

## INDEPENDENT AUDITOR'S REPORT

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

#### Unqualified Opinion

We have audited the financial statements on pages 4 to 21 of Sport Manawatu Charitable Trust, which comprise the statement of financial position as at 30 June 2021, and the statement of comprehensive revenue and expenses, statement of changes in net assets and cash flow statement for the year then ended, and notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Sport Manawatu Charitable Trust as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with *Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR)* issued by the New Zealand Accounting Standards Board.

#### Basis for Unqualified Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Sport Manawatu Charitable Trust in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

#### Responsibilities of the Board of Trustees for the Financial Statements

The Board are responsible on behalf of Sport Manawatu Charitable Trust for the preparation and fair presentation of the financial statements in accordance with *Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR)*, 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.

In preparing the financial statements, the Board are responsible on behalf of Sport Manawatu Charitable Trust for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate Sport Manawatu Charitable Trust or are to cease operations, or have no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in

the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at:

*[https://xrb.govt.nz/Site/Auditing\\_Assurance\\_Standards/Current\\_Standards/Page8.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx)*

### **Restriction on Responsibility**

This report is made solely to the Board, as a body, in accordance with section 42F of the Charities Act 2005. Our audit work has been undertaken so that we might state to the Board those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board as a body, for our audit work, for this report, or for the opinion we have formed.

*CKS Audit*

**CKS Audit**

5 October 2021

Sport Manawatu Charitable Trust

Financial Report

For the year ended

30 June 2021

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## Directory

### Board of Trustees

Shayne Harris

Nathan Hopcroft

Barbara Cameron

Danielle Balmer

Sandra Lynch

Rafea Naffa

Craig Purdy (resigned 17 September 2020)

Nolan King (resigned 17 September 2020)

Fenella Devlin (resigned 27 July 2021)

### Registered office

40 The Square

Palmerston North

New Zealand

### Nature of business

Developing sport and active recreation in the Manawatu region.

### Auditor

CKS Audit

### Charities Commission Registration number:

CC29800

**Statement of Comprehensive Revenue and Expenses**  
**Sport Manawatu Charitable Trust**  
**For the year ended 30 June 2021**

	Notes	2021 \$	2020 \$
<b>Revenue from non-exchange transactions</b>			
Local Government grants		562,976	505,265
Sport NZ funding		756,296	645,000
Health grants		574,244	614,364
Other grants	5	114,453	140,727
		<u>2,007,969</u>	<u>1,905,356</u>
<b>Revenue from exchange transactions</b>			
Programmes		77,055	40,943
Interest income		11,224	36,130
Other operating income		117,394	125,874
		<u>205,673</u>	<u>202,947</u>
<b>Total revenue</b>		<u><b>2,213,642</b></u>	<u><b>2,108,303</b></u>
<b>Expenses</b>			
Staff costs		1,545,742	1,460,905
Administration and transport		288,925	286,452
Programmes		287,010	197,269
Interest expense		14,436	17,371
Depreciation	13	66,128	69,148
Loss on disposal of assets		11,955	0
<b>Total expenses</b>		<u><b>2,214,196</b></u>	<u><b>2,031,145</b></u>
<b>Total surplus / (deficit) for the year</b>		<u><b>(554)</b></u>	<u><b>77,158</b></u>
<i>Other comprehensive revenue and expenses</i>		-	-
<b>Total comprehensive revenue and expenses for the year</b>		<u><b>(554)</b></u>	<u><b>77,158</b></u>

These financial statements should be read in conjunction with the notes to the financial statements and the Audit Report.

