

SPORT NZ

ANNUAL REPORT 2014



SPORT
NEW ZEALAND





GOALS:



More Kids

- New Zealand comes first equal in an international physical activity report card for youth
- Around 9/10 kids are doing three hours or more of formal or informal sport a week

9/10

More Adults

- Around 3/4 of adults take part in sport and recreational activities during any given week
- 1/4 of adults volunteer for a sport and recreation activity

3/4

More Winners

- London Olympic Games: 13 medals including 6 gold – making NZ 4th on the medals per capita table
- London Paralympic Games: 17 medals

13 medals



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Our Highlights



New Zealand tops physical activity rankings

A global scorecard on the physical activity levels for young people ranked New Zealand first equal, ahead of the likes of Australia, England, USA and South Africa. The report noted KiwiSport's significant contribution to this.

KiwiSport

School-aged children continue to enjoy quality KiwiSport experiences, helping them to develop their skills and a potentially lifelong enjoyment of sport and recreation. In total, children took part in over 900,000 KiwiSport initiatives during the year.

Remarkable podium success

Kiwi athletes enjoyed remarkable success on the world stage this year. In the 2013 calendar year, New Zealand boasted nine world champions in Olympic disciplines. In all, 20 athletes or teams stood on the podium at world championships in Olympic disciplines, while 12 Paralympic world champions were crowned. At the Glasgow 2014 Commonwealth Games, New Zealand won 45 medals – 14 gold, 14 silver and 17 bronze – and this ranked New Zealand sixth in the Commonwealth. In the months after the Commonwealth Games our athletes have been continuing to prove themselves at world championships and other key events for their sports.



Everyone has played their part in achieving this success – the hundreds of thousands of volunteers, who are the lifeblood of our sport system, the athletes who represent our country with passion and pride, sponsors, funders, partners, fans, and participants young and old.

Pathway to Podium

A new talent development programme – Pathway to Podium – was launched to identify emerging young athletes and coaches, support them in their own region and better prepare them for a life in high performance sport.

Boost for coaching

Coaching received a \$1.5 million investment boost this year as Sport NZ launched two new programmes – Performance Coach Advance and Coach Developer – aimed at ensuring we have quality coaches at all stages of the sporting pathway. An inaugural national forum was also held to further develop secondary school students who participated in the first year of the Growing Coaches programme.

Opening of the Avantidrome

New Zealand's network of world-class facilities grew this year with the new home of cycling, the Avantidrome, being officially opened by the Duke and Duchess of Cambridge in April. Sport NZ provided an \$8.5 million investment to build the \$30 million facility and HPSNZ developed top-class gym, medical and recovery areas in the centre. This year we also announced further investment in sports infrastructure projects to allow our athletes to access the best possible training environment here at home. This year we've also created a New Zealand Sporting Facilities Framework, which sets out guidelines for better planning and design of sports facilities at all levels.

New events strategy

The first New Zealand Sporting Events Strategy was developed and launched this year, reflecting the strategic importance of events in achieving Sport NZ's vision, as well as the wider economic and social benefits that the right events can provide for the whole country.





Sport in Education

Our Sport in Education programme continues to go from strength to strength. In year two, 16 new schools have adopted a sport-based approach to engaging students, joining our original eight pilot schools.

New sport integrity measures

To protect New Zealand sport against rising global integrity threats, a national match fixing policy was developed and launched. Changes to legislation were also introduced to Parliament to ensure the worst cases of match fixing are 'criminalised'.

Strong partnerships

Relationships with Sport NZ partners and elite athletes continued to strengthen this year, evidenced in survey results. Partner confidence has never been higher, at 91%, while 93% of elite athletes surveyed were either satisfied or extremely satisfied with the support and advice they receive from HPSNZ.

Auckland Sport makes its mark

Auckland Sport (now Aktive Auckland Sport) was established as a new Regional Sports Trust (RST) this year to provide better alignment with the governance structure of the new super city. Sport NZ is supporting the new entity as it tackles the challenges and seizes the opportunities that exist in our biggest city, as are the other four Regional Sports Trusts in the wider area, who are crucial to delivery of local sporting opportunities.

Hillary Expeditions

Our Hillary Expedition crews again demonstrated the great Kiwi pioneering spirit, pushing the boundaries and savouring success in the great outdoors.





Sport NZ's Chief Executive Peter Miskimmin and Chairman Paul Collins

Chairman's and Chief Executive's Report

It is our pleasure to present this annual report for the Sport NZ Group (Sport NZ), reflecting on a year in which we made significant gains in many areas of our world-leading sport system.

On the back of another 12 months of high performance sporting success on the world stage, our results attest that we have one of the most efficient and effective high performance systems in the world. At the Glasgow 2014 Commonwealth Games, New Zealand won 45 medals with an impressive 14 gold, ranking us sixth in the Commonwealth.

At the other end of the sporting pathway, a global study this year rated New Zealand first equal on physical activity levels for young people, and, in terms of adult participation, some of our biggest sports continue to grow their numbers.

We've launched a talent development programme, called Pathway to Podium, to ensure the best young athletes are identified and supported in the region they live in, and that they are well prepared to make the step up to high performance.

To help ensure all of this success continues, in the last year we have increased our focus on some of its key drivers – coaching, facilities and events.

Our network of world-class facilities has grown, with a purpose built velodrome in Cambridge now open. The area has become a high performance hub, hosting centralised programmes for BikeNZ, Triathlon NZ and Rowing NZ.

A global study this year rated New Zealand first equal on physical activity levels for young people, and in terms of adult participation, some of our biggest sports continue to grow their numbers.

Our reputation for staging world-class events has been enhanced by the Audi quattro Winter Games New Zealand, and the IRB U20 tournament. And we are on track to deliver a successful ICC Cricket World Cup tournament (co-hosting with Australia) and the FIFA Under 20 World Cup, supported by Sport NZ's World Cups Office.

On top of all of this success, the satisfaction and engagement levels of athletes, partners and staff continue to be high – a true indication that we are doing a good job, and enriching Kiwi lives through sport.



Sport New Zealand

The mandate of Sport NZ has expanded significantly in the last few years.

Since launching High Performance Sport NZ (HPSNZ) in 2011, we have continued to build a one-stop shop for athletes, providing investment and an increasing range of support to the country's elite athletes to give them the best chance of success.

We've continued to expand our network of world-class facilities to give our athletes access to the best possible training environments here on home soil. Our facilities investment of \$40 million over the last four years has now been leveraged to more than \$110 million of investment overall, thanks mostly to public-private partnerships.

We've also developed a national facilities framework to help guide the planning, funding, design and management of facilities so they meet the changing needs of their communities.

Our focus on events has increased and matured. We've developed and launched a New Zealand Sporting Events System to help guide the development of events to both drive participation and return wider benefits to New Zealand. To support the Government's new Major Events Investment Panel, we've also taken on the role of prospecting to identify the sports events that will be most beneficial to New Zealand.

A new priority in the last year has been our work around the integrity of sport, and in particular protecting it from the global threat of match fixing. To do this we've launched a national match fixing policy and introduced new legislation to Parliament to ensure the worst match fixing offences are criminalised. We've also established, and are leading, a cross-government group to ensure intelligence on integrity threats, match fixing and doping in particular is gathered, analysed and acted upon.

Ensuring the sport and recreation workforce, both paid and voluntary, is sustainable is becoming an increasing priority. This year we partnered with the New Zealand Recreation Association and Skills Active to carry out research to better understand our future workforce needs. This will allow us to take proactive steps to develop and maintain a skilled and sustainable sector workforce able to meet the ongoing sport and recreation needs of all Kiwis.

Partners continue to be crucial to our success, and this year we developed partner plans that bring together the requirements of high performance and community sport, enabling us to take a 'Group' view with each partner. The 31 partner plans and deeper working relationships we've forged during the process are helping to maximise opportunities that can deliver success, both for our partners and for Sport NZ. Our Partner Engagement Survey has again confirmed that partner satisfaction is high, with our highest rating ever of 91% showing we're working effectively with the sector.

One of our priority partners this year has been Auckland Sport, a new regional sports trust established to provide regional leadership and advocacy for sport, and to free the existing Trusts to focus on effective local delivery. It's important that sport and recreation in our biggest city have strong leadership and remains a focal point for the evolution of the city.



High performance

New Zealand's performance at the Glasgow Commonwealth Games has continued our recent run of outstanding international sporting successes. The Glasgow medal haul of 45, which included 14 gold medals, was New Zealand's best result since 1990. In addition, New Zealand was the biggest improver in the top 12 nations (excluding Scotland as the host nation); moving from 11th to 6th on the medal tally. BikeNZ, a tier one targeted sport for HPSNZ, won 15 medals in Glasgow and there were other strong performances from targeted and campaign sports.

At the end of the 2013 calendar year, 20 Kiwi athletes or teams had been on the podium at world championships in Olympic disciplines. We had nine world champions in Olympic disciplines, and that put New Zealand eighth in the world on the gold medal count. We also had 12 Paralympic world champions and many other Kiwi winners on the world stage.

Our results attest that we have one of the most efficient and effective high performance systems in the world. At the Glasgow 2014 Commonwealth Games, New Zealand ranked 6th in the Commonwealth, with 45 medals.

These results show that we're tracking well against our 2013-20 high performance strategy and our target of 14 or more medals, and 8-12 Paralympic gold medals, at the Rio Olympics in 2016.

In the four-year Olympic funding cycle to the Olympics in 2016, HPSNZ will have invested \$133 million into the high performance programmes of national sport organisations (NSOs). A further \$87 million will have been provided to coaches and athletes through Performance Enhancement Grants, Prime Minister's Sport Scholarships, HPSNZ Athlete Performance Support, and through innovation and technology.

We believe we have a real competitive advantage in our one-stop-shop approach, which allows us to provide strategic investment to NSOs, hand in hand with the support from our specialist staff. It means we have in-house expertise, with specialist staff immersed in sports. This ability to target both our investment and our expertise sets us apart from other countries, which we believe has a significant impact on athlete and coach performance.

HPSNZ's carded athletes are also benefiting from a new medical delivery model that provides full access to HPSNZ medical centres for injury and illness prevention and

There have been other partners that have needed extra support this year with structural and financial challenges, and we've worked closely with them to ensure they have the right capability, and are fit for the job we need them to do.

While government investment in sport has increased in recent years, there are still areas we believe we could impact with more funding. So this year we've started a philanthropic project, in partnership with the New Zealand Olympic Committee, to source further investment from people who share our passion for sport, and belief in the significant contribution sport can make toward what our country can achieve.

treatment, or rehabilitation support. The new model provides greater continuity of care to athletes who, under the previous system, saw their own GPs, and also sees greater collaboration with HPSNZ specialists working together to support athletes.

With every effort being made to support and develop carded athletes, it's pleasing they also rate highly the quality of assistance they receive from HPSNZ. That's the finding of a survey of athletes conducted last year, with 93% of the more than 200 respondents either satisfied or extremely satisfied with the quality of support and advice they receive from the Athlete Performance Support team.

The impact of increased government investment on improved medal outcomes is extremely high, with 91% of the improvement in performance related to increased core investment. Between 2002 and 2013, direct investment in the high performance programmes for the six targeted Olympic sports increased from \$2.3 million to \$23.1 million and the number of medal winning performances increased from three in 2002 to 10 in 2009 and 11 in 2012 and more recently 16 in 2013 at world or equivalent events and competition. That same investment has led to an increase in top 8 finishes from five in 2002 to 19 in 2009 and 28 in 2012 and more recently 26 in 2013.

Community sport

We were thrilled to see our young people come out on top of a global report card on the physical activity levels of young people. The research, which involved 15 countries including Australia, England, USA, Canada and South Africa, noted, quite rightly, the significant contribution of KiwiSport to the sporting opportunities available to young people. Through KiwiSport we've worked with our partners to



deliver more than 3,000 projects geared around increasing participation, skills and opportunities for children to participate in sport.

We're continuing to see great results from our Sport in Education programme, which involves eight pilot schools using sport as a tool to engage students to improve academic and social outcomes. An independent evaluation has found that key values and characteristics of sport such as teamwork, competition and effort were evident within the classroom setting of the pilot schools. And this year, 16 new schools have come on board, adopting some or all of the components of the programme's approach.

In spite of these results, we believe that keeping our young people sporty and active into the future will prove challenging given societal trends, including the increasing amount of time they spend in front of screens. Schools have always been a key setting for young people to learn fundamental movement skills and progress into competitive sport, but they too are under pressure to (quite rightly) prioritise academic achievement, and find the volunteer support required to run school sport.





To gain a better understanding of this, and its impact on our sporting pathway, we have established a School Sport Future Project, working with the Ministry of Education. The learnings are helping inform our next strategic plan.

Outside of the school environment, participation rates for youth, as well as adults, have tracked upwards for some of our traditionally strong sports. The seven targeted sports have experienced growth that has been aided by a three-year development process led by our Community Sport team and supported by RSTs.

Given the importance of coaching as a key enabler to a world-leading sport system, this year we increased investment into coaching by \$1.5 million as we rolled out two new programmes to the sector. The new 'Performance Coach Advance' programme aims to improve the capability of elite coaches and the capability of targeted partners to develop more of them, while the 'Coach Developer' programme will improve the quality of coach development across the sector, especially in our targeted sports.

Looking to the future

While we continue to work to deliver our 2009-15 Community Sport Strategy, we're also developing two new plans which will guide our work in the future. In response to the way the structure of our business has changed, from 2015 we'll have an overarching Sport NZ Group Strategic Plan for the first time, as well as a new Community Sport Strategy.

As part of this work we have been reviewing the strengths and weaknesses of our current approach, and also examining the changing environment we operate in. Our planning is focusing on our mission of being a world-leading sport system, and an approach of being participant-centric, so we, and our partners, are responding to the needs of participants, and potential participants.

Much like the great results that are being achieved from a stronger emphasis on high performance in recent years, we plan to further strengthen our focus on community sport during 2015-20. This includes ensuring our Community Sport team has world-leading capability.

Driving effectiveness and efficiency

While both our mandate and our funding have increased in recent years, we're pleased to report that internal costs have not significantly increased. We've also ensured that most new positions required on the back of this business growth have predominantly been sector facing, in keeping with government expectations.

Efforts to generate new commercial and non-commercial partnerships have been ramped up this year to increase investment into our world-leading system, and as part of this we've formed a partnership with Anchor around the HPSNZ brand.

We've continued to drive efficiency within the Sport NZ Group this year, with the roll-out of a Sharepoint web application and platform across the business, and the continuing development of our Knowledge Edge project to capture knowledge and best practice.

There is clear evidence of efficiency gains across the Group, with the proportion of overheads to operating expenditure reducing by 30% since 2009/10. Our overhead costs, per full-time equivalent, have reduced by 17% for the same period.

As a proportion of total expenditure, by appropriation, 79% and 92% are directly attributable to Community Sport and High Performance programmes and initiatives respectively.

This year we again enjoyed good results in our employee engagement survey – 79% for Sport NZ and 89% for HPSNZ.

Public equity

Public equity peaked at \$45.6 million by 30 June 2014, of which \$20.8 million is tagged for High Performance infrastructure investments and the Cricket and FIFA U20 World Cups. The balance is to be released for additional High Performance investments in the build-up towards the 2016 Rio Olympics and to support the implementation of the 2015-20 Community Sport Strategy, along with fulfilling current commitments to partners.





Acknowledgements

We would like to thank everyone who has played a part in achieving this success – the hundreds of thousands of volunteers, who are the lifeblood of our sport system, the athletes who represent our country with passion and pride, sponsors, funders, fans, and participants young and old.

We especially thank our many partners, sporting and other, for their continued commitment to enriching the lives of Kiwis through sport and recreation. This includes the New Zealand Lottery Grants Board, which makes a significant financial contribution every year toward the work we do, and Lotto New Zealand, who partner with us to recognise and reward Sport Makers in communities around the country. We also thank our partners the New Zealand Olympic Committee, who ensure our teams to Olympics and Commonwealth Games are well managed and supported.

We would also like to thank the Minister for Sport and Recreation for his ongoing support, and the Boards of both Sport NZ and HPSNZ for their time and effort, in particular Hamish Carter and Don Mackinnon, who both stepped down as Board members during the year. We thank each of them for their valuable contributions.

The year ahead will be full of challenges and opportunities. We will launch our first Sport NZ Group Strategic Plan and a new Community Sport Strategy through to 2020, which aims to take community sport to a new level. We look forward to hosting the ICC Cricket World Cup and FIFA's second most important tournament, the U20 World Cup. We'll continue to work with our high performance stars to ensure they're as well prepared as they possibly can be for the 2016 Rio Olympics, and we'll help the Silver Ferns prepare for their 2015 world champs. And we'll all throw our support behind the All Blacks as they aim for back-to-back Rugby World Cup titles. It's going to be another huge year.

Paul Collins
Sport NZ Chair

Peter Miskimmin
Sport NZ Chief Executive

About the Sport NZ Group

Purpose

The purpose of this document is to report to Parliament on the Sport NZ Group's performance during the 2013/14 period as set out in its Statement of Intent for 2013-16.

The Sport NZ Group's functions

SPORT NZ GROUP

The Sport NZ Group comprises the parent entity, Sport and Recreation New Zealand (Sport NZ), and its fully owned subsidiary, High Performance Sport New Zealand Limited (HPSNZ).

SPORT AND RECREATION NEW ZEALAND

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

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

We are creating a world-leading sports system at all levels – from grass roots to high performance – which will encourage more Kiwis to participate, and reap the benefits of a life-long involvement in sport.

HIGH PERFORMANCE SPORT NEW ZEALAND LIMITED

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

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





Back row L to R: Murray Gutry, Joanna Perry, Paul Collins (Chairman), Jackie Barron, Peter Miskimmin (CEO)
 Front row L to R: Katie Sadleir, Bill Birnie, Darrin Sykes, Paul Allison

Governance of the Sport NZ Group

SPORT NZ BOARD

Sport NZ is governed by a Board whose members and Chairperson are appointed by the Minister for Sport and Recreation. The Board is responsible for setting Sport NZ's strategic direction and for providing governance and leadership for the agency. The Board members, who bear responsibility for this Annual Report, are:

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

HIGH PERFORMANCE SPORT NEW ZEALAND LIMITED

HPSNZ is governed by a Board of directors appointed by the Minister for Sport and Recreation as per its Constitution. The directors as at 30 June 2014 were:

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

MINISTERIAL DIRECTIONS

The Sport NZ Group did not receive any directions from the Minister for Sport and Recreation during 2013/14.

