2+</li> <li>• Paralympic = 2+</li> </ul> 2028 Summer Games - Los Angeles <ul style="list-style-type: none"> <li>• Olympic Medals = 12-16</li> <li>• Paralympic Medals = 12-16</li> </ul> 2024-2028 Non-Olympic pinnacle events = 2+
<b>Engagement</b>	Funded sports' performances resonate with New Zealanders	Active NZ	<ul style="list-style-type: none"> <li>• 35% of New Zealanders who say they are inspired by high performance athletes and teams</li> <li>• 55% of New Zealanders who follow High Performance Sport New Zealand-funded sports</li> </ul>

Strategic focus areas	Measure	Baseline	Source	Proposed target
<b>Tū te Ihi Performance Pathways</b>	% of athletes identified in the high performance athlete pathway are benchmarked and supported as they transition in, through, and out of the pathway.	100%	Performance pathway nomination process	100%
	% of coaches identified in the high performance coaching pathway are engaged in professional development (establishing baseline).	TBC	HPSNZ coach development and engagement	TBC
<b>Tū te Wehi Wellbeing and Engagement</b>	% of invested NSOs demonstrate a commitment to embedding wellbeing in their performance environments aligned to the HPSNZ Wellbeing Framework & Guidelines.	100%	NSO Health Check process	100%
<b>Tū te Wana Sustainable Investment</b>	% of NSOs receiving Podium, Team, and NSO Focused Campaign Investment have taken action to build a more sustainable high performance environment	100%	NSO Health Check process	100%



## Output Class Allocation Appropriation: High Performance Sport

For the year ended 30 June 2025

	ESTIMATE 2024 \$000	BUDGET 2025 \$000
<b>REVENUE</b>		
Crown funding	62,192	74,192
Other operating revenue	8,953	8,454
<b>Total revenue</b>	<b>71,145</b>	<b>82,646</b>
<b>LESS EXPENSES</b>		
Sector investments and grants	44,862	54,417
Infrastructure investment	50	1,250
Programme management	4,107	4,859
Technical advice and resources	9,405	11,737
High performance athlete services	10,866	12,523
<b>Total expenses</b>	<b>69,290</b>	<b>84,786</b>
<b>Net operating surplus/ (deficit) before Recovery Package</b>	<b>1,855</b>	<b>(2,140)</b>
<b>RECOVERY PACKAGE</b>		
Crown funding	15,470	-
<b>LESS EXPENSES</b>		
Sector investment and consulting	13,817	-
Programme management	3,368	-
<b>Total expenses</b>	<b>17,185</b>	<b>-</b>
<b>Net operating deficit from Recovery Package</b>	<b>(1,715)</b>	<b>-</b>
<b>Net operating surplus/ (deficit) after Recovery Package</b>	<b>140</b>	<b>(2,140)</b>

## Output Expense: Prime Minister's Scholarships

### What is intended to be achieved

Elite sport development through targeted scholarships, supporting elite athletes, coaches and officials, and supporting team members' concurrent pursuit of tertiary study and elite sport development.

### How we will assess performance

We monitor the efficiency of the programme by looking at the administration costs and have targets in place for the number of scholarships awarded.

Measure	2022/23 result	2023/24 target	2024/25 target
<b>Prime Minister's Scholarships</b>			
Number of athlete scholarships awarded	326	300	300
Number of coach, official and support team scholarships awarded	56	100	100
Administration costs are less than 4% of the total funding	4%	<4%	<4%

## Output Class Allocation Appropriation: Prime Minister's Sports Scholarships

For the year ended 30 June 2025

	ESTIMATE 2024 \$000	BUDGET 2025 \$000
<b>REVENUE</b>		
Crown funding	4,250	4,250
<b>Total revenue</b>	<b>4,250</b>	<b>4,250</b>
<b>LESS EXPENSES</b>		
Sector investments and grants	4,134	3,867
Programme management	366	383
<b>Total expenses</b>	<b>(4,500)</b>	<b>4,250</b>
<b>Net operating surplus/ (deficit)</b>	<b>(250)</b>	<b>-</b>

## Output Expense: Services from the Integrity Sport and Recreation Commission

This was a new appropriation established in 2023/24 for the Integrity Sport and Recreation Commission, a new independent crown entity, which will now commence operations in 2024/25 independent of Sport NZ.

