

## INDEPENDENT AUDITOR'S REPORT

### *To the Trustees of Sport Manawatu Charitable Trust*

#### **Report on the Financial Statements**

We have audited the financial statements of Sport Manawatu Charitable Trust on pages 2 to 7, which comprise the statement of financial position as at 30 June 2015, and the statement of financial performance, statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### ***Trustees' Responsibility for the Financial Statements***

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates as well as evaluating the overall presentation of the financial statements.

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

Other than in our capacity as auditor we have no relationship with, or interests in, Sport Manawatu Charitable Trust.

#### ***Opinion***

In our opinion, the financial statements on pages 2 to 7 present fairly, in all material respects, the financial position of Sport Manawatu Charitable Trust as at 30 June 2015 and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.



**Cotton Kelly**  
9 September 2015

# **Sport Manawatu Charitable Trust**

## **Financial Statements**

**For the Year Ended 30 June 2015**

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Statement of Financial Position

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**Sport Manawatu Charitable Trust**  
**Statement of Financial Performance**  
**for the Year Ended 30 June 2015**

	Note	This Year \$	Last Year \$
<b>Income</b>			
Sport NZ		620,000	620,000
ECCT		101,120	101,120
Contracts		1,217,498	1,105,356
Sponsorships		31,938	29,424
Administration		45,492	44,393
Interest Income		28,135	39,698
Programmes		73,542	46,020
<b>TOTAL INCOME</b>		<b>2,117,725</b>	<b>1,986,011</b>
<b>EXPENSES</b>			
Personnel		1,238,647	1,182,361
Administration & Transport	1	305,786	343,350
Programmes		446,005	459,683
Audit Fees		4,535	4,100
<b>TOTAL EXPENSES</b>		<b>1,994,973</b>	<b>1,989,494</b>
<b>NET (DEFICIT)/SURPLUS before depreciation and asset disposals</b>		<b>122,752</b>	<b>(3,483)</b>
Depreciation as per Schedule		29,929	29,123
Loss on disposal of assets		0	3,179
<b>NET (DEFICIT)/SURPLUS</b>		<b>92,823</b>	<b>(35,785)</b>

These Accounts should be read in conjunction with the Accounting Policies and Notes to the Accounts and the Audit Report

**Sport Manawatu Charitable Trust**  
**Statement of Movements in Equity**  
**for the Year Ended 30 June 2015**

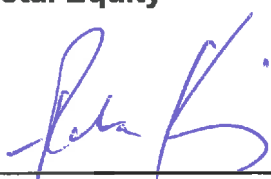
	<b>This Year</b>	<b>Last Year</b>
	\$	\$
<b>OPENING BALANCE AS AT 1 July 2014</b>	1,421,717	1,575,851
<b>Add/Less</b>		
Net (Deficit)/Surplus	<u>92,823</u>	<u>(35,785)</u>
Total recognised revenue and expenses	92,823	(35,785)
Asset Revaluation Reserve	0	(118,349)
<b>BALANCE AS AT 30 June 2015</b>	<u><u>1,514,540</u></u>	<u><u>1,421,717</u></u>


These Accounts should be read in conjunction with the Accounting Policies and Notes to the Accounts and the Audit Report



**Sport Manawatu Charitable Trust**  
**Statement of Financial Position**  
**as at 30 June 2015**

	Note	This Year \$	Last Year \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash at Bank		137,466	176,050
Bank Investments		798,043	965,789
Accrued Income		118,582	0
Accounts Receivable	1	166,270	105,091
Payments in Advance		3,761	3,683
		<u>1,224,122</u>	<u>1,250,613</u>
<b>Non-Current Assets</b>			
Fixed Assets (as per attached schedule)	2	<u>722,039</u>	<u>735,644</u>
<b>TOTAL ASSETS</b>		<b><u>1,946,161</u></b>	<b><u>1,986,257</u></b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable		63,010	197,364
Receipts in Advance	6	26,100	36,621
Funds Held on Behalf	7	205,234	195,380
Sundry Accruals		28,031	20,526
Employee Entitlements		47,073	49,625
GST Payable		62,173	65,024
<b>TOTAL LIABILITIES</b>		<b><u>431,621</u></b>	<b><u>564,540</u></b>
<b>NET ASSETS/(LIABILITIES)</b>		<b><u>1,514,540</u></b>	<b><u>1,421,717</u></b>
<b>Represented by:</b>			
Asset Revaluation Reserve		455,072	455,072
Retained Earnings		1,059,468	966,645
<b>Total Equity</b>		<b><u>1,514,540</u></b>	<b><u>1,421,717</u></b>

  
 \_\_\_\_\_  
 Chairperson

  
 \_\_\_\_\_  
 Trustee

Date 8/9/15

These Accounts should be read in conjunction with the Accounting Policies and Notes to the Accounts and the Audit Report



# Sport Manawatu Charitable Trust

## Notes to the Financial Statements

### for the Year Ended 30 June 2015

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#### 1. STATEMENT OF ACCOUNTING POLICIES

##### Reporting Entity

Sport Manawatu Charitable Trust is a charitable trust incorporated under the Charitable Trusts Act 1957. It is also a registered charity under the Charities Act 2005 and is registered with Charities Services.

##### Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis are followed by Sport Manawatu Charitable Trust.

##### Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and the financial position have been applied:

##### (a) Differential Reporting

Sport Manawatu Charitable Trust is a qualifying entity for differential reporting purposes. The grounds upon which Sport Manawatu Charitable Trust so qualifies are:

- \* Sport Manawatu Charitable Trust is not publicly accountable as defined in "The Framework For Differential Reporting"; and
- \* Sport Manawatu Charitable Trust is not large as, in the last two reporting periods, the total revenue has not exceeded \$20 million and the total assets have not exceeded \$10 million in carrying value.

The financial statements have been prepared taking advantage of all available differential reporting concessions except that GST exclusive accounting has been adopted.

##### (b) Accounts Receivable

Accounts Receivable are stated at their estimated net realisable value - less the provision for doubtful debts.

##### (c) Fixed Assets & Depreciation

Fixed Assets are stated at cost less accumulated depreciation. Fixed assets, except for the building are depreciated so as to charge their cost or other acquisition value over their estimated useful life on a diminishing value basis. The building is depreciated on the straight line basis. From 1 July 2011 all new fixed assets will be depreciated over their useful life on a straight line basis.

Depreciation rates used are;

	Pre 01/07/2011	Post 01/07/2011
Furniture & Fittings	20% DV	20% SL
Computers Systems	30% DV	30% SL
Plant & Equipment	10% DV	10% SL
Buildings	3% SL	3% SL

##### (d) Taxation

The Trust qualifies for an exemption from income tax in terms of section CW41-43 of the Income Tax Act 2007 as it is a registered charity.



# Sport Manawatu Charitable Trust

## Notes to the Financial Statements

### for the Year Ended 30 June 2015

#### (d) Goods & Services Tax

The Statement of Financial Performance has been prepared so that all items are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of accounts receivable and accounts payable.

#### (e) Income & Expenses

The administration and transport expense figure includes bad debts written off \$0 (2014, \$984).

#### (f) Funds held on Behalf

Sport Manawatu administrates the Kiwisport Regional Partnership Fund on behalf of Sport NZ.

#### (g) Building revaluation

Land and buildings are required to be revalued on a three year cycle. The last revaluation took place on 30 June 2014.

#### Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in the previous years.

## 2. PROPERTY, PLANT & EQUIPMENT

#### 2013-2014

Asset	Cost Price/ Valuation	Depreciation	Accum Dep'n	Book Value 30/06/14
Land	260,000			260,000
Buildings	410,000	20,550	0	410,000
Computer System	44,619	4,003	13,096	31,523
Plant & Equipment	42,936	2,220	20,112	22,824
Furniture & Fittings	24,947	2,350	13,650	11,297
<b>TOTAL</b>	<b>782,502</b>	<b>29,123</b>	<b>46,858</b>	<b>735,644</b>

#### 2014-2015

Asset	Cost Price/ Valuation	Depreciation	Accum Dep'n	Book Value 30/06/15
Land	260,000			260,000
Buildings	410,000	12,300	12,300	397,700
Computer System	46,579	11,227	24,324	22,255
Plant & Equipment	54,664	3,488	23,600	31,064
Furniture & Fittings	27,584	2,914	16,564	11,020
<b>TOTAL</b>	<b>798,827</b>	<b>29,929</b>	<b>76,788</b>	<b>722,039</b>

The property situated at 50 Queen Street owned by Sport Manawatu disclosed as land and buildings has been on the market for 7 years.

## 3. COMMITMENTS

At balance date Sport Manawatu Charitable Trust has entered into the following operating commitments:

	<u>Less than 1 yr</u>	<u>1-2 yrs</u>	<u>2-5yrs</u>
Motor Vehicles	52,941	36,775	8,963
Office Contracts	10,594	10,594	9,711
<b>2014/15 Totals</b>	<b>63,535</b>	<b>47,369</b>	<b>18,674</b>

# Sport Manawatu Charitable Trust

## Notes to the Financial Statements

### for the Year Ended 30 June 2015

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#### 4. CONTINGENT LIABILITIES

At balance date Sport Manawatu Charitable Trust was not aware of any contingent liabilities. (2014, nil)

#### 5. OTHER GRANTS

Sport Manawatu Charitable Trust had not received any other grants, other than those disclosed, at balance date. (2014, nil)

#### 6. GRANTS RECEIVED IN ADVANCE

	This Year	Last Year
	\$	\$
PNCC RSARS Implementation	26,100	36,621
	<u>26,100</u>	<u>36,621</u>

#### 7. FUNDS HELD ON BEHALF

	This Year	Last Year
	\$	\$
Sport NZ - Kiwisport Funding	92,239	122,095
MCAT	3,545	3,117
Water Safety Programme	25,187	0
National Cycling Event	17,557	19,421
PNCC Retention Funding	23,555	27,547
Sport NZ Pathway to Podium	43,151	23,200
	<u>205,234</u>	<u>195,380</u>

#### 8. RELATED PARTIES

Sport Manawatu has identified the following as related party transactions:

- 1) Kelly Johnston (Active Communities Manager) is a board member of Bike Manawatu who Sport Manawatu provides office space to.
- 2) Lorraine Vincent is the Manawatu District Council Chief Executive and was a Trustee of Sport Manawatu (resigned September 2014). Manawatu District Council has a service contract with Sport Manawatu.
- 3) Angela Rainham (Community Sports Manager) is a board member of Hockey Manawatu who receives grants from Sport Manawatu.
- 4) Sport Manawatu has provided office space to sports obtaining Kiwisport funding.

#### 9. CAPITAL COMMITMENTS

At balance date Sport Manawatu Charitable Trust had not entered into any capital commitments. (2014, nil).