ACTS IN BREACH OF STATUTE

No natural person acts have been enforced against the Sport NZ Group under section 20(3) of the Crown Entities Act during 2013/14.

PERMISSION TO ACT

Section 68(6) of the Crown Entities Act 2004 requires disclosure of a permission (by the Chair or Deputy Chair) to act despite a Board member's interest in a matter. No permissions were sought in 2013/14.



Our Performance



The success of the Sport NZ Group in achieving its strategic outcomes depends on the support of our partners in the sector, particularly national sport and recreation organisations, regional sports trusts and local authorities. These organisations work with other regional and community-based organisations to deliver sport to every corner of the country.

Strategic outcomes

The three strategic outcomes the Sport NZ Group seeks are:

1. More young people engaging in more sport and recreation
2. More adults engaging in more sport and recreation
3. More winners on the world stage.

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

Measuring progress towards our Strategic Outcomes

1. More young people engaging in more sport and recreation	2. More adults engaging in more sport and recreation	3. More winners on the world stage
Strategic Outcomes: What we want to achieve		
<p>By 2020: 90% of school-aged children take part in 3+ hours of organised and/or informal sport a week, comprising not less than:</p> <ul style="list-style-type: none"> ▪ 60% doing 3+ hours of organised sport ▪ 70% doing 3+ hours of informal sport. 	<p>By 2015:</p> <ul style="list-style-type: none"> ▪ Half a million more adult New Zealanders participating at least once a week in sport and recreation than 2007/08 baseline ▪ More than 1 million people volunteering in sport and recreation each year. 	<p>By 2020: More winners on the world stage at Olympic/Paralympic Games and world championships in targeted sports.</p>
Intermediate Outcomes: What we want to achieve on the way to 2015		
<p>More young people participating in sport and recreation through initiatives supported by our partners.</p>	<ul style="list-style-type: none"> ▪ More adults participating in sport and recreation through initiatives supported by our partners. ▪ More volunteers supporting community sport and recreation through initiatives supported by our partners. 	<p>Number of New Zealand athletes placed in the top 3, top 5, top 8 and top 16 in the world in Olympic disciplines; top 3 and top 5 in Paralympic disciplines.</p>
Our Impacts: The difference we want to make		
<p>More and better opportunities for young people to learn movement and sport skills and to participate.</p>	<ul style="list-style-type: none"> ▪ Better management and support of coaches and other volunteers ▪ More participation opportunities for adults ▪ Improved organisational performance of partners to support Sport NZ's growth outcomes ▪ Better alignment between national, regional and local providers and investors. 	<ul style="list-style-type: none"> ▪ A more effective high performance system providing the support needed by elite athletes and coaches to perform ▪ World-class facilities available at home.
Our Outputs: The services we provide		
<p>Sport and recreation programmes:</p> <ul style="list-style-type: none"> ▪ Investment ▪ Policy and advice ▪ Technical advice ▪ Knowledge and information. 		<p>High performance sport:</p> <ul style="list-style-type: none"> ▪ Investment ▪ Athlete services ▪ Technical advice ▪ Prime Minister's Sport Scholarships.
Inputs: Our sources of funding		
<p>Appropriations:</p> <ul style="list-style-type: none"> ▪ Sport and Recreation Programmes ▪ Lottery Grants Board funding. 		<p>Appropriations:</p> <ul style="list-style-type: none"> ▪ High Performance Sport ▪ Prime Minister's Sport Scholarships.



Community Sport

The Community Sport Strategy 2009-15

National Sport Organisations

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

Regional Sports Trusts

The targeted sport approach has been strongly supported by Regional Sports Trusts (RSTs) around the country and they have made a significant contribution to this work over the last four years, applying half their focus and time to supporting the seven targeted sports.

RSTs play a critical role in brokering strategic regional partnerships, building the capability and capacity of local providers (regional sporting organisations, clubs and schools), supporting volunteers, and increasing participation through regional programmes and events.



Outcome One: More young people engaging in more sport and recreation

Performance measure	We want to have achieved	Baseline	Progress
Strategic Outcome: More young people engaging in more sport and recreation			
Percentage of school-aged children (5-18 years) who participated in sport or recreation (including physical education) for at least three hours per week	<p>By 30 June 2020: 90% of school-aged children take part in 3+ hours of organised and/or informal sport a week, comprising not less than:</p> <ul style="list-style-type: none"> 60% doing 3+ hours of organised sport 70% doing 3+ hours of informal sport. 	<p>Results from the 2011 Young People's Survey show:</p> <ul style="list-style-type: none"> 56% of school-aged children took part in 3+ hours of organised sport a week 66% of school-aged children took part in 3+ hours of informal sport a week. <p>(61% response rate)</p>	<p>To be next measured through the second Young People's Survey scheduled for 2018/19.</p>
Intermediate Outcome: More young people participating in sport and recreation through initiatives supported by our partners			
Number of young people (5-18 years) participating in sport and recreation through initiatives supported by our partners	<p>By 30 June 2014: Increase in baseline figures (as reported by partner organisations).</p> <p>By 30 June 2015: Increase in baseline figures (as reported by partner organisations).</p>	<p>Reset baseline from 2012/13 reporting period for 10 of our targeted sports.</p> <p>Fundamental movement</p> <ul style="list-style-type: none"> NSOs = 939,000 (revised¹ 1,050,977) RSTs = 458,000 <p>Club members</p> <ul style="list-style-type: none"> NSOs = 441,000 (revised¹ 432,345) <p>Events</p> <ul style="list-style-type: none"> NSOs = 38,000 RSTs = 135,000 <p>Primary schools</p> <ul style="list-style-type: none"> NSOs = 625,000 RSTs = 192,000 <p>Secondary schools</p> <ul style="list-style-type: none"> NSOs = 101,000 RSTs = 54,000 <p>NSO figures for the club member category are primarily inclusive of the number of club members that RSTs have impacted through their work.</p>	<p>Information represents data as reported by 14 regional sports trusts and 10 targeted sports for the 2013/14 reporting period.</p> <p>Fundamental movement</p> <ul style="list-style-type: none"> NSOs = 1,112,308 RSTs = 275,855 <p>Club members</p> <ul style="list-style-type: none"> NSOs = 442,990 <p>Events</p> <ul style="list-style-type: none"> NSOs = 37,979 RSTs = 221,545 <p>Primary schools</p> <ul style="list-style-type: none"> NSOs = 653,796 RSTs = 389,630 <p>Secondary schools</p> <ul style="list-style-type: none"> NSOs = 173,027 RSTs = 84,456

¹2012/13 numbers have been updated to reflect more accurate partner reporting.



Performance measure	We want to have achieved	Baseline	Progress
Impact: More and better opportunities for young people to learn movement and sport skills and to participate			
KiwiSport Regional Partnership Fund results in increased participation in local initiatives	<p>By 2014: At least 313,000 children and young people participating in funded KiwiSport initiatives.</p> <p>By 2015: At least 313,000 children and young people participating in funded KiwiSport initiatives.</p>	At least 313,000 children and young people participating in funded KiwiSport initiatives.	<p>2013/14: 913,059 (2012/13: 837,000)</p> <p>These numbers represent the uptake of individual KiwiSport initiatives by sport/activity and not individual participants.</p>
Sport in Education pilot continues with 8 schools	<p>By 2014: Baseline information collated for pilot schools.</p> <p>By 2015: Increases in the number of:</p> <ul style="list-style-type: none"> ▪ Young people participating in sport ▪ Teacher involvement in sport ▪ Student coaches and leaders. 	<p>Eight pilot schools have been established with initiatives implemented from the beginning of the 2013 school year.</p> <p>An initial evaluation indicates progress against all three measures.</p> <p>Specific progress against these standards will be captured through the NZSSSC census due in December 2013 and reported in the 2014-17 Statement of Intent.</p>	<p>Baseline information was established by the end of 2013 for 8 pilot schools as follows:</p> <ul style="list-style-type: none"> ▪ Young people participating in school sport: 9,285 ▪ Teachers involved in sport: 574 ▪ Student coaches and leaders: 176. <p>In addition 16 schools have elected to adopt aspects of the Sport in Education project at their own cost.</p>

KiwiSport success in Gisborne

At 42%, Gisborne's secondary school sport participation rate was the second lowest in New Zealand in 2012, and had dropped by 18% in a decade. In response, and with the help of KiwiSport investment, Sport Gisborne and the region's four high schools got together to address this issue. They set an ambitious goal of reaching the national participation average of 53% by 2016 and developed an after-school sport programme to deliver the results they were after.

With community collaboration seen as one of the keys to success, regional sport organisations and the local council were engaged, along with local businesses. This fostered better coordination of sport activities and provided more opportunities through access to club-based coaching and refereeing expertise.

The Wednesday After-School Sport programme commenced in 2013 and was designed to remove key barriers such as transport, with the local bus company ferrying students to sports fields and dropping them back to a central location after each session. The programme was also designed to be student led to increase buy-in. Students choose the sports that are offered each term, with non-traditional sports such as table tennis, badminton and judo featuring in the mix.

In just its first year, the programme has attracted over 500 students per week and resulted in an increased secondary school participation rate for Gisborne to 56% – above the national average and well ahead of the programme's 2016 goal. Teacher participation also increased from 24% to 51%, with an extra 91 teachers getting involved in delivering school sport.

Taranaki youngsters get active on their bikes

Youngsters in the Taranaki region are being introduced to a potentially lifelong love of cycling with the help of Sport NZ Active Communities seed funding. Through their 'Let's Get Going' initiative, Sport Taranaki and the New Plymouth District Council are teaching bike skills to children under five. The programme gives kids an opportunity to learn and practise fundamental cycling techniques in order to gain the skills, knowledge and motivation to progress towards riding a bike independently.

To date Let's Get Going has been delivered to 41 Taranaki kindergartens and playcentres, with over 2,000 children improving their bike skills and confidence as a result. Children are also cycling on average one more hour per week because of the programme.

Waitara Community and Districts Childcare is one of the centres that have embraced the programme. It has a newly upgraded bike track and encourages its children to bring along their bikes each day. Approximately half do so on a regular basis and, if children forget their bikes, they can borrow one from a pool of bikes that have been purchased by the centre.

Sport in Education

Our Sport in Education programme has made significant progress this year. It involves eight pilot schools using sport as a tool to engage students to improve academic and social outcomes.

Two of the schools have experienced sport participation growth of 20% and 40% respectively, and an independent evaluation has found that key values and characteristics of sport, such as teamwork, competition and effort, were evident within the classroom setting of each.

This year, 16 new schools have come on board, adopting some or all components of the programme's approach. Compared with the eight pilot schools that receive funding, these new schools have appointed in-school project leaders and have buy-in from principals and staff at their own cost. This is key to the future sustainability of the initiative.





Outcome Two: More adults in more sport and recreation

Performance measure	We want to have achieved	Baseline	Progress
Strategic Outcome: More adults engaging in more sport and recreation			
<p>Number of adults (16 years and over) participating in at least one sport or recreation activity during any one week</p> <p>Number of adults (16 years and over) who volunteer (e.g. unpaid club administrators or coaches etc.) in sport and recreation at least once a year</p>	<p>By 30 June 2015: Half a million more adult New Zealanders participating at least once a week in sport and recreation.</p> <p>More than one million New Zealanders volunteering in sport and recreation.</p>	<ul style="list-style-type: none"> 2,388,195 adults (73% of the population) participated in at least one sport or recreation activity during any one week in 2007/08. 829,735 adults (25% of the population) volunteered in sport and recreation at least once a year in 2007/08. 	<p>An Active NZ 2013/14 Survey has been completed. This data will be analysed during 2014/15, with results reported in June 2015.</p>
Intermediate Outcome: More adults participating in sport and recreation through initiatives supported by our partners			
<p>Number of adults participating in sport and recreation through initiatives supported by our partners</p>	<p>By 30 June 2014: Increase in baseline figures (as reported by partner organisations).</p> <p>By 30 June 2015: Increase in baseline figures (as reported by partner organisations).</p>	<p>Reset baseline from 2012/13 reporting period for 17 regional sports trusts and 10 of our targeted sports.</p> <p>Club members</p> <ul style="list-style-type: none"> NSOs = 273,000 (revised¹ to 279,738) <p>Events</p> <ul style="list-style-type: none"> NSOs = 38,000 RSTs = 56,000 	<ul style="list-style-type: none"> Information represents data as reported by 14 regional sports trusts and 10 targeted sports for the 2013/14 reporting period. <p>Club members</p> <ul style="list-style-type: none"> NSOs = 272,491 <p>Events</p> <ul style="list-style-type: none"> NSOs = 34,057 RSTs = 177,025

¹2012/13 numbers have been updated to reflect more accurate partner reporting.

Performance measure	We want to have achieved	Baseline	Progress
Intermediate Outcome: More volunteers supporting community sport and recreation through initiatives supported by our partners			
Number of volunteers participating in community-level sport and recreation as reported by Sport NZ's partner organisations	By 30 June 2014: Increase in baseline figures (as reported by partner organisations). By 30 June 2014: Increase in baseline figures (as reported by partner organisations).	Reset baseline from 2012/13 reporting period for 10 of our targeted sports. Volunteers <ul style="list-style-type: none"> NSOs – coaches = 32,000 (revised¹ to 38,710) NSOs – officials = 13,000 (revised¹ to 13,500) 	Information represents data as reported by 10 targeted sports for the 2013/14 reporting period. Volunteers <ul style="list-style-type: none"> NSOs – coaches = 42,189 NSOs – officials = 13,992
Impact: Creating participation opportunities for adults through initiatives supported by our partners			
NSO community sport investment results in an increase in participation opportunities for adults	By 2014: Increase in baseline figures as reported by our partners. By 2015: Increase in baseline figures as reported by our partners.	Eleven targeted NSOs ² reported that adults (over 18 years) took up 396,785 ³ opportunities to participate through 133 participation categories.	Eleven targeted NSOs ² reported that adults (over 18 years) took up 431,283 ³ opportunities to participate through 136 participation categories.
Impact: Better management and support of coaches and other volunteers			
Community coaching plan implemented leading to increase in active community coaches	By 2014: 7 NSOs have community coaching plans in place and establish baselines. By 2015: % increase in the number of active community coaches across the 7 NSOs.	Seven NSOs have community coaching plans in place. NSOs – coaches = 36,000 (for 10 targeted NSOs)	Ten targeted NSOs have in place community coaching plans: 2013/14: 42,189 active community coaches 2012/13: 38,710 active community coaches.

Coaching

At every stage of the sport and recreation pathway, coaching is a critical enabler, so it's an area where we're increasing our investment.

A sixth intake for HPSNZ's Coach Accelerator programme is seeing the development of six further coaches whose athletes have potential to medal on the world's toughest sporting stages. Additionally, high performance coaching consultants have aided the professional development of 80 carded coaches this year.

Sport NZ has rolled out two new programmes to the wider sector. The new 'Performance Coach Advance' programme aims to improve the capability of regional-level coaches and the capability of targeted partners to develop more of them. The 'Coach Developer' programme will improve the quality of coach development across the sector, especially in our targeted sports.

An inaugural national forum was also held to further develop secondary school students who participated in the first year of the Growing Coaches programme.

Thanks Sport Makers and thanks Lotto

Every year, 750,000 Kiwis give 50 million hours of their time volunteering in sport. The Sport Makers campaign is a partnership between Sport NZ and Lotto New Zealand, aimed at helping to ensure these amazing, and vital, people are recognised and rewarded for their efforts. Over the first three years of this campaign, more than \$1 million worth of clothing and other sporting goods will be awarded to Sport Makers. In this first year, more than 4,500 volunteers have been nominated by their communities for their contribution to sport. We couldn't do it without them.

We also couldn't do what we do without the funds we receive from the New Zealand Lotteries Commission via the New Zealand Lottery Grants Board (NZLGB).

²Targeted Group 1 sports are Football, Rugby, Cricket, Netball, Hockey, Gymnastics and Rugby League. Group 2 sports included are Bowls, Tennis, Athletics and Golf.
³This is a count of total participations across all opportunities.

Sport NZ is the largest recipient of funds from the NZLGB, which was set up to benefit the community by distributing the profits from the games run by Lotto New Zealand. Every year it distributes lottery profits to sporting, arts, cultural, and community organisations, with 20% of the New Zealand Lotteries Commission annual net profit being allocated to Sport NZ.

Sport Maker 2014

This year we recognised our second Sport Maker, Mel Morris, who epitomises all sport volunteers nationwide. Mel has been volunteering for the last nine years, is currently the Junior Advisory Board convenor of the Moutere Magpies rugby club in Marlborough, and the club delegate and Treasurer for the Marlborough Sub Union JAB Committee, in addition to managing a softball, basketball and touch team, and coaching a flipper ball team and two volleyball teams. She does all of this on top of working part-time as a teacher and being a busy mother to three school-aged boys.

Mel has demonstrated a commitment to sport in her community that goes above and beyond what is expected of a volunteer – an achievement her community should be very proud of.



Mel Morris

He Oranga Poutama

Sport NZ's He Oranga Poutama (Stairway to Wellbeing) initiative promotes the development and implementation of physical recreation and sport in a way that is culturally appropriate to Māori. The focus of investment is strongly centred on Māori cultural distinctiveness to support community leadership and growth in participation. Such investment into ki-o-rahi has resulted in a resurgence of the traditional Māori sport – a fast-paced ball sport that incorporates elements of rugby union, netball, touch and Australian rules.

Through the help of Sport NZ's He Oranga Poutama partners and passionate volunteers, the sport has gone from relative obscurity in 2009 to being sanctioned by the New Zealand Secondary Schools Sports Council (NZSSSC) in 2012, and now features on the calendar of NZSSSC events.