**Statement of Changes in Net Assets**  
**Sport Manawatu Charitable Trust**  
**For the year ended 30 June 2021**

	Accumulated comprehensive revenue and expenses \$	Total equity \$
Opening balance 1 July 2019	1,212,219	1,212,219
Total comprehensive income	<u>77,158</u>	<u>77,158</u>
<b>Closing equity 30 June 2020</b>	<b><u>1,289,377</u></b>	<b><u>1,289,377</u></b>
Opening balance 1 July 2020	1,289,377	1,289,377
Total comprehensive income	<u>(554)</u>	<u>(554)</u>
<b>Closing equity 30 June 2021</b>	<b><u>1,288,823</u></b>	<b><u>1,288,823</u></b>

These financial statements should be read in conjunction with the notes to the financial statements and the Audit Report.



**Statement of Financial Position**  
**Sport Manawatu Charitable Trust**  
**As at 30 June 2021**

	Notes	2021 \$	2020 \$
<b>Current assets</b>			
Cash and cash equivalents	7	920,016	1,444,200
Investments	8	530,660	319,755
Receivables and prepayments from exchange transactions	9	30,388	35,394
Receivables from non-exchange transactions	10	264,144	259,268
		<u>1,745,208</u>	<u>2,058,617</u>
<b>Non-current assets</b>			
Property, plant, and equipment	13	203,040	209,607
		<u>203,040</u>	<u>209,607</u>
<b>Total assets</b>		<b><u>1,948,248</u></b>	<b><u>2,268,224</u></b>
<b>Current liabilities</b>			
Trade and other creditors	11	147,114	321,688
Income in advance		71,667	117,517
Funds held on behalf	15	181,655	296,384
Finance leases	14	75,962	85,880
Employee entitlements	12	103,133	95,456
		<u>579,531</u>	<u>916,925</u>
<b>Non-current liabilities</b>			
Finance leases	14	79,894	61,922
		<u>79,894</u>	<u>61,922</u>
<b>Total liabilities</b>		<b><u>659,425</u></b>	<b><u>978,847</u></b>
<b>Net assets</b>		<b><u>1,288,823</u></b>	<b><u>1,289,377</u></b>
<b>Equity</b>			
Accumulated revenue and expenses		<u>1,288,823</u>	<u>1,289,377</u>
<b>Total equity</b>		<b><u>1,288,823</u></b>	<b><u>1,289,377</u></b>

Signed for and on behalf of the Board of Trustees who authorised these financial statements for issue on 5 October 2021:

  
 Trustee

  
 Trustee

These financial statements should be read in conjunction with the notes to the financial statements and the Audit Report.



## Cash Flow Statement

### Sport Manawatu Charitable Trust

For the year ended 30 June 2021

		2021	2020
	Notes	\$	\$
<b>Cash flows from operating activities</b>			
<i>Receipts</i>			
Sport NZ grants		776,484	650,000
Local government grants		585,913	530,668
Health provider grants		573,318	613,456
Other grants		25,407	291,471
Programmes		68,939	68,413
Other income		106,207	130,744
Wage subsidy received	11	0	165,881
Interest received		14,351	39,159
		<u>2,150,619</u>	<u>2,489,792</u>
<i>Payments</i>			
Suppliers		497,693	500,848
Staff costs		1,537,434	1,485,059
Interest paid		14,436	17,371
GST		67,948	(44,905)
Wage subsidy repaid	11	165,881	0
Net funds held on behalf		114,730	139,626
		<u>2,398,122</u>	<u>2,097,999</u>
<b>Net cash flows from operating activities</b>		<b><u>(247,503)</u></b>	<b><u>391,793</u></b>
<b>Cash flows from investing activities</b>			
<i>Receipts</i>			
Disposal of fixed assets		<u>0</u>	<u>0</u>
		<u>0</u>	<u>0</u>
<i>Payments</i>			
Purchase of fixed assets		<u>24,313</u>	<u>14,541</u>
		<u>24,313</u>	<u>14,541</u>
<b>Net cash flows from investing activities</b>		<b><u>(24,313)</u></b>	<b><u>(14,541)</u></b>
<b>Cash flows from financing activities</b>			
<i>Receipts</i>		<u>0</u>	<u>0</u>
		<u>0</u>	<u>0</u>
<i>Payments</i>			
Finance leases		41,463	42,947
Deposits into term investments		210,905	9,584
		<u>252,368</u>	<u>52,531</u>
<b>Net cash flows from financing activities</b>		<b><u>(252,368)</u></b>	<b><u>(52,531)</u></b>
Net increase / (decrease) in cash and cash equivalents		(524,184)	324,721
Cash and cash equivalents at 1 July		<u>1,444,200</u>	<u>1,119,479</u>
Cash and cash equivalents at 30 June	7	<u><b>920,016</b></u>	<u><b>1,444,200</b></u>