### What is intended to be achieved

Improved integrity outcomes in New Zealand's sport and active recreation sector, including through a code of integrity.

### How we will assess performance

The establishment of the Integrity Sport and Recreation Commission will commence operations on 1 July 2024 and will monitor learning outcomes achieved through its educational materials and the response rate of complaints through the Sport and Recreation Complaints and Mediation Service. Performance information for this appropriation will be reported by the Integrity Sport and Recreation Commission in its future Annual Reports.

Measure	2022/23 result	2023/24 target	2024/25 target
Integrity Sport and Recreation Commission will be established by 1 July 2024	N/A	Achieved	N/A - this appropriation and the related performance measures transfer to the Integrity Sport and Recreation Commission effective 1 July 2024.

## Output Class Allocation Appropriation: Services from the Integrity Sport and Recreation Commission

For the year ended 30 June 2025

	ESTIMATE 2024 \$000	BUDGET 2025 \$000
<b>REVENUE</b>		
Crown funding	7,879	-
<b>Total revenue</b>	<b>7,879</b>	<b>-</b>
<b>LESS EXPENSES</b>		
Programme management	3,667	-
<b>Total expenses</b>	<b>3,667</b>	<b>-</b>
<b>Net operating surplus</b>	<b>4,212</b>	<b>-</b>

# Prospective Financial Statements

## Prospective Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2025

	ESTIMATE 2024 \$000	BUDGET 2025 \$000
<b>REVENUE</b>		
Crown funding	157,756	114,576
New Zealand Lottery Grants Board	68,477	72,862
Interest revenue	9,302	6,996
Racing Industry Act revenue	4,867	4,737
Sundry revenue	1,752	154
<b>Total revenue</b>	<b>242,154</b>	<b>199,325</b>
<b>SECTOR INVESTMENTS</b>		
Investment consulting	120	252
Partner investments	119,515	139,793
Infrastructure investments	50	1,250
Recovery investment portfolio	42,904	14,084
<b>Total sector investments</b>	<b>162,589</b>	<b>155,379</b>
<b>COST OF SERVICES</b>		
Board members' remuneration	383	463
Personnel costs	41,851	43,159
Professional and technical services	17,517	14,672
Leased property	2,399	2,459
Depreciation and amortisation	1,262	1,262
Other operating costs	21,907	14,806
<b>Total operating expenditure</b>	<b>85,319</b>	<b>76,821</b>
<b>Total expenditure</b>	<b>247,908</b>	<b>232,200</b>
<b>Total comprehensive revenue and expense</b>	<b>(5,754)</b>	<b>(32,875)</b>

<sup>36</sup> This measure does not apply to anti-doping education.

## Prospective Statement of Financial Position

As at 30 June 2025

	ESTIMATE 2024 \$000	BUDGET 2025 \$000
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	807	1,023
Trade and other receivables	23,217	21,214
Prepayments	250	250
Investments	134,350	104,150
Loans - current	75	150
<b>Total current assets</b>	<b>158,699</b>	<b>126,787</b>
<b>Non-current assets</b>		
Property, plant and equipment	2,534	2,072
Intangible assets	548	319
Loans	3,206	3,056
<b>Total non-current assets</b>	<b>6,288</b>	<b>5,447</b>
<b>Total assets</b>	<b>164,987</b>	<b>132,234</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	9,553	10,121
Revenue received in advance	3,281	3,281
Revenue received in advance	608	510
Employee entitlements	2,421	2,073
<b>Total current liabilities</b>	<b>15,863</b>	<b>15,985</b>
<b>Non-current liabilities</b>		
Provisions	18	18
<b>Total non-current liabilities</b>	<b>18</b>	<b>18</b>
<b>Total liabilities</b>	<b>15,881</b>	<b>16,003</b>
<b>Net assets</b>	<b>149,106</b>	<b>116,231</b>
<b>Represented by:</b>		
Public equity	154,860	149,106
Total Revenue and Expenditure	(5,754)	(32,875)
<b>Shareholder's Equity</b>	<b>149,106</b>	<b>116,231</b>