The sport is growing as a result, with NZSSSC data showing that 269,217 students participated in ki-o-rahi in 2013, compared with 262,645 in 2012, an increase of 6,572. And with capability and capacity around the sport continuing to grow due to iwi support and improved systems, ki-o-rahi is certainly achieving one of He Oranga Poutama's three programme objectives – revitalisation of traditional Māori sports.

Award winners

Outstanding leadership in sport and recreation was again recognised this year at the sector's two premier award ceremonies. Record-breaking All Blacks captain Richie McCaw received the Sport New Zealand Leadership Award at the Westpac Halberg Awards, while New Zealand Rugby CEO Steve Tew was presented with the C.K. Doig Leadership Award at the New Zealand Sport and Recreation Awards.

In a strong showing from rugby at the Halberg Awards, and on the back of a perfect 2013 season, the All Blacks were named Team of the Year, while Steve Hansen took out Coach of the Year.

Young golfing sensation Lydia Ko received the honour of High Performance Sport New Zealand Sportswoman of the Year, as well as the Supreme Award. High Performance Sport New Zealand Sportsman of the Year went to three-time Indy Car title winner Scott Dixon. Swimmers Sophie Pascoe and Gabrielle Fa'amausili won the Disabled Sportsperson of the Year and Emerging Talent Awards.

At the New Zealand Sport and Recreation Awards, the Audi Quattro Winter Games New Zealand claimed the award for Event Excellence, while Sport Gisborne was recognised with the award for Community Impact for its Wednesday After-School Sport programme. Sport Wellington won the award for Communications Excellence for AMI Round the Bays, NZ Golf won the Innovation Award for its 'Ko Goes Pro' initiative, and NZ Cricket and DB Breweries won the award for Commercial Partnership. The lifelong contributions to sport by Lesley Murdoch, Adrienne Greenwood and Barry Maister were also recognised through Lifetime Achievement Awards.



Sport NZ Chief Executive Peter Miskimmin presents Ritchie McCaw with the Sport NZ Leadership Award

High Performance

Outcome Three: More winners on the world stage

Performance measure	We want to have achieved	Baseline	Progress
Strategic Outcome: More winners on the world stage at Olympic/Paralympic Games and World Championships in targeted sports			
Number of medals at Olympic Summer Games	14+ medals in 2016 16+ medals in 2020	2012: Medals = 13	Next measured in 2016
Number of athletes or teams who win at world championship events in targeted non-Olympic sports	Winning at world championships	2012: 2 athletes or teams	There have been no world championships in targeted non-Olympic sports.
Number of medals at Olympic Winter Games	1+ medals in 2014 2+ medals in 2018	2010: Medals = 0	2014: Medals = 0 Placings: <ul style="list-style-type: none"> ▪ top 8 = 4 ▪ top 9-16 = 7 ▪ outside top 16 = 6
Number of gold medals at Paralympic Summer Games	8+ gold medals in 2016 8+ gold medals in 2020	2012: Gold medals = 6	Next measured in 2016
Number of gold medals at Paralympic Winter Games	2+ gold medals in 2014 2+ gold medals in 2018	2010: Gold medals = 1	2014: Gold medals = 0 Silver medals = 1





Performance measure	We want to have achieved	Baseline	Progress
Intermediate Outcome: Achieve a sustainable high performance sport system capable of constant improvement through collaborative leadership and investment			
Number of New Zealand athletes placed in the top 3, top 5 and top 8 in the world in Olympic disciplines	By 2014: Top 3: 14 Top 5: 23 Top 8: 35 By 2015: Top 3: 16 Top 5: 24 Top 8: 40	2012: Top 3 = 13 Top 5 = 24 Top 8 = 37	2014: Top 3 = 20 Top 5 = 22 Top 8 = 33
Number of New Zealand athletes in the top 3 and top 5 in the world in Paralympic disciplines	By 2014: Top 3: 10 Top 5: 21 By 2015: Top 3: 12 Top 5: 21	2012: Top 3 = 17 Top 5 = 28	2014: Top 3 = 19 Top 5 = 23
Number of emerging athletes supported through regional talent hubs	By 2014: At least 150 By 2015: At least 200	New measure	2014: 161 emerging athletes
Impact: A more effective high performance system providing the support needed by elite athletes and coaches to perform			
Percentage of key high performance programme performance and process goals achieved by targeted NSOs	2013/14: As per agreed KPIs with targeted NSOs. By June 2015: As per agreed KPIs with targeted NSOs.	New measure	KPIs with targeted NSOs have been agreed and the monitoring system is in place. A full assessment of achievement will be completed at NSOs' annual reviews in October/ November annually from 2014 onwards.

Performance measure	We want to have achieved	Baseline	Progress
Impact: World-class facilities available at home			
Athletes and coaches have access to international standard facilities for training and competition	<p>2013/14: The National Cycling Centre of Excellence was officially opened in April 2014.</p> <p>Invest \$1.5 million towards the Phase 2 Development of Millennium Institute of Sport and Health (including the construction of a second indoor swimming pool).</p> <p>By June 2015: The High Performance Sailing Centre (HPSC) is on track for completion by this date.</p> <p>Planning for National Hockey Centre and National Canoe Racing Centre completed.</p>	<p>National Training Centre at MISH completed.</p> <p>HP training centres have been established in Wellington, Dunedin, Wanaka and Christchurch (Apollo Projects Centre).</p>	<p>The National Cycling Centre of Excellence was opened on 12 April 2014.</p> <p>In 2014, \$1.5 million was invested towards the Phase 2 Development of Millennium Institute of Sport and Health (including the construction of a second indoor swimming pool).</p> <p>The development of the HPSC has been delayed, but we are currently working through site issues to achieve the best outcomes for high performance and the community.</p> <p>Hockey New Zealand is finalising the funding before construction of the National Hockey Centre begins, which will be well underway by the end of June 2015.</p> <p>Design work for the National Canoe Racing Centre is about to begin and it is expected that construction will be well underway by the end of June 2015.</p> <p>In addition, during the year we announced new funding for an extension to the high performance training base for snow sports in Wanaka and stage two of the Rowing HP Centre at Lake Karapiro.</p>

Network of world-class facilities

Our network of world-class facilities has grown, with the new Avantidrome in Cambridge officially opened by the Duke and Duchess of Cambridge on 12 April 2014.



Cambridge is now home to centralised high performance programmes for BikeNZ, Triathlon NZ and Rowing NZ, making the area a vibrant high performance hub.

Altogether we've now invested (or committed to invest) more than \$40 million in high performance infrastructure, leveraged to total investment of more than \$110 million, mostly thanks to private/public partnerships.

Plans are progressing well for Canoe Racing NZ's high performance facility, which will be close to Rowing NZ's base at Lake Karapiro, and work is underway on an

extension to AUT Millennium Institute on Auckland's North Shore, home of HPSNZ's National Training Centre, which includes an international-standard swimming pool.

Progress is also being made on a national high performance base in Auckland for sailing, and this year we announced new funding for a national hockey stadium (\$2.5 million), an extension to the high performance training base for snow sports in Wanaka (\$0.5 million) and stage two of the Rowing HP Centre at Lake Karapiro (\$1 million).

All of these ensure our athletes have the best possible training environment here at home.

Innovation and technology

As part of HPSNZ's Innovation and technology programme, two contestable funding rounds are held each year to support projects that increase the performance of HPSNZ targeted sports.

HPSNZ's innovation programme also includes its Goldmine team, who work on hardware and software solutions to provide athletes with a competitive edge.

Through its innovation and technology programme, HPSNZ will continue to provide the athletes, coaches and staff of our targeted sports with cutting edge, clever and, in many cases, world's best and/or world's first performance solutions for both the daily training and competition environment.

It is about leaving no stone unturned in the pursuit of gold.

Prime Minister's Sport Scholarships

Three hundred and seventy-five athletes received Prime Minister's Sport Scholarships this year, to enable them to continue their education while they train and compete. In addition, 203 scholarships were awarded to coaches, members of support teams and officials to help their development. Altogether, the programme invests \$4.25 million a year.

One of the recipients is skier Corey Peters. His involvement in the sport of men's adaptive sit-ski slalom and super slalom came after an accident in 2009, when he crushed his spinal cord at a motocross event, leaving him paralysed. He made an amazing comeback to competitive sport in his first season, taking gold in the men's adaptive sit-ski event at the Para-Snowboard Winter Games in 2011. Since then, he's won silver and gold medals at the 2013 Winter Games and IPC Super-Combined World Cup, and a silver medal in the Giant Slalom at his first Paralympic Winter Games in 2014.

Living in Taranaki, he was a long way from Snow Sports New Zealand's Wanaka-based Winter Performance Programme and so a shift south was necessary to be in the right environment. In a gutsy move, he relocated south independently, even before he became a carded athlete.

Peters was a builder prior to his accident, and with the assistance of a Prime Minister's Sport Scholarship he is now studying towards a Bachelor of Sport and Exercise. He says he's keen to stay in the sports industry and perhaps move into coaching or management.

Corey juggles his studying with multiple training sessions on a daily basis, which sees him up and training on the slopes first thing, followed by intensive afternoon gym and physio sessions. Added to this are the numerous months he spends in the northern hemisphere training and competing.

"Due to chasing winter all the time, I'm only ever in one place for a few months at a time."

He says not having to worry about the course fees has made a huge difference. "It takes a lot of the financial strain off."



Prime Minister's Sport Scholarship recipient Cory Peters

Young rower on pathway to success

The Pathway to Podium talent development programme was launched this year to help emerging sports people and their coaches prepare for the demands of a life in high performance sport.

The Sport NZ Group has worked with regional sports trusts and other partners to establish 14 regional hubs around the country, which provide a range of support for young athletes and their coaches in their own area. As well as our investment, the hubs are leveraging local support for their own emerging stars, one of whom is rower Ruby Tew. She says the programme is great because she can continue her rowing development from Dunedin, where she studies Accounting and Finance at Otago University.

As part of the programme, Ruby is receiving education in areas such as mental skills training and has services specifically tailored to her, like her own strength and conditioning programme. She also attends seminars on topics ranging from nutrition to conditioning while travelling.

"Already I've really learnt a lot, especially from the seminars, and I feel like I'm part of the stuff I'd get if I was up north (at Rowing NZ's Lake Karapiro base)," says Ruby.

The 20-year-old is currently a member of the New Zealand U21 rowing team and wants to become an Olympian, targeting 2020. The Pathway to Podium programme will, hopefully, help her achieve her ultimate goal to be part of the Kiwi Olympic team in Tokyo.



Pathway to Podium athlete Ruby Tew (on right)

High Performance Results

World-class sporting achievements this year included:

- New Zealand Olympic class sailors Jo Aleh and Polly Powrie being named ISAF Rolex Female Sailor of the Year for 2013, the first ever New Zealand women to be honoured with the title.
- The New Zealand Rowing team winning five medals at the 2013 world championships in Korea (men's pair – gold; women's double sculls, men's lightweight four and women's single scull – silver; women's pair – bronze).
- New Zealand winning the crown as best rowing nation in the world after finishing first in the World Cup series standings in 2014, ahead of rowing rivals Britain and Australia. At the final World Cup rowing event for 2014 in Lucerne, Kiwi crews bagged an impressive nine medals – six gold, one silver and two bronze.
- New Zealand crews doing even better than the year before, winning nine medals – six gold, two silver and a bronze – at the 2014 World Rowing Championships. This was the most gold medals New Zealand has won at a World Rowing Championships, making it the most successful campaign ever. The men's coxed pair, men's pair, women's four, women's lightweight double sculls, women's double sculls and women's single scull won gold, silver went to the men's lightweight four and men's single scull while the women's pair bagged bronze.
- The New Zealand All Black Sevens and Women's Sevens teams both winning their respective IRB Rugby 7s World Cups in Moscow.
- New Zealand swimmers winning 15 medals, including 12 gold medals at the 2013 IPC World Swimming Championships, ranking New Zealand fourth on the medal table. New Zealand Para-Shooter Michael Johnson won bronze in the R5 Air Rifle prone at the 2014 IPC Shooting World Championships.
- The Kiwis making the final of the Rugby League World Cup.
- New Zealand winning 45 medals at the Glasgow 2014 Commonwealth Games, including an impressive 14 gold.
- Valerie Adams remaining unbeaten throughout the year (and going on to win her 54th consecutive event in women's shot put when she won her gold at the Commonwealth Games), a fourth consecutive world title and becoming the first woman to win four individual gold medals.
- Men's shot putter Tom Walsh winning a bronze at the Athletics World Indoor Championships.
- Lydia Ko turning professional and going on to win her first professional golf title in just her second start.
- Canoeist Lisa Carrington becoming a three-time world champion in the K1 200 and adding a K1 500 world championship silver medal to the bronze she won the previous year in the longer distance.
- Swimmer Lauren Boyle winning three bronze medals at the 2013 world swimming championships. Her bronze medal in the 400m freestyle was the first by a New Zealand woman at a world championships.
- Lauren Boyle creating history by becoming the first New Zealander to win three medals at a single Pan Pacific Championships when she won silver in the 1500m freestyle, silver in the 800m freestyle and bronze in the 400m freestyle at the Pan Pacs on the Gold Coast in 2014.
- Equestrian Andrew Nicholson claiming the world's top eventer title for the third time.





- Andrew Nicholson becoming the first rider to win the Burghley Horse Trials three consecutive times on the same horse, Avebury, and in 2014 it was a Kiwi one-two at Burghley with Nicholson winning and Jock Paget finishing second on his mount Clifton Promise.
- Equestrian eventing rider Tim Price winning one of the six four star events in the world, claiming the title at the CCI4* Luhmuhlen International Horse Trials.
- Kiwi Jonelle Price finishing fourth at the World Equestrian Games in the individual eventing competition.
- Andrea Hewitt finishing second and Nicky Samuels third at the 2014 ITU World Triathlon Grand Final in Edmonton.
- New Zealand producing its best ever Winter Olympics results with four top-eight finishes in Sochi: Men's Ski Halfpipe (Jossi Wells 4th, Beau-James Wells 6th), Women's Ski Halfpipe (Janina Kuzma 5th) and Men's 10,000m Speed Skating (Shane Dobbin 7th).
- New Zealand sit-skier Corey Peters winning a silver medal at the 2014 Sochi Paralympic Winter Games.
- New Zealand winning five medals (three in non-Olympic disciplines) at the 2014 Track Cycling World Championships, including the gold in the Men's Team Sprint.
- New Zealand winning gold (Peter Burling and Blair Tuke) and silver (Marcus Hansen and Josh Porebsky) at the 2013 49er World Championships and gold at the 49erFX World Championships (Alexandra Mahoney and Molly Meech). Jo Aleh and Polly Powrie also continued their London form by winning gold at the 2013 Women's 470 World Championships.



Sector Capability and Alignment

The Sport and Recreation Sector – a partnership approach

Underpinning the achievement of these three strategic outcomes is a sustainable and capable sport and recreation sector. Without partner organisations that have the capability to deliver results, we will not be able to achieve our goals.

Organisational capability of our partners

If we are to achieve our outcomes of more Kiwis, more kids and more winners, we need to build strong partnerships with highly capable organisations who can deliver at the front line. To understand how we can best assist them to maximise their performance through addressing issues and maximising opportunities, it is also critical we have open and trusted relationships.

In past years, our work to build that capability was based around broad-reaching improvement programmes and good-practice resources. As these have now delivered results, and the sector has matured, in recent years we have moved to prioritising capability development based on specific partner needs in six areas – governance and planning, leadership, human resources, financial stability, commercialisation and information technology.

We assess our partners' needs through a range of assessment tools (e.g. Organisational Development Tool – ODT) and other intelligence, including that provided by the partners, and we then work with them to develop an improvement programme. The impact we want to achieve is for partners to have skilled people who can adapt and deliver strategies that meet the needs of sport participants and Kiwis.

As our partners continue to increase their base-level capability we will increasingly look at improvement opportunities that benefit multiple partners. We will explore opportunities that create operational efficiencies, remove administrative cost, and create growth opportunities.

Resources

The majority of resources available to the sport and recreation sector primarily reside at the regional level, including:

- funding from councils and community/gaming/power/licensing trusts
- facilities provided by councils, tertiary organisations and schools
- time committed by volunteers
- expertise provided (mostly) by volunteer administrators, coaches and officials.

Alignment between national, regional and local providers and investors

In contrast to Sport NZ's modest resources, community-owned resources represent the 'power supply' available for driving the delivery of sport and recreation initiatives across New Zealand. Accordingly, improving links between all the organisations delivering sport and recreation to the community is crucial to providing seamless participation opportunities, for maximising the use of available resources, and for encouraging joint resolution of common issues.



Output/delivery	Performance standard	Performance	Status
Organisational capability of partners to support Sport NZ's outcomes			
Improved organisational capability through support provided to partners	Positive changes in aspects of capability (governance, leadership, commercialisation, people management, IT, finance) as reflected by capability assessment tools.	New measure	Capability support has been provided to 27 sector partners to assist in the delivery of 160 specific capability improvement projects. A suite of self-help tools has also been provided to the wider sport sector. Significant improvements in partners' governance and leadership capability have been made, while partners' financial stability has remained relatively constant despite an increasingly challenging funding environment. Positive impacts on commercial revenues, and reductions in financial risks, have been brought about through our commercial and technology support.
Improved relationships through dedicated partner relationships and team and cross-team engagement on priorities to improve partners' ability to perform	Positive changes in quality of relationships with targeted partners.	Revised Partner Confidence Survey	91% of targeted partners have confidence in Sport NZ to build effective relationships with the sector to deliver quality outcomes for the sport and recreation sector.
Better alignment between national, regional and local providers and investors			
Increase in joint community sport and recreation initiatives	We will encourage more 'joined-up' approaches to growing participation through initiatives such as our investment and the implementation of joint NSO and RST initiatives.	New measure	The Active Communities initiative currently supports 26 projects working across the following areas: <ul style="list-style-type: none"> ▪ Councils and community boards ▪ Education, pre-schools, schools, universities (Waikato, Auckland, AUT) ▪ RSTs, clubs, NSOs-RSOs, sportsvilles ▪ NROs including DOC ▪ Iwi organisations ▪ Community organisations e.g. In2 IT, H2O etc. ▪ Health, DHBs and PHOs ▪ Funding agencies e.g. ASB, community funding trusts.