These financial statements should be read in conjunction with the notes to the financial statements and the Audit Report.



## Notes to the financial statements

### Sport Manawatu Charitable Trust

For the Year ended 30 June 2021

#### 1 Reporting entity

The reporting entity is Sport Manawatu Charitable Trust (Sport Manawatu). Sport Manawatu is domiciled in New Zealand and is a charitable organisation registered under the Charitable Trusts Act 1957, and the Charities Act 2005.

The financial statements of Sport Manawatu are presented for the year ended 30 June 2021.

These financial statements and the accompanying notes summarise the financial results of the activities carried out by Sport Manawatu, which develops sport and active recreation in the wider Manawatu area.

These financial statements have been approved and were authorised for issue by the Board of Trustees on 5 October 2021.

#### 2 Statement of compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the Trust is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Board of Trustees has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime (RDR) disclosure concessions.

#### 3 Summary of accounting policies

##### *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.

The significant accounting policies used in the preparation of these financial statements are:

##### *3.1 Basis of measurement*

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

##### *3.2 Functional and presentational currency*

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

## Notes to the financial statements

### Sport Manawatu Charitable Trust

For the Year ended 30 June 2021

#### 3.3 Revenue

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

#### Revenue from non-exchange transactions

##### *Donations*

Donations are recognised as revenue upon receipt and include donations from the general public, donations received for specific programme or services, or donations in-kind. Donations in-kind include donations received for services, goods, and volunteer time, and is recognised in revenue and expense when the service or good is received. Donations in-kind are measured at their fair value as at the date of acquisition, ascertained by reference to the expected cost that would be otherwise incurred by Sport Manawatu.

##### *Grant revenue*

Grant revenue includes both contract income from Government entities and grants given by other charitable organisations, philanthropic organisations, and businesses. Grant revenue is recognised when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attaching to the grant or contract, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

#### Revenue from exchange transactions

##### *Event income*

Entrance fees for functions and events are recorded as revenue when the function or event takes place.

##### *Interest income*

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

#### 3.4 Financial instruments

Financial assets and financial liabilities are recognised when the organisation becomes a party to the contractual provisions of the financial instrument.

The organisation derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the organisation has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the organisation has transferred substantially all the risks and rewards of the asset;
- or

## Notes to the financial statements

### Sport Manawatu Charitable Trust

For the Year ended 30 June 2021

- the organisation has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### Financial Assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The organisations financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. The organisations financial assets include: cash and cash equivalents, short-term investments, receivables from non-exchange transactions, and receivables from exchange transactions.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

##### *Financial assets at fair value through surplus or deficit*

Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. The organisations investments equities fall into this category of financial instruments.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The organisations cash and cash equivalents, short-term investments, receivables from non-exchange transactions, receivables from exchange transactions and non-equity investments fall into this category of financial instruments.

#### Impairment of financial assets

The organisation assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value

## Notes to the financial statements

### Sport Manawatu Charitable Trust

For the Year ended 30 June 2021

of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there is any objective evidence of impairment, the organisation first assesses whether there is objective evidence of impairment of financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the organisation determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

#### Financial liabilities

The organisations financial liabilities include trade and other creditors (excluding GST and PAYE), employee entitlements, and deferred income (in respect to grants whose conditions are yet to be complied with).

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

#### 3.5 *Cash and cash equivalents*

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 3.6 *Short term investments*

Short term investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents.