## Prospective Statement of Changes in Equity

For the year ended 30 June 2025

	ESTIMATE 2024 \$000	BUDGET 2025 \$000
Opening Public Equity	154,860	149,106
Total comprehensive revenue and expense for the year	(5,754)	(32,875)
<b>Closing Public Equity</b>	<b>149,106</b>	<b>116,231</b>

## Prospective Statement of Cash Flows

For the year ended 30 June 2025

	ESTIMATE 2024 \$000	BUDGET 2025 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Crown funding	158,817	114,576
New Zealand Lottery Grants Board	70,970	72,862
Racing Industry Act revenue	5,090	4,421
Sundry revenue	1,766	(976)
Interest revenue	6,674	9,746
Goods and services tax	(42)	1,599
Sector investment	(162,746)	(155,715)
Other payments	(38,623)	(32,031)
Payments to employees	(42,621)	(43,970)
<b>Net cash flow from operating activities</b>	<b>(715)</b>	<b>(29,488)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investments maturing	-	30,200
Loans repaid	-	75
Purchase of property, plant and equipment	(685)	(549)
Purchase of intangible assets	(27)	(22)
Acquisitions of investments	(43,762)	-
<b>Net cash flow from investing activities</b>	<b>(44,474)</b>	<b>29,704</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(45,189)</b>	<b>216</b>
Cash and cash equivalents at 1 July	45,996	807
<b>Cash and cash equivalents at 30 June</b>	<b>807</b>	<b>1,023</b>



## Prospective Reconciliation of Net Surplus/ (Deficit)

For the year ended 30 June 2024

	ESTIMATE 2023 \$000	BUDGET 2024 \$000
<b>Deficit</b>	<b>(5,754)</b>	<b>(32,875)</b>
<b>Add non-cash items</b>		
Depreciation and amortisation	1,262	1,262
Loss on disposal of assets	-	-
Net fair value movement in financial instruments	3,281	
<b>Total non-cash items</b>	<b>4,543</b>	<b>1,262</b>
<b>ADD/ (DEDUCT) MOVEMENTS IN WORKING CAPITAL ITEMS</b>		
Trade and other receivables	3,791	153
Interest receivable	(2,628)	2,750
Prepayments	410	-
Trade and other payables	(168)	(332)
Payable to crown entity	3,281	-
Revenue received in advance	(241)	(98)
Crown payables	(3,281)	
Loans	(281)	-
Employee entitlements	(387)	(348)
<b>Net movement in other working capital items</b>	<b>496</b>	<b>2,124</b>
<b>Net cash flows from operating activities</b>	<b>(715)</b>	<b>(29,488)</b>

# Statement of Accounting Policies

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## Purpose

The prospective 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 prospective financial statements to evaluate Sport NZ Group's financial prospects and to assess actual financial results prepared in future reporting periods against the prospective financial statements.

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

## Reporting entity

These prospective financial statements are for the Sport NZ Group for the year ending 30 June 2024. The Group comprises the parent entity, Sport and Recreation New Zealand (Sport NZ), its wholly-owned subsidiary, High Performance Sport New Zealand Limited (HPSNZ), and the New Zealand Sport Foundation Charitable Trust (NZSFCT) in which Sport NZ has a controlling interest.

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

Sport 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, which include the functions of HPSNZ.

The NZSFCT commenced activities on 1 September 1995 and was granted charitable status under the Income Tax Act 1994, in August 1995. The NZSFCT was registered as a charitable entity under the Charities Act 2005 on 30 June 2008. The objects of the NZSFCT include: to promote, organise, and provide for and assist in the promotion and organisation of sport, and participation in sport in the community, for the purpose of promoting the health, education, and development of individuals and communities. Although a separate legal entity from Sport NZ, the Trustees are appointed by the Sport NZ Board.

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

These prospective financial statements were approved by the Sport NZ Board on 13 June 2024.

## Basis of preparation

### Statement of Compliance

The prospective 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's generally accepted accounting practice ('NZ GAAP') and Financial Reporting Standard 42.

The prospective financial statements have been prepared in accordance with Tier 1 PBE accounting standards.

### Measurement base

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

### Functional and presentation currency

The prospective 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.

### Consolidation

The prospective financial statements presented are those of the Sport NZ Group.

## Summary of significant accounting policies

### Basis of consolidation

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

### Goods and Services Tax (GST)

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

### Income Tax

Sport NZ and HPSNZ are public authorities and the NZSFCT is a registered charity, consequently the Group is exempt from Income tax.