New sporting events strategy

Events are a powerful contributor to sport and also provide a platform to generate economic, social and cultural benefits for New Zealand.

To ensure our sporting events are excellent and deliver sought-after outcomes, Sport NZ has led the development of a strategy to create a world-leading sporting events system. The New Zealand Sporting Events System (NZSES) is designed to generate a greater commitment to better sporting events in New Zealand and to provide a framework for agencies and organisations to work together to boost sector capability and leverage benefits from events and maximise them for New Zealand. The strategy aligns with the government's Major Events Strategy and strategies of agencies, regions and NSOs to ensure the right legacy outcomes are pursued and delivered through major sporting events.

To support this work, Sport NZ is developing a Mega and Major sporting events (MME) selection criteria framework to assist agencies and organisations to work proactively together to ensure the highest-quality planning, leadership, delivery and controls. This work will deliver an initial 10-year prospecting plan that is supported by all the agencies involved in events planning.

Sporting Facilities Framework

To achieve our goal of more New Zealanders with better places to play sport, Sport New Zealand has created a Sporting Facilities Framework for those involved in the provision and management of sporting facilities.

The framework, which incorporates feedback from local authorities, funding agencies, government departments, regional and national sports bodies, and overseas counterparts, sets out guidelines for better planning and design of sports facilities. It aims to encourage better sharing of resources and facilities between sport organisations to maximise investment and provide sport and recreation facilities that are fit for purpose, well utilised and future proofed.

Protecting the integrity of sport

Protecting the integrity of sport has become a priority for sports organisations around the world. This year we responded to the rising threat of match fixing by developing and launching a national match fixing policy, which will be implemented by national sport organisations over the next 18 months. Changes to legislation were introduced to Parliament to ensure the worst cases of match fixing are criminalised. We've also developed an on-line educational tool to help athletes, coaches and support staff protect themselves from being caught up in match fixing.

Sport NZ is also leading an inter-agency group to work on sports integrity in general. This group, which also includes Drug Free Sport NZ and the New Zealand Olympic Committee, will gather and assess intelligence from several areas of government including Police, Customs and Medsafe (Ministry of Health), and ensure New Zealand responds to threats in the right way, at the right time.



Statement of Service Performance

The Sport NZ Group's outputs for 2013/14 to achieve the strategic outcomes, set out in the 2013-16 Strategic Plan, are grouped into two areas of work:

1. Sport and Recreation Programmes

– funded through Appropriation: Sport and Recreation Programmes.

2. High Performance, including Prime Minister's Sport Scholarships

– funded through Appropriations: High Performance Sport and Prime Minister's Sport Scholarships.

1. Output Class: Sport and Recreation Programmes

Outcomes sought

LONG-TERM

- More young people and adults in sport and recreation.

MEDIUM-TERM

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

Performance

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

Sport NZ's assessment of its performance against Sport and Recreation Programmes for 2013/14 is set out on the following pages.



Programme investment and management

Output/delivery	Performance standard	Performance at 12 months	Status
Investment to achieve community sport and recreation outcomes			
Sport NZ invests in national sport and recreation organisations, regional sports trusts, territorial authorities, iwi organisations and other organisations to achieve community sport and recreation outcomes	At least 70% of total sport and recreation spending will be invested in partners. This includes: <ul style="list-style-type: none"> national sport and recreation organisations regional sports trusts iwi organisations territorial authorities. 	2013/14: 79% 2012/13: 75%	Achieved
Investment to achieve capability outcomes			
Sport NZ invests in national sport and recreation organisations, and regional sports trusts to achieve capability outcomes (governance, leadership, commercialisation, people management, IT, finance)	At least 1.5% of total sport and recreation spending will be invested in national sport and recreation organisations to achieve capability outcomes.	2013/14: 5.8% 2012/13: 3%	Achieved
Investment to achieve event and facility outcomes			
Sport NZ invests in national sport organisations to achieve event and facility outcomes	At least 2% of total sport and recreation spending will be invested in partners to achieve event and facility outcomes.	2013/14: 2.3% 2012/13: 2.4%	Achieved

Technical advice and resources

Output/delivery	Performance standard	Performance at 12 months	Status
Technical advice for community sport			
Sport NZ provides expert advice, guidance and assistance to: <ul style="list-style-type: none"> National sport organisations to design community sport plans, programmes and delivery systems to grow and sustain participation RSTs for the delivery of community sport and recreation initiatives 	Quality and timeliness: At least 80% partner satisfaction (targeted NSOs) with quality and timeliness of community sport and recreation team consultancy and advice. Quantity: Expert advice, guidance and assistance provided to: <ul style="list-style-type: none"> 14 selected sports to develop participant/athlete pathways that inform sport planning and delivery structure 14 selected sports to develop community sport plans 17 RSTs to develop regional support plans for targeted community sports 17 RSTs for sport and recreation outcomes, delivery of KiwiSport, Regional Sports Directors in schools, and/or He Oranga Poutama. 	Quality and timeliness: 2013/14: 68% quality, 72% timeliness (91% response rate, 8% margin of error) 2012/13: 84% quality, 88% timeliness (55% response rate, 8% margin of error) Quantity: 2013/14: 14 sports 2012/13: 14 sports 2013/14: 14 RSTs ⁴ 2012/13: 17 RSTs	Not achieved The service that was provided to NSOs was impacted due to the unavailability of resources during the year.

⁴On 1 July 2013 Auckland Sport was established with overarching responsibility for the four Auckland RSTs. From 1 July 2013, Sport NZ ceased to provide support to the four RSTs and now provides support directly to Auckland Sport; accordingly there are now only 14 RSTs eligible to receive support from Sport NZ.

Technical advice and resources

Output/delivery	Performance standard	Performance at 12 months	Status
Technical advice for capability development			
<p>Sport NZ provides expert advice, guidance and assistance to national sport organisations and regional sports trusts to improve organisational capability in the areas of governance, leadership, commercialisation, people management, IT, and finance</p>	<p>Quality and timeliness: At least 80% partner satisfaction (targeted NSOs) with the quality and timeliness of capability support.</p> <p>85% of participants are satisfied with the programme/workshops.</p> <p>Quantity: 18 NSOs provided with capability support. 10 seminar programmes or workshops delivered to the sector.</p>	<p>Quality and timeliness: 2013/14: 89% quality, 89% timeliness (91% response rate, 8% margin of error) 2012/13: 93% quality, 88% timeliness (55% response rate, 8% margin of error)</p> <p>2013/14: 95% satisfaction rating for workshops delivered 2012/13: 96% satisfaction rating for workshops delivered</p> <p>Quantity: 2013/14: 26 NSOs 2012/13: 18 NSOs 2013/14: 16 programmes 2012/13: 10 programmes</p>	Achieved

Technical advice and resources

Output/delivery	Performance standard	Performance at 12 months	Status
Technical advice for facilities			
<p>Sport NZ provides expert advice, guidance and assistance to stakeholders (including NSOs and territorial authorities) on the development and management of facilities (with a focus on Christchurch)</p>	<p>Quality and timeliness: At least 80% partner satisfaction (targeted NSOs) with Sport NZ's facilities consultancy and advice.</p> <p>Quantity: Three NSOs for developing sport-specific national facility strategies.</p>	<p>Quality and timeliness: 2013/14: 79% quality, 79% timeliness (91% response rate, 8% margin of error) 2012/13: 92% quality, 91% timeliness (55% response rate, 9% margin of error)</p> <p>Quantity: 2013/14: Strategies have been completed 2012/13: Strategies have been completed</p>	Not achieved
Technical advice for event management			
<p>Sport NZ provides expert advice, guidance and assistance to stakeholders on the development of major events</p>	<p>Quality and timeliness: At least 80% partner satisfaction (targeted NSOs) with Sport NZ's event consultancy and advice.</p> <p>Quantity: Expert advice, guidance and assistance provided to 10 NSOs on delivering national or international events.</p>	<p>Quality and timeliness: 2013/14: 85% quality, 83% timeliness (91% response rate, 8% margin of error) 2012/13: 81% quality, 81% timeliness (55% response rate, 9% margin of error)</p> <p>Quantity: 2013/14: 21 NSOs 2012/13: 18 NSOs</p>	Achieved

World Cups Office

Output/delivery	Performance standard	Performance at 12 months	Status
Support for international sporting events hosted in New Zealand			
Sport NZ coordinates cross-agency support and delivery of core government services for the ICC Cricket World Cup 2015, and the FIFA U20 World Cup 2015	<p>Quality and timeliness: Core government services are on track to be successfully delivered.</p> <p>Quantity: Cross-agency coordination structures are established and operating in support of preparations for two tournaments.</p>	<p>Quality and timeliness: 2013/14: Project deliverables have been agreed across all key agencies and milestones are on track.</p> <p>2012/13: New measure</p> <p>Quantity: 2013/14: The World Cups Office has established monthly Operations Group meetings with lead agencies including: Police, DPMC, Customs, Immigration, NZTA, Health, Sport NZ, Tourism NZ, NZTE, CWC LOC, and FIFA U20 LOC.</p> <p>2012/13: New measure</p>	Achieved
Sport NZ coordinates cross-agency leverage and legacy activities to enable New Zealand and New Zealanders to benefit from hosting the tournaments	<p>Quality and timeliness: Leverage and legacy activities are on track to be successfully delivered.</p> <p>Quantity: Cross-agency coordination structures are established and operating to develop leverage and legacy programmes around two tournaments.</p>	<p>Quality and timeliness: 2013/14: NZ Inc. Group has identified leverage and legacy opportunities to meet NZ Inc. objectives and promote the events around the World Cups, and deliverables are on track.</p> <p>2012/13: New measure</p> <p>Quantity: 2013/14: The World Cups Office is leading the NZ Inc. Group, including Tourism NZ, NZTE, Education NZ, MFAT, Sport NZ, MCH, ATEED, CWC LOC and FIFA U20 LOC, and the World Cups Office has entered partnerships with NZTE and ATEED for 2015.</p> <p>2012/13: New measure</p>	Achieved

Policy advice

Output/delivery	Performance standard	Performance at 12 months	Status
Policy advice			
Sport NZ provides high-quality policy advice to the Minister for Sport and Recreation	<p>Quality and timeliness: Satisfaction with ministerial servicing by the Office of the Minister for Sport and Recreation.</p> <p>Quantity: 95% of briefings and correspondence provided to the Minister for Sport and Recreation within agreed timeframes.</p>	<p>Briefings and correspondence: 2013/14: 97% of briefings and correspondence provided to the Minister for Sport and Recreation within agreed timeframes.</p> <p>2012/13: 85% of briefings and correspondence provided to the Minister for Sport and Recreation within agreed timeframes.</p> <p>Ministerial servicing: 2013/14: The Office of the Minister for Sport and Recreation was satisfied with ministerial servicing over the 2013/14 period.</p> <p>2012/13: Not measured</p>	Achieved

Knowledge and information

Output/delivery	Performance standard	Performance at 12 months	Status
Knowledge and information			
<p>Sport NZ develops and disseminates knowledge and information to facilitate sharing good practice</p>	<p>Quality and timeliness: At least 80% of partner satisfaction (targeted NSOs) with information sharing by Sport NZ.</p> <p>At least 80% partner satisfaction (targeted NSOs) with Sport NZ's resources and toolkits.</p> <p>Quantity: 400 subscribers to the Sport and Recreation Knowledge Library.</p> <p>40,000 unique page views of the Sport and Recreation Knowledge Library.</p> <p>2,200 subscribers to the Sport NZ newsletter 'Relay'.</p>	<p>Information sharing: 2013/14: 95% quality, 100% timeliness (91% response rate, 8% margin of error) 2012/13: 90% quality, 90% timeliness (55% response rate, 9% margin of error)</p> <p>Resources and toolkits: 2013/14: 100% quality, 100% timeliness (91% response rate, 8% margin of error) 2012/13: 85% quality, 85% timeliness (55% response rate, 9% margin of error)</p> <p>Sport and Recreation Knowledge Library subscribers: 2013/14: 711 2012/13: New measure</p> <p>Sport and Recreation Knowledge Library unique page views: 2013/14: 52,000 2012/13: New measure</p> <p>Sport NZ [Relay]: 2013/14: 2,103 subscribers 2012/13: 1,949 subscribers*</p>	Achieved

*This figure does not include around 150 Sport NZ and HPSNZ staff who receive [Relay] through internal communications.



Cost of service by Output Class: Sport and Recreation Programmes

For the year ended 30 June 2014

GROUP		GROUP	
Actual 2013 \$000		ACTUAL 2014 \$000	BUDGET 2014 \$000
19,151	Crown funding	19,151	19,151
38,947	Other operating revenue	51,486	43,555
58,098	Total Revenue	70,637	62,706
	Less expenses		
43,736	- Sector investment and consulting	45,225	46,376
2,216	- Programme management	2,552	2,543
7,436	- Technical advice and resources	8,992	9,140
951	- Policy advice	1,027	986
3,137	- Knowledge and information	2,853	3,578
57,476	Total Expenses	60,649	62,623
622	Net Operating Surplus/(Deficit)	9,988	83

The operating surplus relates to additional Lotteries revenue received during the year and has been allocated to Community Sport programmes in 2014/15 and 2015/16.

Cost of service by Output Class: World Cups Office

GROUP		GROUP	
Actual 2013 \$000		ACTUAL 2014 \$000	BUDGET 2014 \$000
-	Crown funding	7,000	-
-	Total Revenue	7,000	-
	Less expenses		
51	- World Cups Office	683	676
51	Total Expenses	683	676
(51)	Net Operating Surplus/(Deficit)	6,317	(676)

The World Cups surplus is committed to fund the World Cups Office and ICC Cricket World Cup leverage and legacy projects in 2014/15.

2. Output Class: High Performance Sport

Outcomes sought

LONG-TERM

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

MEDIUM-TERM

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

Performance

HPSNZ's assessment of its performance for high performance programmes for 2013/14 is set out below. HPSNZ purchases programmes, resources and services that contribute to more New Zealand winners on the world stage.

Output/delivery	Performance standard	Performance at 12 months	Status
Sector investment and management: Investment to support NSO high performance initiatives			
<p>Sport NZ invests in high performance sport, on the recommendation of HPSNZ, to achieve high performance outcomes</p> <p>Sport NZ will invest in international-standard facilities for training and competition</p>	<p>At least 85% of total high performance funding will be invested in high performance programmes and initiatives including:</p> <ul style="list-style-type: none"> targeted NSOs Performance Enhancement Grants (PEGs) for elite athletes technology and innovation high performance events. 	<p>In 2013/14, \$55.5 million (2012/13: \$49.2 million) was invested in high performance programmes and initiatives.</p> <p>In total:</p> <p>2013/14: 92.2%, \$55.5 million 2012/13: 88.2%, \$49.2 million</p>	Achieved
Technical advice: Provision of high performance expertise			
<p>HPSNZ provides expert advice, guidance and assistance to NSOs regarding the delivery of their high performance programmes athlete development</p>	<p>Quality and timeliness:</p> <p>At least 80% partner (NSOs) satisfaction with quality and timeliness of HPSNZ consultancy and advice.</p> <p>Quantity:</p> <p>Expert advice, guidance and assistance provided to at least 9 NSOs to support the delivery of their high performance programmes.</p>	<p>Quality and timeliness:</p> <p>2013/14: 100% quality, 88% timeliness (86% response rate, 5% margin of error) 2012/13: 90% quality, 95% timeliness (55% response rate, 9% margin of error)</p> <p>Quantity:</p> <p>2013/14: 26 NSOs 2012/13: 25 NSOs</p>	Achieved
Athlete services: High performance athlete support services			
<p>HPSNZ directly supports athletes through the:</p> <ul style="list-style-type: none"> allocation of PEGs provision of specialist services such as exercise physiology, biomechanics, strength and conditioning, nutrition, physiotherapy, massage, planning, athlete life, and medical 	<p>Quality:</p> <p>At least 80% athlete satisfaction with support.</p> <p>Quantity:</p> <p>PEGs allocated to at least 200 high performance athletes. 400 athletes receive funding and/or access to services through the high performance system.</p>	<p>Athlete satisfaction:</p> <p>2013/14: 93% 2012/13: Not yet measured</p> <p>PEGs:</p> <p>2013/14: 274 athletes 2012/13: 279 athletes</p> <p>Athletes:</p> <p>2013/14: 619 athletes 2012/13: 593 athletes</p>	Achieved

Cost of service by Output Class: High Performance Sport

For the year ended 30 June 2014

GROUP		GROUP	
Actual 2013 \$000		ACTUAL 2014 \$000	BUDGET 2014 \$000
54,692	Crown funding	58,192	58,192
5,935	Other operating revenue	2,134	2,102
60,627	Total Revenue	60,326	60,294
	Less expenses		
36,911	- Sector investment	40,344	39,320
1,316	- Programme management	1,637	1,118
5,567	- Technical advice and resources	6,252	6,932
11,094	- HP athlete services	12,578	12,654
54,888	Total Expenses	60,811	60,024
5,739	Net Operating Surplus/(Deficit)	(485)	270

Cost of service by Output Class: High Performance Infrastructure

For the year ended 30 June 2014

GROUP		GROUP	
Actual 2013 \$000		ACTUAL 2014 \$000	BUDGET 2014 \$000
3,500	Crown funding	10,000	-
3,500	Total Revenue	10,000	-
	Less expenses		
5,652	- Infrastructure expenditure	5,182	7,694
5,652	Total Expenses	5,182	7,694
(2,152)	Net Operating Surplus/(Deficit)	4,818	(7,694)

The surplus infrastructure funding is committed to developing additional world-class high performance facilities in 2014/15 and 2015/16.