#### 3.7 *Property, plant, and equipment*

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

## Notes to the financial statements

### Sport Manawatu Charitable Trust

#### For the Year ended 30 June 2021

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

• Plant and equipment	9% - 67%
• Leased assets	27% - 33%
• Computer Hardware	30%
• Computer Software	40%
• Furniture & Fittings	20%

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

#### 3.8 Leases

##### *Classification and treatment*

Leases in terms of which Sport Manawatu assumes substantially all the risks and rewards of ownership are classified as finance leases.

##### *Finance leases*

Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value or the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

##### *Operating leases*

Leases that are not finance leases are classified as operating leases. Operating leases are not recognised in the statement of financial position. Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

##### *Determining whether an arrangement contains a lease*

At the inception of an arrangement Sport Manawatu determines whether such an arrangement is, or contains a lease. This will be the case if the following two criteria are met:

- The fulfilment of the arrangement is dependent on the use of a specific asset(s), and
- The arrangement contains a right to use the asset(s).

At inception or on reassessment of the arrangement, Sport Manawatu separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair value. If Sport Manawatu concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and liability are recognised at an equal amount to fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using Sport Manawatu's incremental borrowing rate.

## Notes to the financial statements

### Sport Manawatu Charitable Trust

#### For the Year ended 30 June 2021

##### 3.9 *Employee benefits*

Liabilities for wages, salaries, and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

##### 3.10 *Income tax*

Due to its charitable status, the organisation is exempt from income tax.

##### 3.11 *Goods and services tax (GST)*

Revenues, expenses, and assets are recognised net of the amount of GST except for receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

##### 3.12 *Equity*

Equity is measured as the difference between total assets and total liabilities. Equity is made up of the organisations accumulated surplus or deficit since its formation.

## 4 Significant accounting judgements, estimates, and assumptions

The preparation of the organisations financial statements requires management to make judgements, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Judgements

In the process of applying the organisations accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

## Notes to the financial statements

### Sport Manawatu Charitable Trust

For the Year ended 30 June 2021

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The organisation based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the organisation. Such changes are reflected in the assumptions when they occur.

#### Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- The condition of the asset.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset.

The estimated useful lives of the asset classes held by the organisation are listed in Note 3.7.

#### Provision for doubtful debts

The estimation of the provision for doubtful debts at year end is based on reviewing the accounts receivable ledger and establishing a provision for those overdue accounts that are recorded as greater than 90 days overdue, and that are believed to be unrecoverable.

## 5 Other grants

	2021	2020
	\$	\$
Eastern Central Community Trust	106,120	106,120
New Zealand Community Trust	8,333	2,012
Lion Foundation	0	32,595
	<u>114,453</u>	<u>140,727</u>



## Notes to the financial statements

### Sport Manawatu Charitable Trust

For the Year ended 30 June 2021

#### 6 Auditor's remuneration

CKS Audit provides audit services to the organisation. No non-audit services are provided by CKS Audit.

Total amount recognised as an audit expense was \$6,000 (2020: \$5,500).

#### 7 Cash and cash equivalents

Cash and cash equivalents include the following components:

	2021	2020
	\$	\$
Cash at bank	90,774	416,478
Short-term investments with maturities of less than 3 months	829,242	1,027,722
Total cash and cash equivalents	<u>920,016</u>	<u>1,444,200</u>

#### 8 Investments

	2021	2020
	\$	\$
Investments – Maturing within 12 months of balance date	<u>530,660</u>	<u>319,755</u>
	<u>530,660</u>	<u>319,755</u>

#### 9 Receivables and prepayments from exchange transactions

	2021	2020
	\$	\$
Accounts receivable	24,411	27,022
Provision for doubtful debts impairment	(105)	(734)
Prepayments	4,883	4,780
Accrued income	1,199	4,326
	<u>30,388</u>	<u>35,394</u>