### Cost allocation

Within the Output Class statements, the cost of outputs has been determined through a combination of direct cost allocation and indirect cost allocation. Costs directly attributable to an output are allocated to that output. Indirect costs comprise expenditure related to the Executive, Strategy, Investment management, Corporate Services, Business Operations and Marketing and Communications. These are allocated to outputs based on the proportional share of fulltime equivalent employees (FTEs) working directly on each output.

This allocation methodology is unchanged since the date of the last audited financial statements.

### Critical accounting estimates and assumptions

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

The basis and appropriateness of the estimates and assumptions used in preparing the prospective financial statements are those which the Sport NZ Board reasonably expect to occur in respect of those actions the Sport NZ Board, the HPSNZ Board and the NZSFCT Trustees reasonably expect to take as at 13 June 2024, the date on which the prospective financial statements have been authorised for issue by the Sport NZ Board.

In preparing these prospective financial statements the Sport NZ Group has made estimates and assumptions concerning the future. 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.

It should be noted that actual financial results achieved for any of the periods covered by these prospective financial statements are likely to vary from the information presented, and the variations may be material.

### Significant Assumptions

New Zealand Lottery Grants Board funding has been estimated for the 2024/25 year based on information provided by Lotto NZ at the time of preparing the prospective financial statements.

All significant assumptions surrounding expenditure have been based on historical data, existing business practices or actual business plan projections for each financial year.

### Critical judgements in applying accounting policies

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

## Revenue

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

### Crown funding

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.

Apart from the general restrictions, the Group considers there are no other conditions attached to Crown funding.

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

### New Zealand Lottery Grants Board

Sport NZ receives annual funding from the NZ Lottery Grants Board (NZLGB), who in turn receive it from Lotto NZ. Sport NZ receives a portion of Lotto NZ net profits as determined by the NZLGB board each year. Revenue from the NZLGB is recognised as revenue in the same financial year as the corresponding Lotto NZ net profits based on formal advice received from the NZLGB.

Sport NZ also receives annual funding from the NZLGB for Water Safety New Zealand. Sport NZ is responsible for monitoring and oversight of this investment funding. This is recognised as revenue and expenditure in the statement of comprehensive revenue and expenditure.

### Racing Industry Act Revenue

Sport NZ receives quarterly funding in terms of the Racing Industry Act. This revenue is received from the New Zealand Racing Board (NZRB) and the Department of Internal Affairs (DIA) and is recognised in the period to which they relate. The Racing Industry Act revenue is derived from non-exchange transactions.

### Interest

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

## Expenditure

### Sector investments

The Group provides funding to various organisations in the sport and recreation sector to meet its primary objectives. This expenditure is recognised as an expense in the Statement of Comprehensive Revenue and Expense as either partner investments or infrastructure investments.

Investment with substantive conditions is expensed at the earlier of the investment payment date or when the contract requirements are met.

Investment without substantive conditions that need to be subsequently met, is expensed at payment date.

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

### 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 Revenue and Expenditure.

Lease incentives received are recognised in the Statement of Comprehensive Revenue and Expenditure over the lease term as an integral part of the total lease expense.

## Statement of Financial Performance

### Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on 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 recorded at the amount due, less an allowance for credit losses. The Sport NZ group applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

### Investments

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

A loss allowance for expected credit losses is recognised only if the estimated loss is not trivial.

### 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. Movements in fair value, including those arising from impairment, are recognised in the Statement of Comprehensive Revenue and Expense.

### Property, plant and equipment

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

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

The Sport NZ Group does not revalue any 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.

The costs of day-to-day servicing of property, plant and equipment are expensed when they are incurred.

### Disposals

Gains and losses on disposals are reported in the Statement of Comprehensive Revenue and Expenditure comparing the proceeds from disposal with the carrying amount of the asset.