3. Output Class: Prime Minister's Sport Scholarships

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

Output/delivery	Performance standard	Performance at 12 months	Status
Sector investment and management: Prime Minister's Sport Scholarships Investment			
Sport NZ invests in the development of high performance athletes, coaches, officials and support personnel through the allocation of Prime Minister's Sport Scholarships, on the recommendation of HPSNZ	Quality: Administration costs are less than 4% of the total funds being allocated.	Admin Costs: 2013/14: 3.8% 2012/13: 4.4%	Achieved
	Quantity: \$4.25 million invested for: At least 250 athlete scholarships At least 50 coach, support team and officials scholarships.	Scholarships: 2013/14: \$3.415m invested for: <ul style="list-style-type: none"> ▪ 375 athlete scholarships ▪ 203 coach, officials, support team scholarships. 2012/13: \$3.157m invested for: <ul style="list-style-type: none"> ▪ 361 athlete scholarships ▪ 140 coach, officials, support team scholarships. 	Not Achieved

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

For the year ended 30 June 2014

GROUP		GROUP	
Actual 2013 \$000		ACTUAL 2014 \$000	BUDGET 2014 \$000
4,250	Crown funding	4,250	4,250
4,250	Total Revenue	4,250	4,250
	Less expenses		
3,157	- Sector investment	3,415	4,800
138	- Programme management	160	209
3,295	Total Expenses	3,575	5,009
955	Net Operating Surplus/(Deficit)	675	(759)

Surplus funding has been transferred to 2014/15 to fund future scholarships.



Financial Information

Financial Overview

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

Table One: Analysis of Revenue from 2010/11 to 2013/14



In 2013/14 additional Crown funding of \$17 million was provided for one-off initiatives, being: high performance infrastructure projects of \$10 million and 2015 Cricket and FIFA U20 World Cups of \$7 million. Costs associated with this funding are being incurred over the next two years. Vote funding reverts to 2012/13 levels in 2014/15.

Table Two: Breakdown of 2013/14 Revenue Allocation

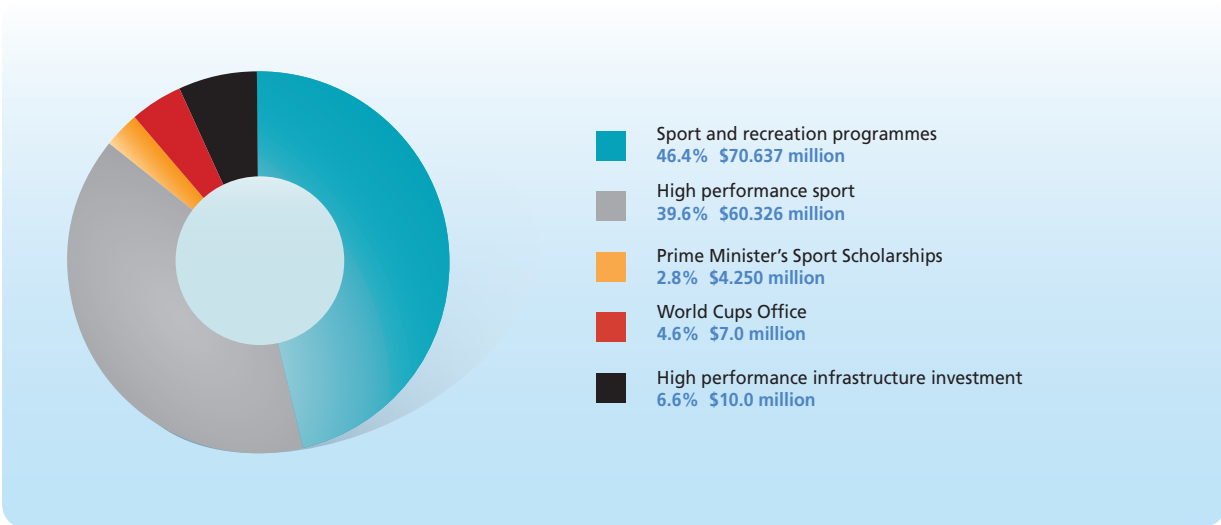


Table Two shows how the Sport NZ Group revenue was allocated across outputs. Allocations to the World Cups Office and High Performance Infrastructure Investment represent additional Crown funding for one-off initiatives.

Table Three: Breakdown of 2013/14 Expenditure (including overhead costs)

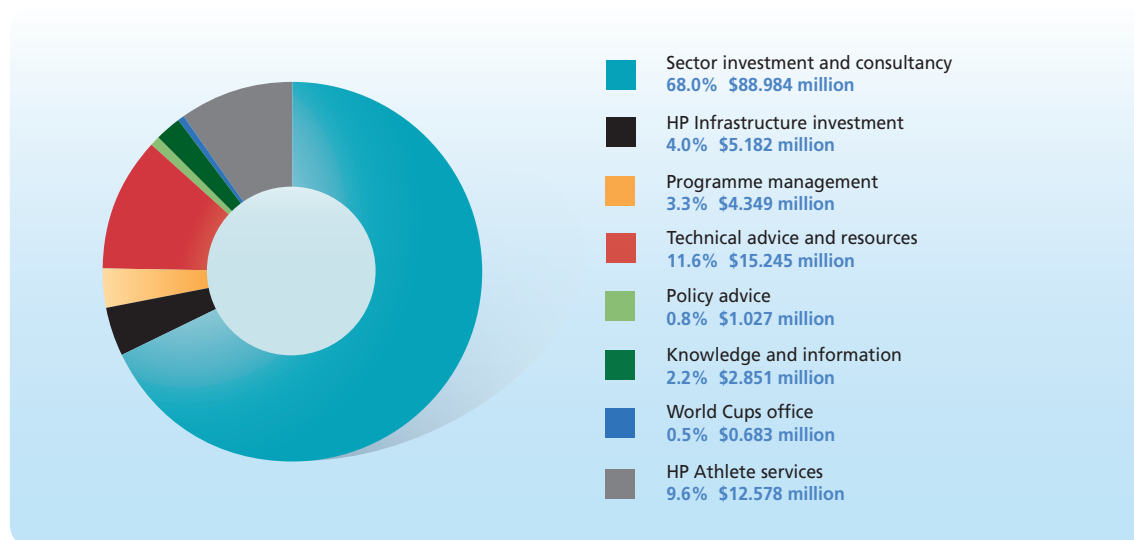


Table Three shows that in 2013/14, \$101.561 million of the Sport NZ Group’s expenditure was directly invested into the sport and recreation sector (e.g. national governing bodies of national sport and recreation organisations and regional sports trusts) through direct sector and consultancy investment (\$88.984 million) and the provision of HP Athlete services (\$12.578 million). Direct investment in 2012/13 made up \$94.898 million of total expenditure. A further \$5.182 million has been invested in the development of high performance facilities (\$5.652 million in 2012/13).

Table Four: Analysis of 2013/14 Sector Investment (by partner)

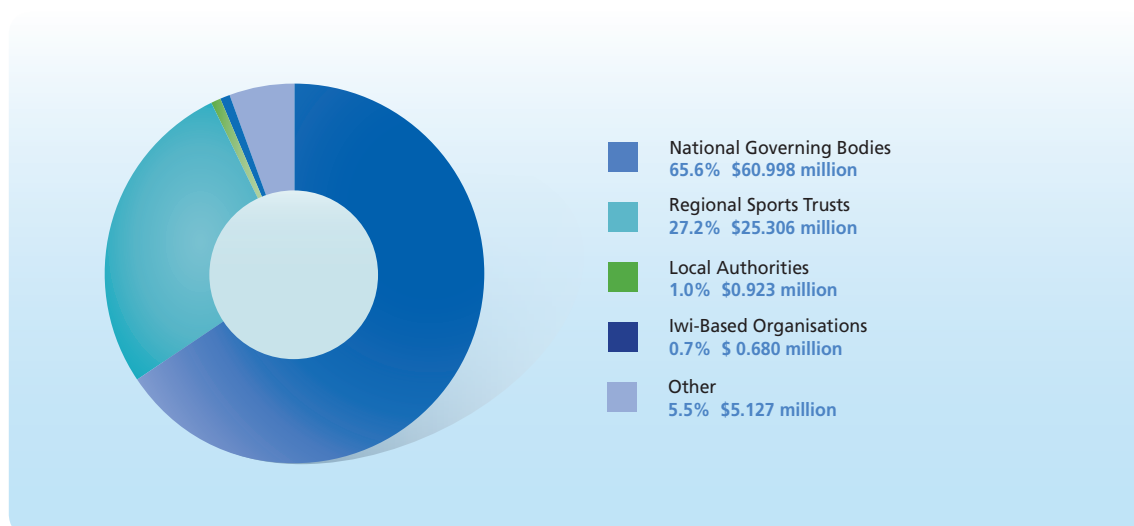


Table Four shows how the 72% of total expenditure invested into the sport and recreation sector in 2013/14 has been distributed across partner organisations. The primary channel for sector investment for both high performance and community sport is through national governing bodies and regional sports trusts which received 92.8% of the investment. In 2013/14 the Sport NZ Group invested \$5.127 million (5.4%) into other partners including \$4.050 million for high performance infrastructure projects. A summary of the Sport NZ Group’s sector investment is further contained in Appendix 1 on pages 74 through 77.

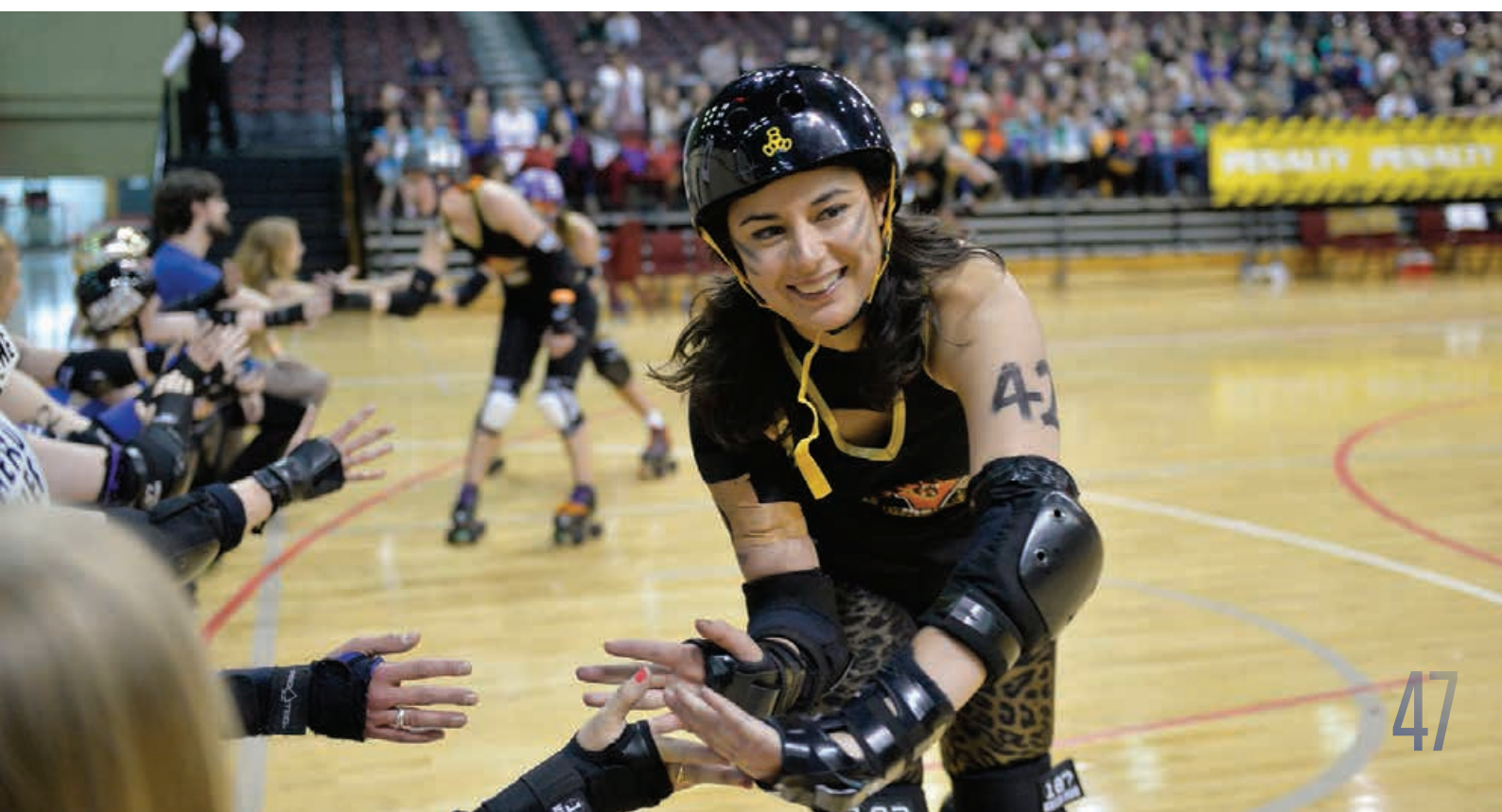
Financial Summary

For the year ended 30 June 2014

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	BUDGET	ACTUAL	BUDGET
2013	2013			2014	2014	2014	2014
\$000	\$000			\$000	\$000	\$000	\$000
126,639	126,475	Operating revenue		152,079	128,124	152,213	127,250
109,142	89,168	Total investments		113,717	116,418	93,034	97,096
16,080	32,195	Operating expenditure		19,239	20,018	37,866	38,930
1,417	5,112	Net Operating Surplus/(Deficit)		19,123	(8,312)	21,313	(8,776)
25,931	28,660	Assets		47,977	15,943	50,636	18,841
5,306	4,340	Liabilities		8,229	4,746	5,003	5,897
20,625	24,320	Public Equity		39,748	11,197	45,633	12,944

Public Equity has peaked during the current four-year cycle at 30 June 2014. Included within the equity position of \$45.633 million are the following items:

- HP infrastructure projects of \$14.131 million to be developed over the next two years.
- ICC Cricket World Cup – leverage and legacy funding of \$5 million and office support funding for the Cricket and FIFA U20 World Cups of \$1.5 million being held in 2015.
- High performance funding of \$10.9 million to be released in the build-up towards the 2016 Rio Olympics, including \$1.4 million for Prime Minister’s Sport Scholarships.
- Community sport funding of \$12.7 million to be invested in programmes to support the implementation of the 2015-20 Community Sport Strategy and current commitments to sector partners.



Financial Statements

Statement of comprehensive income

For the year ended 30 June 2014

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	BUDGET	ACTUAL	BUDGET
2013	2013			2014	2014	2014	2014
\$000	\$000	Note		\$000	\$000	\$000	\$000
Revenue							
81,593	81,593			98,593	81,593	98,593	81,593
41,365	41,365	2		49,839	43,480	49,839	43,480
-	-			-	-	-	-
940	977			1,179	513	1,213	533
2,000	-			2,000	2,000	-	-
741	2,540			468	538	2,568	1,644
126,639	126,475		2	152,079	128,124	152,213	127,250
Sector Investment							
672	672			822	1,217	822	1,217
43,065	83,133			44,403	43,659	88,162	89,279
5,363	5,363			4,050	6,600	4,050	6,600
60,042	-			64,442	64,942	-	-
109,142	89,168		3	113,717	116,418	93,034	97,096
Operating Expenditure							
147	231	21		157	157	232	241
8,504	16,861	4		9,083	10,082	19,481	20,101
2,890	6,847	5		4,065	3,688	7,003	7,469
622	1,897			620	860	2,023	2,116
774	1,466	9,10		1,604	1,679	2,374	2,557
3,143	4,893			3,710	3,552	6,753	6,446
16,080	32,195			19,239	20,018	37,866	38,930
125,222	121,363			132,956	136,436	130,900	136,026
1,417	5,112			19,123	(8,312)	21,313	(8,776)
-	-			-	-	-	-
1,417	5,112			19,123	(8,312)	21,313	(8,776)

*\$1.094 million, originally included as an Infrastructure investment expense in the Budget, has been reclassified to Depreciation and amortisation. This represents the depreciation on the Apollo Projects Centre facility at Jellie Park.

This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations of major variances against budget are provided in note 25.

Statement of financial position

As at 30 June 2014

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	BUDGET	ACTUAL	BUDGET
2013	2013			2014	2014	2014	2014
\$000	\$000	Note		\$000	\$000	\$000	\$000
Assets							
CURRENT ASSETS							
11,699	11,816			12,297	350	12,594	582
9,277	9,925			11,981	10,765	12,144	11,385
17	17			62	-	93	-
-	-			-	369	-	-
58	58			49	20	49	20
-	-			20,000	-	20,000	-
21,051	21,816			44,389	11,504	44,880	11,987
NON-CURRENT ASSETS							
3,799	5,294			2,568	2,637	4,554	4,619
627	1,096			555	1,331	737	1,764
454	454			465	471	465	471
4,880	6,844			3,588	4,439	5,756	6,854
25,931	28,660			47,977	15,943	50,636	18,841
Liabilities							
CURRENT LIABILITIES							
1,509	2,678			2,904	4,131	3,341	4,732
2,785	-			4,556	-	-	-
156	183			189	121	295	121
746	1,369			524	494	1,311	1,044
110	110			56	-	56	-
5,306	4,340			8,229	4,746	5,003	5,897
5,306	4,340			8,229	4,746	5,003	5,897
20,625	24,320			39,748	11,197	45,633	12,944
Represented by:							
19,208	19,208			20,625	19,509	24,320	21,720
1,417	5,112			19,123	(8,312)	21,313	(8,776)
20,625	24,320			39,748	11,197	45,633	12,944

This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations of major variances against budget are provided in note 25.

Statement of changes in equity

For the year ended 30 June 2014

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	BUDGET	ACTUAL	BUDGET
2013	2013			2014	2014	2014	2014
\$000	\$000			\$000	\$000	\$000	\$000
19,208	19,208			20,625	19,509	24,320	21,720
1,417	5,112			19,123	(8,312)	21,313	(8,776)
20,625	24,320			39,748	11,197	45,633	12,944

This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations of major variances against budget are provided in note 25.