## Notes to the financial statements

### Sport Manawatu Charitable Trust

For the Year ended 30 June 2021

#### 10 Receivables from non-exchange transactions

	2021	2020
	\$	\$
Accounts receivable	128,394	139,268
Accrued income	135,750	120,000
	<u>264,144</u>	<u>259,268</u>

#### 11 Trade and other creditors

	2021	2020
	\$	\$
Accounts payable	139,630	80,856
Provision for return of wage subsidy	0	165,881
Accrued expenditure	9,421	8,940
GST payable	(1,937)	66,011
	<u>147,114</u>	<u>321,688</u>

On 8 April 2020 Sport Manawatu received wage subsidy support based on the estimated decline in revenue during the entitlement period. After the entitlement period, once actual revenue had been determined, Sport Manawatu no longer met the requirements of the wage subsidy support. Thus, the amount received was repaid on 2 July 2020.

#### 12 Employee entitlements

	2021	2020
	\$	\$
Annual leave entitlements	84,890	82,347
Accrued payroll expense	18,243	13,109
	<u>103,133</u>	<u>95,456</u>

**Notes to the financial statements**

**Sport Manawatu Charitable Trust**

**For the Year ended 30 June 2021**

**13 Property, plant, and equipment**

2021	Cost / Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Plant & equipment	33,698	18,367	15,331
Computer equipment	52,835	29,332	23,503
Furniture & fittings	24,651	8,889	15,762
Finance Lease Assets	237,355	88,911	148,444
Total	<u>348,539</u>	<u>145,499</u>	<u>203,040</u>

2020	Cost / Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Plant & equipment	111,207	84,113	27,094
Computer equipment	109,548	77,682	31,866
Furniture & fittings	42,651	38,145	4,506
Finance Lease Assets	256,171	110,030	146,141
Total	<u>519,577</u>	<u>309,970</u>	<u>209,607</u>

Reconciliation of the carrying amount at the beginning and end of the period:

2021	Opening Balance \$	Additions \$	Disposals \$	Depreciation \$	Closing Balance \$
Plant & equipment	27,094	780	6,235	6,308	15,331
Computer equipment	31,866	7,694	3,050	13,007	23,503
Furniture & fittings	4,506	15,839	2,669	1,914	15,762
Finance Lease Assets	146,141	103,554	56,352	44,899	148,444
Total	<u>209,607</u>	<u>127,867</u>	<u>68,306</u>	<u>66,128</u>	<u>203,040</u>

## Notes to the financial statements

### Sport Manawatu Charitable Trust

For the Year ended 30 June 2021

#### 14 Finance leases

Sport Manawatu has entered into finance leases for vehicles and a photocopier. As at the reporting date, Sport Manawatu has entered into the following non-cancellable finance leases:

	2021	2020
	\$	\$
<i>Current</i>		
Motor vehicles	66,012	76,922
Photocopier	9,950	8,958
Total current	<u>75,962</u>	<u>85,880</u>
<i>Non-current</i>		
Motor vehicles	79,016	51,094
Photocopier	878	10,828
Total non-current	<u>79,894</u>	<u>61,922</u>
Total finance leases payable	<u>155,856</u>	<u>147,802</u>

Future minimum finance lease payments:

	2021	2020
	\$	\$
Not later than one year	85,855	98,073
Later than one year and no later than five years	89,958	64,884
Later than five years	0	0
Total finance leases payable	<u>175,813</u>	<u>162,957</u>

#### 15 Funds held on behalf

	2021	2020
	\$	\$
PNCC Sports Event Partnership Fund	96,437	152,972
Sport NZ KiwiSport Fund	0	131,104
Sport NZ Tu Manawa Active Aotearoa Fund	83,491	0
Other funds	1,727	12,308
	<u>181,655</u>	<u>296,384</u>

At 30 June 2021 \$72,848 of the Tu Manawa Active Aotearoa funds had been allocated but not collected. At 30 June 2020 \$131,104 of the KiwiSport funds had been allocated but had not been collected.