## 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:

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

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

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

## Intangible assets

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

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

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

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

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

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

## Trade and other payables

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

## Employee entitlements

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

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

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

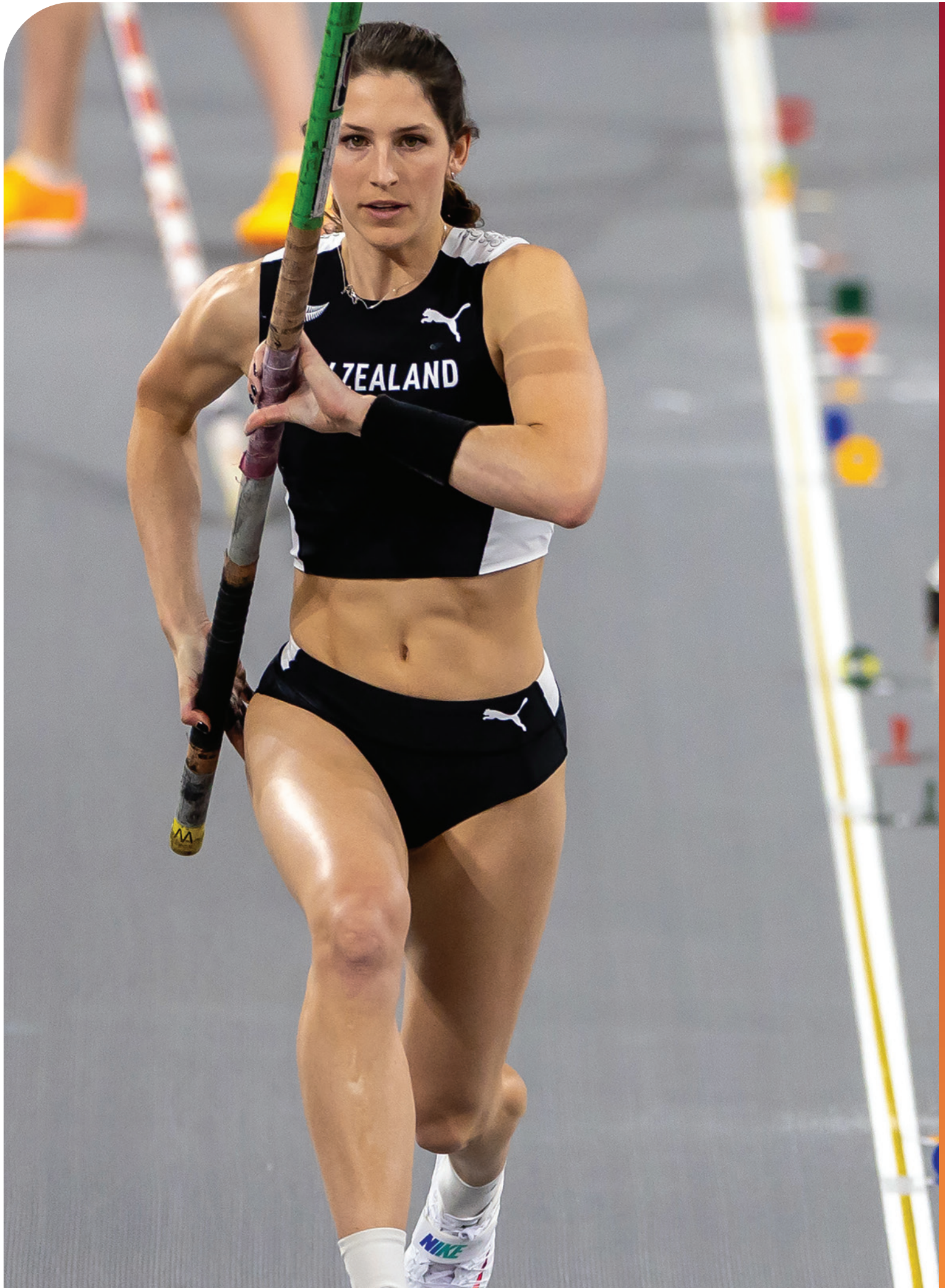
## Superannuation schemes

The Group's obligations and contributions to KiwiSaver are accounted for as a defined contribution superannuation scheme and are recognised as an expense in the Statement of Comprehensive Revenue and Expenditure as incurred.

## Provisions

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







Level 1, Harbour City Centre  
29 Brandon Street  
Wellington 6011, New Zealand  
PO Box 2251 Wellington 6140  
Phone: +64 4 472 8058  
[sportnz.org.nz](http://sportnz.org.nz)

**Te Kāwanatanga o Aotearoa**  
New Zealand Government