Statement of cash flows

For the year ended 30 June 2014

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	BUDGET	ACTUAL	BUDGET
2013	2013			2014	2014	2014	2014
\$000	\$000	Note		\$000	\$000	\$000	\$000
Cash flows from operating activities							
CASH INFLOWS							
81,593	81,593			98,616	81,593	98,616	81,593
40,819	40,819			47,262	41,480	47,262	41,480
774	2,915			330	538	2,511	1,594
942	979			1,179	537	1,213	557
2,000	-			2,000	2,000	-	-
1,597	1,516			922	(8)	987	142
127,725	127,822			150,309	126,140	150,589	125,366
CASH OUTFLOW							
42,746	82,814			49,501	49,687	93,260	96,953
13,525	20,478			7,921	10,550	15,726	16,558
55,255	-			62,672	63,692	-	-
-	-			-	-	-	-
111,526	103,292			120,094	123,929	108,986	113,511
8,565	16,793			9,358	9,436	19,592	20,032
120,091	120,085			129,452	133,365	128,578	133,543
7,634	7,737			20,857	(7,225)	22,011	(8,177)
Cash flow from investing activities							
CASH INFLOWS							
58	58	11		42	51	42	51
-	68			-	8,250	-	10,500
58	126			42	8,301	42	10,551
CASH OUTFLOW							
3,430	4,243	9		72	-	1,022	1,280
399	485	10		229	1,076	253	1,176
-	-	8		20,000	-	20,000	-
3,829	4,728			20,301	1,076	21,275	2,456
(3,771)	(4,602)			(20,259)	7,225	(21,233)	8,095
3,863	3,135			598	-	778	(82)
7,836	8,681			11,699	350	11,816	664
11,699	11,816			12,297	350	12,594	582
MADE UP OF							
11,699	11,816			12,297	350	12,594	582
11,699	11,816			12,297	350	12,594	582

This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations of major variances against budget are provided in note 25.

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

Notes to the Financial Statements

1. Statement of accounting policies for the year ended 30 June 2014

Reporting entity

These financial statements are for the Sport NZ Group for the year ended 30 June 2014 and were authorised for issue by the Board of Sport NZ on 19 September 2014. The Sport NZ Group comprises the parent entity, Sport and Recreation New Zealand (Sport NZ) and its fully-owned subsidiary, High Performance Sport New Zealand Limited (HPSNZ).

Sport NZ was established as a Crown entity on 1 January 2003 under the Sport and Recreation New Zealand Act 2002 (the Act) to “promote, encourage and support physical recreation and sport in New Zealand”. Its functions are set out in section 8 of the Act, which incorporates the functions of HPSNZ. A full list of functions is set out in Appendix 2 to this Annual Report.

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

Basis of preparation

STATEMENT OF COMPLIANCE

The financial statements of the Sport NZ Group have been prepared in accordance with the requirements of the Crown Entities Act 2004, which include the requirement to comply with New Zealand generally accepted accounting practice (‘NZ GAAP’) including NZ IFRS and other Financial Reporting Standards applicable to public benefit entities at the time of preparation.

MEASUREMENT BASE

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

FUNCTIONAL AND PRESENTATION CURRENCY

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

Changes in accounting policies

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

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

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

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, the Sport NZ Group is classified as a Tier 1 public sector reporting entity and as such will be required to apply full Public Benefit Entity Accounting Standards (PAS). The effective date for application of the new standards to public sector entities is for reporting periods commencing on or after 1 July 2014. This will require the Sport NZ Group to transition to the new standards when preparing its financial statements for the year ending 30 June 2015. While the impact of the new Accounting Standards Framework on the Sport NZ Group is yet to be fully determined, no significant changes in accounting treatment are expected as a result of the transition.

Due to the change in the Accounting Standards Framework for public benefit entities, no new NZ IFRS and amendments to existing NZ IFRS will now apply to public benefit entities pending the new Accounting Standard Framework becoming effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

Significant accounting policies

BASIS OF CONSOLIDATION

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

REVENUE

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

Crown

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

New Zealand Lottery Grants Board

All revenue from the New Zealand Lottery Grants Board (LGB) is currently based on Sport NZ receiving 20% of the NZ Lotteries Commission annual net profit, as agreed by Cabinet. The revenue is recognised based on the allocations advised by the LGB for the same year. Subsequent amounts received, as a result of the NZ Lotteries Commission turning a net profit in excess of that previously forecast, are recognised in the subsequent financial year on receipt.

Interest

Interest income is recognised using the effective interest method.

SECTOR EXPENDITURE

Sector investments and infrastructure investments

To meet its primary objectives, Sport NZ Group provides funding to various organisations in the sport and recreation sector. This expenditure is recognised as an expense in the Statement of comprehensive income either as 'sector investment' or 'infrastructure investment' according to the extent to which the recipient entity is to apply those funds to operating or capital expenditure respectively.

Expenditure is recognised only upon an obligation to distribute funds having arisen either as a result of an application for funding having been approved as meeting all specified criteria, or in accordance with scheduled payments becoming due under the terms of individual agreements previously established with recipient organisations.

Investment consulting

Costs associated with engaging consultants to provide professional advice directly to partner organisations are recognised in the Statement of comprehensive income as an 'investment consulting' expense.

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.

Bank deposits

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

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

LOANS

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

PROPERTY, PLANT AND EQUIPMENT

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

Depreciation

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

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

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

The Apollo Projects Centre building has been depreciated over three years to match the period of the temporary resource consent granted for the building. While gaining permanent resource consent is still expected, a conservative approach has been applied to amortisation of the value of the building pending confirmation of resource consent being granted. The situation will be reviewed at each subsequent balance date.

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

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

INTANGIBLE ASSETS

Software acquisition and development

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

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

Amortisation

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

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

Developed computer software	3 years	(33%)
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EMPLOYEE ENTITLEMENTS

Employee entitlements are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not taken at balance date, sick leave and long service leave.

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

SUPERANNUATION SCHEMES

Defined contribution schemes

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

PROVISIONS

The Sport NZ Group recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, from which the probability that an outflow of future economic benefits will be required to settle the obligation and the ability to determine a reliable estimate of the amount of the obligation both exist.

GOODS AND SERVICES TAX (GST)

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

INCOME TAX

The Sport NZ Group is a public authority in terms of the Income Tax Act 2007 and consequently is exempt from the payment of income tax.

BUDGET FIGURES

The budget figures for the year ended 30 June 2014 are derived from the Statement of Intent 2013-16, as approved by the Sport NZ Board on 12 June 2013.

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

COST ALLOCATION

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

Critical accounting estimates and assumptions

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

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

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying the Sport NZ Group's accounting policies for the period ended 30 June 2014:

FAIR VALUE OF LOANS

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

2. Operating revenue

SPORT NZ	GROUP		SPORT NZ	GROUP
ACTUAL	ACTUAL		ACTUAL	ACTUAL
2013	2013		2014	2014
\$000	\$000		\$000	\$000
		Crown funding		
19,151	19,151	Sport and Recreation Programmes	26,151	26,151
58,192	58,192	High Performance Sport	68,192	68,192
4,250	4,250	Prime Minister's Sport Scholarships	4,250	4,250
81,593	81,593	Total Crown Funding	98,593	98,593
		Other revenue		
41,365	41,365	NZ Lottery Grants Board	49,839	49,839
940	977	Interest received	1,179	1,213
2,000	-	Shared services recovery	2,000	-
741	2,540	Sundry revenue	468	2,568
126,639	126,475	Total Operating Revenue	152,079	152,213

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

In addition to direct funding, the Sport NZ Group also receives an allocation of funding from the Crown entity, New Zealand Lottery Grants Board (LGB), in accordance with section 279 of the

Gambling Act 2003 (currently based on 20% of the NZ Lotteries Commission's annual net profit). Use of these funds is also subject to the general restrictions that apply to the direct Crown funding.

Apart from the general restrictions, there are no unfulfilled conditions or contingencies attached to this funding received from the Crown and the amounts of funding appropriated and allocated are disclosed in the Statement of comprehensive income.

3. Sector investment

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2013	2013			2014	2014		
\$000	\$000			\$000	\$000		
Sector investment by appropriation							
43,737	43,737	Sport and Recreation Programmes		45,225	45,225		
65,405	42,274	High Performance Programmes		68,492	44,394		
-	3,157	Prime Minister's Sport Scholarships		-	3,415		
109,142	89,168	Total Sector Investment		113,717	93,034		
Sector investment by organisation category							
16,008	55,902	National Governing Bodies		17,417	60,998		
23,738	23,738	Regional Sports Trusts		25,306	25,306		
1,678	1,678	Local Authorities		923	923		
680	680	Iwi-Based Organisations		680	680		
60,042	-	HPSNZ		64,442	-		
6,996	7,170	Other		4,949	5,127		
109,142	89,168	Total Sector Investment		113,717	93,034		

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

4. Personnel costs

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2013	2013			2014	2014		
\$000	\$000			\$000	\$000		
8,128	15,493	Salaries and wages		8,649	18,176		
292	1,052	Other personnel costs		448	915		
141	277	Employer contributions to defined contribution schemes		209	449		
(57)	39	Increase/(decrease) in employee entitlements		(223)	(59)		
8,504	16,861	Total Personnel Costs		9,803	19,481		

Other personnel costs include recruitment and professional development costs.

Employer contributions to defined contribution plans were to KiwiSaver.

5. Professional and technical services

SPORT NZ		GROUP		SPORT NZ		GROUP
ACTUAL	ACTUAL			ACTUAL	ACTUAL	
2013	2013			2014	2014	
\$000	\$000			\$000	\$000	
958	2,087	Contractors and consultants*		1,744	2,634	
-	2,033	Athlete service contractors*		-	1,896	
1,876	2,644	Other professional and technical services*		2,246	2,371	
		Audit fees (Audit NZ)				
56	83	- For financial statement audit		70	97	
-	-	- Other audit services		5	5	
56	83	Total audit fees		75	102	
2,890	6,847	Total Professional and Technical Services		4,065	7,003	

*comparative figures for 2013 have been reclassified to better align with consumption of services.

Athlete service contractors represent a key part of the delivery for High Performance Athlete services. This includes contracted specialists who provide direct performance support to athletes in exercise physiology, psychology, strength and conditioning, nutrition, biomechanics, physiotherapy, massage, planning, athlete life, medical and specialist services. These are attributed to individual sector organisations, a breakdown of which is contained in Appendix 1.

6. Cash and cash equivalents

SPORT NZ		GROUP		SPORT NZ		GROUP
ACTUAL	ACTUAL			ACTUAL	ACTUAL	
2013	2013			2014	2014	
\$000	\$000			\$000	\$000	
699	816	Bank balances and cash held		797	1,094	
		Short-term investments (deposits < 90 days)				
-	-	ANZ National Bank		3,000	3,000	
9,000	9,000	ASB Bank		-	-	
-	-	Rabobank NZ		6,000	6,000	
2,000	2,000	Westpac		2,500	2,500	
11,000	11,000	Total Short-Term Investments		11,500	11,500	
11,699	11,816	Total Cash and Cash Equivalents		12,297	12,594	

As at 30 June 2014, the weighted average interest rate on all the above short-term investments, which were made on call, was 3.25% (2012/13: 2.75%).

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

7. Trade and other receivables

SPORT NZ		GROUP	SPORT NZ		GROUP
ACTUAL	ACTUAL		ACTUAL	ACTUAL	
2013	2013		2014	2014	
\$000	\$000		\$000	\$000	
9,204	9,204	New Zealand Lottery Grants	11,780	11,780	
23	23	Trade receivables due from the Crown and related entities	-	-	
50	215	Other trade receivables	201	364	
-	483	Goods and services tax	-	-	
9,277	9,925	Total Trade and Other Receivables	11,981	12,144	

Trade and other receivables are financial assets forming part of the loans and receivables category of financial instruments.

All significant trade and other receivables are current, and as such there is no requirement to recognise a provision for the impairment of receivables (2012/13: \$nil).

8. Treasury investments

SPORT NZ		GROUP	SPORT NZ		GROUP
ACTUAL	ACTUAL		ACTUAL	ACTUAL	
2013	2013		2014	2014	
\$000	\$000		\$000	\$000	
		Investments (deposits > 90 days)			
-	-	ASB Bank	8,000	8,000	
-	-	Bank of New Zealand	8,000	8,000	
-	-	Kiwibank	2,000	2,000	
-	-	Westpac	2,000	2,000	
-	-	Total Investments	20,000	20,000	

As at 30 June 2014, the weighted average interest rate on short-term treasury investments was 4.68% (2012/13: 4.35%) with an average maturity of 365 days.

Financial instrument risks are further explained in note 23 of the notes to the financial statements.

9. Property, plant and equipment

	BUILDINGS \$000	LEASEHOLD IMPROVEMENTS \$000	PLANT AND EQUIPMENT \$000	FURNITURE AND FITTINGS \$000	COMPUTER EQUIPMENT \$000	TOTAL \$000
Sport NZ						
Cost						
Balance at 1 July 2013	3,396	967	51	361	142	4,917
Additions	-	-	-	-	72	72
Disposals	-	-	-	-	(83)	(83)
Balance at 30 June 2014	3,396	967	51	361	131	4,906
Accumulated depreciation						
Balance at 1 July 2013	283	454	51	208	122	1,118
Depreciation expense	1,132	115	-	29	27	1,303
- Eliminated on disposal/reclassification	-	-	-	-	(83)	(83)
Balance at 30 June 2014	1,415	569	51	237	66	2,338
Carrying Amount at 30 June 2014	1,981	398	0	124	65	2,568
Cost						
Balance at 1 July 2012	-	938	51	361	137	1,487
Additions	3,396	29	-	-	5	3,430
Balance at 30 June 2013	3,396	967	51	361	142	4,917
Accumulated depreciation						
Balance at 1 July 2012	-	347	48	177	101	673
Depreciation expense	283	107	3	31	21	445
Balance at 30 June 2013	283	454	51	208	122	1,118
Carrying Amount at 30 June 2013	3,113	513	0	153	20	3,799
Group						
Cost						
Balance at 1 July 2013	3,396	1,857	780	582	239	6,854
Additions	-	77	729	141	75	1,022
Disposals	-	-	-	-	(83)	(83)
Balance at 30 June 2014	3,396	1,934	1,509	723	231	7,793
Accumulated depreciation						
Balance at 1 July 2013	283	588	275	230	184	1,560
Depreciation expense	1,132	270	216	93	51	1,762
Eliminated on disposal/reclassification	-	-	-	-	(83)	(83)
Balance at 30 June 2014	1,415	858	491	323	152	3,239
Carrying Amount at 30 June 2014	1,981	1,076	1,018	400	79	4,554
Cost						
Balance at 1 July 2012	-	1,527	491	380	216	2,614
Additions	3,396	330	292	202	23	4,243
Disposals	-	-	(3)	-	-	(3)
Balance at 30 June 2013	3,396	1,857	780	582	239	6,854
Accumulated depreciation						
Balance at 1 July 2012	-	379	137	181	134	831
Depreciated expenses	283	209	141	49	50	732
Eliminated on disposal/reclassification	-	-	(3)	-	-	(3)
Balance at 30 June 2013	283	588	275	230	184	1,560
Carrying Amount at 30 June 2013	3,113	1,269	505	352	55	5,294

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

10. Intangible assets

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2013	2013			2014	2014		
\$000	\$000			\$000	\$000		
Cost							
1,973	3,324		Opening balance at 1 July	2,269	3,706		
399	485		Additions	229	253		
(103)	(103)		Impairment	-	-		
-	-		Disposals	(228)	(228)		
2,269	3,706		Closing Balance at 30 June	2,270	3,731		
Accumulated amortisation							
1,416	1,979		Opening balance at 1 July	1,642	2,610		
260	665		Amortisation expense	301	612		
(34)	(34)		Eliminated on disposal	(228)	(228)		
1,642	2,610		Closing Balance at 30 June	1,715	2,994		
627	1,096		Carrying Amount at 30 June	555	737		

The only category of intangible assets held by the Sport NZ Group is internally generated computer software. There are no restrictions over the title of the Sport NZ Group's intangible assets, nor any intangible assets pledged as security for liabilities.

11. Loans

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2013	2013			2014	2014		
\$000	\$000			\$000	\$000		
Rowing New Zealand							
1,300	1,300		Amount of loan drawn down in prior years	1,300	1,300		
(50)	(50)		Loan repayments in prior years	(108)	(108)		
(807)	(807)		Movements in fair value in prior years	(738)	(738)		
443	443		Opening Balance at 1 July	454	454		
(58)	(58)		Loan repayments in the current year	(42)	(42)		
69	69		Movements in fair value in the current year	53	53		
454	454		Closing Balance at 30 June	465	465		
AUT Millennium Trust							
15,000	15,000		Amount of loan drawn down in prior years	15,000	15,000		
(15,000)	(15,000)		Movements in fair value in prior years	(15,000)	(15,000)		
-	-		Closing Balance at 30 June	-	-		
454	454		Total Loans	465	465		

Loans are financial assets and form part of the loans and receivables category of financial instruments.

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

- \$1.3 million to partially fund Rowing New Zealand's loss incurred following the 2010 Rowing World Championships held at Lake Karapiro.
- \$15 million loan to the AUT Millennium Trust was drawn down as at 30 June 2014 to partially fund expansion of the National High Performance Training Centre in Mairangi Bay, Auckland.

The fair value movement of the interest free loan to Rowing New Zealand to 30 June 2014 has been recognised at \$52,843 (2012/13: \$68,993). Over the remaining term of the loan, the fair value will be amortised back up to reflect the full nominal value of amounts drawn down less each amount repaid.

Due to the AUT Millennium Trust loan being interest free, and in perpetuity, its value is fully impaired to match the value drawn down, resulting in a nil balance being recorded.