## Notes to the financial statements

### Sport Manawatu Charitable Trust

For the Year ended 30 June 2021

#### 16 Commitments, Contingencies, and Guarantees and Security

##### *Capital commitments*

At balance date Sport Manawatu had the following major capital commitments.

	2021	2020
	\$	\$
Server replacement	0	8,906
Total major capital commitments	<u>0</u>	<u>8,906</u>

##### *Operating commitments*

At balance date Sport Manawatu had the following major operating commitments:

	2021	2020
	\$	\$
Customer relations management application	0	4,080
Total major operating commitments	<u>0</u>	<u>4,080</u>

Sport Manawatu has entered into operating leases for premises, photocopier/printer, telecommunications equipment, vehicle systems, and a storage facility. As at the reporting date, Sport Manawatu has entered into the following non-cancellable operating leases:

	2021	2020
	\$	\$
Not later than one year	59,696	81,989
Later than one year and no later than five years	4,560	7,250
Later than five years	0	0
Total operating leases payable	<u>64,256</u>	<u>89,239</u>

##### *Contingencies*

There are no contingent assets or liabilities at reporting date.

##### *Guarantees and security*

There are no guarantees or securities at reporting date.

**Notes to the financial statements**

**Sport Manawatu Charitable Trust**

**For the Year ended 30 June 2021**

**17 Related party transactions**

<b>Related Party</b>	<b>Description of the Transaction</b>	<b>2021 Value of transaction</b>	<b>2021 Amount outstanding</b>	<b>2020 Value of transaction \$</b>	<b>2020 Amount outstanding \$</b>
Nolan King	Trustee of Sport Manawatu until 17 September 2020 who is a trustee of Longburn Adventist College, which receives grants from Sport Manawatu.	0	0	6,132	0
Shayne Harris	Trustee of Sport Manawatu who is an employee of Manawatu District Council (MDC). Sport Manawatu receives grants from MDC.	96,658	6,658	90,000	0
Barbara Cameron	Trustee of Sport Manawatu who was a councillor of Manawatu District Council (MDC). Sport Manawatu receives grants from MDC.	96,658	6,658	90,000	0
Barbara Cameron	Trustee of Sport Manawatu who was a board member of MidCentral District Health Board (MCDHB). Sport Manawatu receives grants from MCDHB.	490,172	41,049	550,560	40,244
Tania Garrett	Employee of Sport Manawatu who is a board member of Parafed Manawatu, which receives grants from Sport Manawatu.	23,000	0	5,000	0
Tania Garrett	Employee of Sport Manawatu who is a board member of Parafed Manawatu. Sport Manawatu receives salary recovery, office lease recovery, and management fees from Parafed Manawatu.	35,462	16,496	27,502	2,634

## Notes to the financial statements

### Sport Manawatu Charitable Trust

For the Year ended 30 June 2021

#### Key Management Personnel

As at balance date the key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body which is comprised of the Board of Trustees, Chief Executive Officer, General Manager Business, General Manager Operations, and General Manager Partnerships. No remuneration is paid to members of the Board of Trustees. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2021	2020
Total remuneration	451,925	504,536
Number of persons	4	5

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

During the reporting period no remuneration or compensation was provided by the organisation to employees who are close family members of key management personnel.

#### 18 Covid-19

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its COVID-19 alert level to level 4 and a nationwide lockdown commenced. On 28 April level 4 transitioned to level 3. As part of this lockdown, some of the Trust's activities were reduced.

On 17 August 2021, a full lockdown was ordered by the New Zealand Government in respect to the Covid 19 Delta outbreak. For the North Island (below Auckland), the lockdown at level 3 and 4 was for a period of three weeks. During this period some of the Trust's activities were reduced.

While these disruptions were temporary with the alert levels subsequently being lifted, there is some uncertainty around further changes in alert levels and any additional impacts on the Trust.

#### 19 Events after the reporting date

The Board of Trustees and management is not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of Sport Manawatu.