12. Trade and other payables

SPORT NZ		GROUP		SPORT NZ		GROUP
ACTUAL	ACTUAL			ACTUAL	ACTUAL	
2013	2013			2014	2014	
\$000	\$000			\$000	\$000	
162	162	Trade payables due to the Crown and related entities		114	149	
923	1,652	Other trade payables		1,281	1,762	
1,085	1,814	Total Trade Payables		1,395	1,911	
37	37	Goods and services tax		958	540	
387	827	Accrued expenses		551	890	
1,509	2,678	Total Trade and Other Payables		2,904	3,341	

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.

13. Revenue received in advance

SPORT NZ		GROUP		SPORT NZ		GROUP
ACTUAL	ACTUAL			ACTUAL	ACTUAL	
2013	2013			2014	2014	
\$000	\$000			\$000	\$000	
156	156	Lease incentive payment		122	122	
-	27	Sundry revenue		67	173	
156	183	Total Revenue Received in Advance		189	295	

Sport NZ received a \$300,000 contribution toward the fit-out of its leased Wellington premises from its owner. This lease incentive payment has been recognised as revenue received in advance and is being amortised over the term of the lease.

14. Employee entitlements

SPORT NZ		GROUP		SPORT NZ		GROUP
ACTUAL	ACTUAL			ACTUAL	ACTUAL	
2013	2013			2014	2014	
\$000	\$000			\$000	\$000	
483	1,048	Annual leave provision		444	1,136	
9	14	Sick leave provision		10	20	
254	254	Remuneration accrued		70	98	
-	53	Long service leave provision		-	57	
746	1,369	Total Employee Entitlements		524	1,311	

15. Provisions

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2013	2013			2014	2014		
\$000	\$000			\$000	\$000		
		Redundancy					
114	114		Opening provision	110	110		
-	-		Additional provisions made	-	-		
(4)	(4)		Unused amounts reversed	-	-		
-	-		Amounts used	(54)	(54)		
110	110		Closing Provision	56	56		
110	110		Total Provisions	56	56		

The Sport NZ Group has made provision for one redundancy as at balance date. A provision of \$55,584 has been recorded for this role (2012/13: 2 roles and \$109,611).

16. Contingencies

The Sport NZ Group had one contingent liability and no contingent assets as at 30 June 2014 (2012/13: \$nil and \$nil).

Sport NZ has entered into an agreement to underwrite up to \$2 million of total funding required for a capital expenditure project. Although funding has been sought from various sources, the underwriting agreement was entered into as a means to provide assurance that sufficient funding will be available for the project to be completed. The underwriting of \$2 million will be as an interest free advance, for a term of three years. The agreement sets certain conditions in place to ensure the release of funds would occur only if the project was sure to succeed. Subsequent to balance date, formal drawdown notices under the underwrite agreement were received for payments during August 2014 (of \$1.3 million) and September 2014 (of \$0.7 million).

There are repayment requirements in association with any payments made against the underwrite.

17. Capital expenditure commitments

The Sport NZ Group had no contracted commitments for the acquisition or development of property, plant and equipment or intangible assets as at 30 June 2014 (2012/13: \$nil).

18. Lease commitments

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2013	2013			2014	2014		
\$000	\$000			\$000	\$000		
		Non-cancellable operating lease commitments					
946	1,886		Less than one year*	917	1,865		
2,603	5,143		One to five years*	1,871	4,699		
-	1,280		Over five years*	-	2,963		
3,549	8,309		Total Non-Cancellable Operating Lease Commitments	2,788	9,527		

*figures for 2013 have been adjusted to include only minimum lease payments.

Non-cancellable operating lease commitments include:

- lease of premises, \$8,876,683 (2012/13: \$7,273,842)
- lease of computer and office equipment, \$460,180 (2012/13: \$556,449)
- lease of vehicles, \$189,699 (2012/13: \$321,524).

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

Location	Expiry date	Total future minimum lease payments
Wellington	25/02/2018	\$2,368,989
Auckland	27/02/2018	\$755,847
Dunedin	30/06/2022	\$2,560,000
Cambridge	15/03/2029	\$3,034,697

The Sport NZ Group has sub-leased part of its Wellington office space and has future commitments to receive \$90,580 from sub-tenants beyond the balance date (2012/13: \$119,527).

19. Reconciliation of net surplus/(deficit) to net cash flows from operating activities

SPORT NZ	GROUP		SPORT NZ	GROUP
ACTUAL	ACTUAL		ACTUAL	ACTUAL
2013	2013		2014	2014
\$000	\$000		\$000	\$000
1,417	5,112	Net operating surplus/(deficit)	19,123	21,313
		Add/(deduct) non-cash items		
774	1,466	Depreciation and amortisation	1,604	2,374
(69)	(69)	Net fair value movement in financial assets	(53)	(53)
705	1,397	Total Non-Cash Items	1,551	2,321
		Add/(deduct) movements in working capital items		
1,047	1,330	Trade and other receivables	(2,705)	(2,638)
11	11	Prepayments	(44)	(75)
(21)	(21)	Inventories	10	10
(218)	(94)	Trade and other payables	1,396	1,083
(33)	(33)	Revenue received in advance	33	112
4,787	-	Net movement in inter-entity account	1,770	(2)
(4)	(4)	Provisions	(54)	(54)
(57)	39	Employee benefits	(223)	(59)
5,512	1,228	Net Movement in other Working Capital Items	183	(1,623)
7,634	7,737	Net Cash Inflows/(Outflows) from Operating Activities	20,857	22,011

20. Related party transactions

All related party transactions have been entered into on an arm's-length basis.

Sport NZ is a Crown entity in terms of the Crown Entities Act 2004, and is a wholly-owned entity of the Crown.

SIGNIFICANT TRANSACTIONS WITH GOVERNMENT-RELATED ENTITIES

The Sport NZ Group has been provided with funding from the Crown of \$98,593,000 (2012/13: \$81,593,000) for specific purposes as set out in its founding legislation and the scope of the relevant government appropriations.

The Sport NZ Group is the recipient of funding of \$49,838,551 (2012/13: \$41,365,000) from the New Zealand Lottery Grants Board, which is administered by the Department of Internal Affairs. At balance date \$11,780,000 was receivable (2012/13: \$9,203,600).

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

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

The Sport NZ Group may also, from time to time, purchase goods and services from entities controlled, significantly influenced, or jointly controlled by the Crown. As these transactions are conducted at commercial terms, and on an arm's-length basis, there are no collectively significant transactions with those entities that may have affected the profit or loss, or financial position, of the Sport NZ Group as a consequence of a related party relationship influencing those transactions.

The Sport NZ Group has also purchased goods and services from entities controlled, significantly influenced, or jointly controlled by the Crown totalling \$811,766 (2012/13: \$500,035). These payments include \$768,124 paid to Air New Zealand (2012/13: \$409,963).

RELATED PARTY TRANSACTIONS WITH SUBSIDIARY

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

SPORT NZ		SPORT NZ
ACTUAL		ACTUAL
2013		2014
\$000		\$000
60,042	Funding <i>provided</i> by Sport NZ to HPSNZ	64,442
55,255	Funding <i>paid</i> by Sport NZ to HPSNZ	62,672
2,000	Shared services <i>provided</i> by Sport NZ to HPSNZ	2,000
(2,785)	Inter-entity balance <i>owed</i> by/(to) HPSNZ	(4,556)

The majority of the inter-entity balance arises from funding from Sport NZ to HPSNZ not having been drawn down as at balance date.

KEY MANAGEMENT PERSONNEL COMPENSATION

SPORT NZ	GROUP		SPORT NZ	GROUP
ACTUAL	ACTUAL		ACTUAL	ACTUAL
2013	2013		2014	2014
\$000	\$000		\$000	\$000
1,151	2,284	Salaries and other short-term employee benefits*	1,266	2,388
23	46	Post-employment benefits*	33	63
1,174	2,330	Total Key Management Personnel Compensation	1,299	2,451

*comparative figures for 2013 have been reclassified to disclose employer contributions to KiwiSaver as post-employment benefits.

21. Board member remuneration

Key management personnel include the members of the Sport NZ and HPSNZ Boards, the Chief Executives of both Sport NZ and HPSNZ, and seven general managers from both organisations (2012/13: eight general managers). The total value of remuneration paid to Board members for the year ended 30 June 2014 is as follows:

ACTUAL 2013 \$000	SPORT NZ BOARD	APPOINTED	TERM ENDS	ACTUAL 2014 \$000
32	Paul Collins (Chairperson)	May 2009	Dec 2016	32
16	Katie Sadleir	Jul 2009	May 2015	16
16	Don Mackinnon	Jul 2009	Jun 2012	13
16	Bill Birnie	May 2009	Dec 2016	16
16	Rob Fisher	Jul 2005	Jun 2013	-
16	Paul Allison	Aug 2007	May 2015	16
16	Joanna Perry	Aug 2011	Jun 2017	16
16	Murray Gutry	Aug 2011	Jun 2017	16
3	Jackie Barron	May 2013	Apr 2016	16
-	Darrin Sykes	Jul 2013	Jun 2016	16
147				157

ACTUAL 2013 \$000	HPSNZ BOARD	APPOINTED	TERM ENDS	ACTUAL 2014 \$000
14	Paul Collins (Chairperson)	Jul 2011		14
10	Hamish Carter	Jul 2011	Oct 2013	3
10	Bill Birnie	Jul 2011		10
10	Katie Sadleir	Jul 2011		10
10	Don Mackinnon	Jul 2011	Jun 2012	8
10	Mike Stanley	Jul 2011		10
10	Peter Cox	Jul 2011		10
10	Simon Wickham	Jul 2011		10
84				75
231	Total Board Members' Remuneration			232

During the year, Rob Fisher left the Sport NZ Board, and Don Mackinnon left both Boards following expiry of their respective terms and Hamish Carter resigned from the HPSNZ Board. HPSNZ directorships remain in place until such time as they are terminated pursuant to the HPSNZ Constitution or sections 156 and 157 of the Companies Act 1993.

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

In addition to the remuneration reported in the table above, there were no other benefits provided to Board members (2012/13: \$nil).

There were no other payments to committee members who were not Board members during the year ended 30 June 2014 (2012/13: \$nil).

The Sport NZ Group has provided Directors and Officers Liability and Professional Indemnity insurance cover for the year ended 30 June 2014 in respect of the liability or costs of Board members and employees.

22. Employee remuneration

The numbers of employees who received, or who are due to receive, annual remuneration of \$100,000 or more during the year ended 30 June 2014 are provided, within \$10,000 bands, in the table below.

SPORT NZ		GROUP		SPORT NZ		GROUP	
ACTUAL	ACTUAL			ACTUAL	ACTUAL		
2013	2013			2014	2014		
\$000	\$000			\$000	\$000		
-	-	\$410,001 - \$420,000		-	1		
-	1	\$400,001 - \$410,000		-	-		
-	-	\$370,001 - \$380,000		1	1		
1	1	\$350,001 - \$360,000		-	-		
-	-	\$270,001 - \$280,000		-	1		
-	-	\$220,001 - \$230,000		1(1)	1(1)		
-	-	\$210,001 - \$220,000		1	1		
1	1	\$200,001 - \$210,000		-	-		
-	-	\$190,001 - \$200,000		1	1		
1	3	\$180,001 - \$190,000		2	4(1)		
2	2	\$170,001 - \$180,000		1(1)	2(1)		
-	1	\$160,001 - \$170,000		2	2		
3	3	\$150,001 - \$160,000		4	7		
5	10(1)	\$140,001 - \$150,000		5	8		
8	11	\$130,001 - \$140,000		7	12		
3(1)	6(1)	\$120,001 - \$130,000		3	11		
7	14(1)	\$110,001 - \$120,000		4	9		
5	9	\$100,000 - \$110,000		8	19		
36(1)	62(3)			40(2)	80(3)		

The above table includes those employees who ceased employment during the periods reported. For the year ended 30 June 2014, three employees who ceased employment during the period had received annual remuneration of greater than \$100,000, as indicated in brackets (2012/13: three).

The Chief Executive of Sport NZ's salary is within the band range \$370,001 to \$380,000 (2012/13: \$350,001 to \$360,000).

During the year ended 30 June 2014, three employees have received, or are entitled to receive, compensation and other benefits in relation to cessation of employment totalling \$121,193 (2012/13: six employees and \$70,738).

During the 2014 financial year, Sport NZ Group had a 2.9% general pay increase (2012/13: 2%).

The net increase in employee numbers within the \$100,000+ remuneration band from 2012/13 relates to additional FTEs employed across the Group over the last two years to:

- increase the services provided to our elite athletes, particularly the introduction of an in-house medical delivery model and conversion of specialist contractors to staff within HPSNZ
- establish the World Cups Office late in 2012/13 with the transition of staff from the Ministry of Business, Innovation and Employment
- create additional resource to work with and support the sport sector in the key areas of events and facilities
- create a new resource to support the growing emphasis on talent development.

23. Financial instruments

FAIR VALUE

The fair values of the Sport NZ Group's financial assets and liabilities within each category are equivalent to their carrying amounts and are disclosed separately in the Statement of financial position. The Sport NZ Group's financial liabilities are all non-interest bearing trade and other payables that are normally settled on 30-day terms.

FINANCIAL INSTRUMENT RISKS

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

Interest rate risk

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

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

Currency risk

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

Credit risk

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

In line with the Sport NZ Group's investment policy, funds may only be deposited with registered banks having an AA- or better credit rating and within limits of credit exposure to any one institution.

The single most significant receivable carried at balance date is the final payment of NZ Lottery Grants Board revenue received in July each year. This is a guaranteed amount and is therefore low risk. The Sport NZ Group does not have significant concentrations of credit risk for any other financial instruments.

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

Liquidity risk

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

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

24. Capital management

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

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

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

The Sport NZ Board has set a minimum level of public equity at \$3 million to manage unforeseen items of expenditure.

25. Explanation of major variances against budget and prior year

Explanations for major variations from the Sport NZ Group's budgeted figures in the Statement of Intent 2013-16 are as follows:

Statement of comprehensive income

REVENUE

Total Operating Revenue for 2013/14 was \$23.955 million higher than budgeted, due mainly to:

- an additional \$10 million in Crown funding being appropriated to fund various high performance infrastructure projects (including high performance centres for Rowing, Hockey, Canoeing, and Winter Games)
- \$7 million allocated from the Ministry of Business, Innovation and Employment's Major Events Development Fund (MEDF) for the World Cups Office (\$2 million) and 2015 ICC Cricket World Cup Leverage and Legacy programme (\$5 million)
- an increase of \$6.359 million in NZ Lottery Grants Board funding due to additional revenue received from the Lotteries Commission's 2013 surplus
- interest revenue from treasury investments more than doubled as a result of the above increases.

INVESTMENT CONSULTING

Investment Consulting was \$0.395 million under budget due to the need for sector capability investment for partners being lower than estimated.

INFRASTRUCTURE INVESTMENT

Spending in Infrastructure investment being \$2.550 million less than budget reflects delays experienced in getting resource consent for the construction of the High Performance Sailing Centre (HPSC) at Takapuna on Auckland's North Shore.

PERSONNEL COSTS

Personnel costs being \$0.999 million lower than budget was due to unexpected vacancies during the year, delays in recruitment, and restructuring costs, associated with establishing a new Community Sport Strategy, being lower than estimated.

Statement of financial position

CASH AND CASH EQUIVALENTS/INVESTMENTS

At 30 June 2014, cash and cash equivalents were \$12.012 million higher than expected, while a further \$20 million was placed on investment for periods ranging between 90 days and 1 year. These cash and investment amounts, exceeding those envisaged within the budget, mainly reflect a combination of the additional income received (\$23.955 million) and the lower than expected infrastructure investment (\$2.550 million), both of which are as explained in the Statement of comprehensive income variances above.

INTANGIBLE ASSETS

The balance of intangible assets at 30 June 2014 was \$1.027 million less than budgeted due primarily to a longer procurement process for a new partner relationship management system that will be delivered in 2014/15.

26. Events after the balance date

Apart from the contingent liability disclosed in note 16, there were no significant events after balance date requiring either adjustment to the financial statements or further disclosure in the accompanying notes.





Organisational Health and Capability

The Sport NZ Group

– a coordinated approach

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

- Shared Services Agreement – Sport NZ provides finance, organisational development, IT, procurement, stakeholder management and governance, marketing and communications, and corporate accountability services to HPSNZ. This includes operating a single IT network, FMIS and payroll system. A service catalogue describes both the services and associated service levels of all shared service functions
- Corporate policies, procedures and internal controls – corporate policies, procedures and internal controls are consistent across both Sport NZ and HPSNZ
- Governance committees – the Audit, Finance and Risk Committee and Remuneration Committee have dual Board member representation and have oversight of both Sport NZ and HPSNZ activities
- A new sub-committee, Black Gold, has representation from both the Sport NZ and HPSNZ Boards and the New Zealand Olympic Committee for the purpose of attracting philanthropic funding into the sport sector
- Senior Leadership Teams (SLT) – the Chief Executives of Sport NZ and HPSNZ attend each other's SLT meetings on a regular basis and a joint SLT meeting is held quarterly
- Relationship management – Sport NZ has a dedicated team of Relationship Managers who operate across our investment partners on behalf of both Sport NZ and HPSNZ
- Contract and investment management – Sport NZ and HPSNZ operate a single contracts and investment management system.

The Sport NZ Group actively manages people, processes and technology in order to deliver high-quality sport and recreation outcomes to New Zealanders.

Improving our systems

A knowledge edge is essential for us to achieve competitive advantage on the world stage. So we are continuing to invest in new ways to capture, share and leverage knowledge for the success of the sport and recreation sector in New Zealand. A significant cornerstone to this is the development of a document management system, a common platform for collaboration between staff across Sport NZ and HPSNZ, which is now in place across the Sport NZ Group. Over the next year we will extend access to our key contractors, partners and other stakeholders as well as continue to optimise utilisation of the system's available functionality.

Project Kahiwi is about strengthening the Sport NZ Group contracting and investment processes and related systems which lie at the very heart of our engagement with partners. We have recently concluded a contract with a successful vendor to develop the supporting technology solution and plan to have it operational over the next six months.

There has also been considerable work undertaken during the year to improve the stability of our IT infrastructure. This work will continue over the next six months as part of a defined work programme.

Being a good employer

The Sport NZ Group constantly strives to ensure it meets its obligations as a good employer (as defined in section 118 of the Crown Entities Act 2004). Equal employment opportunities (EEO) principles are actively promoted to ensure development of a culture which values staff and provides an opportunity for all to contribute to, and share in, the success of the organisation. From a total headcount of 186 employees (176.88 FTE), the average age is 42; 4.2% identify as New Zealand Māori, 2.8% as Pacific Islander, 1.4% as Asian and 1.4% as Other (excluding New Zealand European), while the gender split is 41% female and 59% male. In addition, the Sport NZ Group is committed to working hard to ensure that any employees with either temporary or permanent disabilities are supported in the workplace.

Element	Initiatives
1. Leadership accountability and culture	<ul style="list-style-type: none"> ▪ Staffing policy ensures inclusion of high performance sport specialists ranging from athletes and coaches to technical specialists, and who are drawn from backgrounds in their respective sports, and both government and commercial sectors. ▪ Staff engagement is monitored regularly through staff engagement surveys.
2. Recruitment, selection and induction	<ul style="list-style-type: none"> ▪ Recruitment and selection policy and practice target best possible candidates while maximising equal opportunities for both existing and potential employees. ▪ Preferred Supplier Agreements are in place to ensure sourcing of highest-quality candidates from reputable providers. ▪ A managers' recruitment toolkit helps ensure processes are applied consistently and according to policy. ▪ An induction package ensures a level of completeness and consistency in training received by all new employees during their first 90 days.
3. Employment development, promotion and exit	<ul style="list-style-type: none"> ▪ Training needs analysis is conducted to identify and prioritise training and development required. ▪ Development plans form an integral part of the Performance Planning and Development process.
4. Remuneration, recognition and conditions	<ul style="list-style-type: none"> ▪ Job bands are set and updated based on job evaluations carried out by the Hay Group. ▪ The performance management process includes annual salary reviews and appropriate adjustments, supported by the Group-wide remuneration policy.
5. Flexibility and work design	<ul style="list-style-type: none"> ▪ Where possible, part-time work and working from home options are available to staff.
6. Harassment and bullying protection	<ul style="list-style-type: none"> ▪ Sport NZ Group maintains a zero tolerance approach to workplace bullying and harassment, which is supported by policies for identifying, reporting and addressing any such behaviour.
7. Safe and healthy environment	<ul style="list-style-type: none"> ▪ A new Health and Safety Policy consistent with the proposed new legislation has been adopted by the Board and a comprehensive Health and Safety Manual is under development. Training for relevant staff and Board members will follow over the next six months. ▪ Health and Safety Committees develop systems and processes aimed at ensuring healthy and safe working environments for staff. ▪ A confidential external counselling service is available to all employees.

Technology and other physical assets

Physical technology assets such as servers, desktop computers and laptops are leased.

The Sport NZ Group's three-year Information Services Systems Plan (ISSP) is under development and will align with the Sport NZ 2015-20 Strategic Plan currently under development.

Assessing organisational health and capability

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

Focus	Indicator	Performance measure	Results/status
Good employer	Level of staff engagement	At least 75%	2013/14: <ul style="list-style-type: none"> ▪ 79% Sport NZ ▪ 89% HPSNZ 2012/13: <ul style="list-style-type: none"> ▪ 70% Sport NZ ▪ 77% HPSNZ
	Annual staff turnover	12% or less	2013/14: Sport NZ Group: 12.6% (Sport NZ 21.2%, HPSNZ 6.9%) 2012/13: Sport NZ Group: 8.9%
Managing risk	Partner satisfaction with the quality and timeliness of Sport NZ contract management	At least 80%	2013/14: <ul style="list-style-type: none"> ▪ Sport NZ: 87% quality, 75% timeliness ▪ HPSNZ: 95% quality, 91% timeliness 2012/13: <ul style="list-style-type: none"> • Sport NZ: 86% quality, 75% timeliness • HPSNZ: 82% quality, 73% timeliness
	Partner confidence in Sport NZ Group	At least 80%	2013/14: <ul style="list-style-type: none"> ▪ 86% Sport NZ ▪ 91% HPSNZ 2012/13: <ul style="list-style-type: none"> ▪ 91% Sport NZ ▪ 75% HPSNZ
Financial information systems and controls	Annual audit rating on performance	Maintain 'very good' rating	2013/14: Very good 2012/13: Very good
Service performance information and associated systems and controls	Audit rating on services, performance information and associated systems and controls	Maintain 'good' rating	2013/14: Good 2012/13: Needs improvement
Effectiveness and efficiency	Corporate and business operations expenditure is maintained within current levels	Within 7.5% of total expenditure	2013/14: 7% of total expenditure 2012/13: 6.8% of total expenditure Furthermore, evidence of efficiency gains since 2009/10 show: <ul style="list-style-type: none"> ▪ overhead costs per FTE have reduced by 17% ▪ the proportion of overheads to operating expenditure has reduced by 30%.

Statement of Responsibility

The Board of Sport and Recreation New Zealand accepts responsibility for:

- preparing these Financial Statements and Statement of Service Performance and the judgements made concerning these
- establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.

In the opinion of the Board of Sport and Recreation New Zealand, the Financial Statements and Statement of Service Performance fairly reflect the financial position, operations and performance of the Sport and Recreation New Zealand Group for the year ended 30 June 2014.



Paul Collins
Chair
Sport NZ and HPSNZ
19 September 2014



Bill Birnie
Board Member
Sport NZ and HPSNZ
19 September 2014

Independent Auditor's Report

To the readers of Sport New Zealand and group's financial statements and non financial performance information for the year ended 30 June 2014.

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

We have audited:

- the financial statements of the Sport NZ and group on pages 48 to 66, that comprise the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and notes to the financial statements that include accounting policies and other explanatory information; and
- the non financial performance information of Sport NZ and group that comprises the statement of service performance on pages 35 to 43 and reporting about strategic outcomes on pages 16 to 34

Opinion

In our opinion:

- the financial statements of the Sport NZ and group on pages 48 to 66:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect Sport NZ and group's:
 - financial position as at 30 June 2014; and
 - financial performance and cash flows for the year ended on that date.
- the non financial performance information of Sport NZ and group on pages 35 to 43 and 16 to 34:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects Sport NZ and group's service performance and outcomes for the year ended 30 June 2014, including for each class of outputs:
 - the service performance compared with forecasts in the statement of forecast service performance at the start of the financial year; and
 - the actual revenue and output expenses compared with the forecasts in the statement of forecast service performance at the start of the financial year.

Our audit was completed on 19 September 2014. This is the date at which our opinion is expressed.

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

Basis of opinion

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

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

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and non financial performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and non financial performance information, whether due to fraud or error. In making those risk assessments; we consider internal control relevant to the preparation of the Sport NZ and group's financial statements and non financial performance information that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of Sport NZ and group's internal control.

An audit also involves evaluating:

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

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

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

Responsibilities of the governing body

The governing body is responsible for preparing financial statements and non financial performance information that:

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

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

The governing body's responsibilities arise from the Crown Entities Act 2004 and the Sport and Recreation New Zealand Act 2002.

Responsibilities of the Auditor

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

Independence

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

In addition to the audit we have carried out assignments in the area of data analysis, which are compatible with those independence requirements. Other than the audit and these assignments, we have no relationship with, or interests in, Sport NZ or any of its subsidiaries.



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

A young boy is riding a mountain bike through a muddy trail. He is wearing a white and blue cycling jersey with various sponsor logos, a white helmet, and black shorts. He is splashing mud on his face and clothes. The background is a blurred, muddy trail. The text "Additional Information" is overlaid on the right side of the image.

Additional Information

Appendix 1: Allocation of investment funds

Investing in regional sports trusts

2012/13 \$000	ORGANISATION	COMMUNITY SPORT	ACTIVE COMMUNITIES	BUSINESS IMPROVEMENTS	FACILITIES	HE ORANGA POUTAMA	RECREATION	TALENT DEVELOPMENT	YOUNG PEOPLE	INVESTMENT CONSULTING	2013/14 \$000
283	Auckland Sport	3,212	-	565	-	383	35	217	3,222	18	7,652
2,332	Sport Canterbury West Coast	1,043	-	155	-	-	-	66	1,326	-	2,590
2,165	Sport Waikato	938	-	115	-	170	-	71	1,029	-	2,323
1,949	Sport Wellington	946	-	136	-	-	-	62	1,060	-	2,204
1,575	Sport Bay of Plenty	775	30	-	-	-	-	59	652	2	1,518
1,349	Sport Hawkes Bay	625	30	-	45	255	-	20	416	-	1,391
1,351	Sport Northland	730	-	-	25	213	-	9	407	-	1,384
1,038	Sport Otago	710	-	-	-	-	-	-	363	-	1,073
1,048	Sport Tasman	641	-	40	18	-	-	5	334	-	1,038
961	Sport Manawatu	575	-	-	-	-	-	23	405	2	1,005
912	Sport Taranaki	565	-	-	-	85	-	18	218	-	886
688	Sport Southland	456	-	-	-	-	-	89	248	4	797
618	Sport Gisborne Tairāwhiti	439	20	-	-	-	-	12	208	8	687
648	Sport Wanganui	465	-	-	-	-	-	19	203	-	687
1,801	Sport Auckland	-	-	-	-	-	-	-	58	-	58
1,449	Harbour Sport	-	-	-	-	-	-	-	10	-	10
2,108	Counties Manukau Sport	-	-	-	-	-	-	-	3	-	3
22,275	TOTAL	12,120	80	1,011	88	1,106	35	670	10,162	34	25,306

Investing in Iwi-based organisations

2012/13 \$000	ORGANISATION	HE ORANGA POUTAMA (HOP)	2013/14 \$000
213	Te Papa Takaro O Te Arawa	213	213
128	Mataatua Sports Trust	128	128
85	Te Wharekura O Rakaumanga	85	85
85	Tuwharetoa - Te Whaiora Sports	85	85
85	Awa Sports Trust	85	85
85	Te Hauora o Turanganui a Kiwa	85	85
680	TOTAL	680	680

Investing in national governing bodies

2012/13 \$000	ORGANISATION	COMMUNITY SPORT	RECREATION	YOUNG PEOPLE	BUSINESS IMPROVEMENTS	INVESTMENT CONSULTING	EVENTS	FACILITIES	INFRASTRUCTURE INVESTMENT	HP DEVELOPMENT	TALENT PERFORMANCE	HIGH PERFORMANCE SUPPORT	ATHLETE PERFORMANCE SUPPORT	PEGS	PM SCHOLARSHIPS	2013/14 \$000
6,269	Rowing New Zealand	105	-	-	75	2	-	-	500	35	4,800	1,015	921	566	8,019	
5,854	BikeNZ	10	-	-	474	128	50	-	-	-	4,450	452	967	303	6,833	
3,380	Hockey NZ	538	-	-	15	1	58	-	350	-	2,300	790	863	262	5,177	
3,816	Yachting New Zealand	200	-	-	18	1	-	-	-	-	2,800	450	672	184	4,325	
2,665	Athletics New Zealand	175	-	105	106	19	-	-	-	35	2,050	601	187	454	3,731	
3,313	Snow Sports NZ Incorporated	300	-	-	30	-	202	-	-	-	1,875	310	502	84	3,304	
1,989	New Zealand Football	1,000	-	-	19	58	170	-	-	15	950	203	413	117	2,944	
1,572	NZ Rugby Union	450	-	-	-	0	-	-	-	8	2,100	310	-	147	3,015	
1,464	Equestrian Sports New Zealand	170	-	-	44	3	15	-	-	8	2,050	11	243	121	2,665	
2,519	Netball NZ	665	-	-	100	-	-	-	-	-	1,200	467	333	179	2,943	
2,065	Paralympics New Zealand	-	-	-	25	-	-	-	-	15	1,665	309	528	145	2,687	
2,473	Swimming New Zealand	160	-	-	141	-	-	-	-	16	1,600	398	163	241	2,720	
2,169	Triathlon New Zealand	310	-	-	33	11	50	-	-	25	1,400	323	111	86	2,348	
1,501	New Zealand Canoeing Federation	25	-	-	75	2	-	-	-	15	1,417	242	160	169	2,105	
993	NZ Cricket	398	-	-	20	61	110	-	-	-	700	-	-	12	1,301	
1,453	NZ Rugby League	800	-	-	70	24	40	-	-	-	350	-	-	9	1,292	
975	NZ Olympic Committee	-	-	-	100	-	-	-	-	-	838	-	-	-	938	
970	Halberg Disability Sport Foundation	933	-	-	-	-	-	-	-	-	-	-	-	-	933	
458	Basketball New Zealand	690	-	-	86	-	-	30	-	-	58	-	-	9	873	
1,009	NZ Golf Incorporated	465	-	-	85	26	-	-	-	-	185	-	43	-	805	
844	Bowls New Zealand	258	-	-	75	4	13	-	-	-	280	-	-	-	629	
605	Special Olympics New Zealand	600	-	-	-	-	-	-	-	-	-	-	-	-	600	
953	Softball New Zealand	270	-	-	-	2	13	-	-	-	250	-	-	4	539	
239	NZ Recreation Association	-	434	-	47	1	-	39	-	-	-	-	-	-	522	
683	Squash New Zealand	220	-	-	-	-	-	-	-	-	275	-	-	22	517	
525	GymSports New Zealand	484	-	-	-	-	-	-	-	-	-	-	-	28	512	
602	Surf Life Saving New Zealand	160	-	-	-	-	-	-	-	-	180	-	75	9	424	
302	New Zealand Tennis	250	-	-	99	-	-	-	-	-	-	-	-	29	378	
375	Outdoors New Zealand Incorporated	-	308	-	28	4	-	-	-	-	-	-	-	-	339	
467	Touch New Zealand	250	-	-	-	-	-	-	-	-	-	-	50	-	300	
-	Water Safety NZ	-	200	-	35	24	-	-	-	-	-	-	-	-	259	
190	YMCA New Zealand	-	205	-	-	-	-	-	-	-	-	-	-	-	205	
115	Badminton NZ	120	-	70	6	-	-	-	-	-	-	-	-	-	196	
113	Volleyball NZ Inc	100	-	70	-	-	-	-	-	-	-	-	-	-	170	
184	Boxing New Zealand Inc	30	-	-	-	-	-	-	-	-	107	-	25	1	162	
85	NZ Mountain Safety Council Inc	-	160	-	-	-	-	-	-	-	-	-	-	-	160	
166	Motorsport NZ (Inc)	150	-	-	-	-	-	-	-	-	-	-	-	-	150	
69	New Zealand Shooting Federation	55	-	-	-	4	-	-	-	-	81	-	1	-	141	
135	Surfing New Zealand	130	-	-	-	-	-	-	-	-	-	-	-	-	130	
127	NZ Outdoor Instructors Association	-	100	-	-	-	-	-	-	-	-	-	-	-	100	
100	Motorcycling NZ	100	-	-	-	-	-	-	-	-	-	-	-	-	100	
100	NZ Sports Hall of Fame	100	-	-	-	-	-	-	-	-	-	-	-	-	100	
100	New Zealand Water Polo Association	80	-	-	-	-	-	-	-	-	-	-	-	-	80	
84	PENZ	-	-	80	-	-	-	-	-	-	-	-	-	-	80	
27	Olympic Weightlifting New Zealand	10	-	-	-	-	-	-	-	-	64	-	3	-	77	
73	NZ Judo Federation	50	-	-	-	-	-	-	-	-	-	-	-	25	75	
112	Taekwondo New Zealand Incorporated	10	-	-	-	-	-	-	-	-	18	-	35	10	73	
64	NZ Indoor Bowls	64	-	-	-	-	-	-	-	-	-	-	-	-	64	
80	Scout Association of NZ	-	60	-	-	-	-	-	-	-	-	-	-	-	60	
48	NZ Alpine Club	-	55	-	-	-	-	-	-	-	-	-	-	-	55	
50	Table Tennis New Zealand	50	-	-	-	-	-	-	-	-	-	-	-	-	50	
70	NZ Girl Guides Association	-	50	-	-	-	-	-	-	-	-	-	-	-	50	
50	Nga Kaihoe o Aotearoa	50	-	-	-	-	-	-	-	-	-	-	-	-	50	
45	Karate New Zealand	45	-	-	-	-	-	-	-	-	-	-	-	-	45	
42	NZ Pony Clubs Association	45	-	-	-	-	-	-	-	-	-	-	-	-	45	
45	NZ Water Ski Association	20	-	-	-	15	-	-	-	-	-	-	5	-	40	
70	Skate NZ	35	-	-	-	-	-	-	-	-	-	-	4	-	39	

Continues next page

2012/13 \$000	ORGANISATION	COMMUNITY SPORT	RECREATION	YOUNG PEOPLE	BUSINESS IMPROVEMENTS	INVESTMENT CONSULTING	EVENTS	FACILITIES	HP INFRASTRUCTURE INVESTMENT	TALENT DEVELOPMENT	HIGH PERFORMANCE	ATHLETE PERFORMANCE SUPPORT	PEGS	PM SCHOLARSHIPS	2013/14 \$000
111	Croquet New Zealand	35	-	-	-	-	-	-	-	-	-	-	-	-	35
22	Diving New Zealand	10	-	-	-	-	-	-	-	-	-	-	-	20	30
36	Kart Sport New Zealand	30	-	-	-	-	-	-	-	-	-	-	-	-	30
28	Flying New Zealand	28	-	-	-	-	-	-	-	-	-	-	-	-	28
198	International Taekwon-Do Foundation	25	-	-	-	-	-	-	-	-	-	-	-	-	25
25	New Zealand AFL Inc	25	-	-	-	-	-	-	-	-	-	-	-	-	25
-	Baseball New Zealand	20	-	-	-	-	-	-	-	-	-	-	-	-	20
23	Marching New Zealand	20	-	-	-	-	-	-	-	-	-	-	-	-	20
20	Speedway New Zealand	20	-	-	-	-	-	-	-	-	-	-	-	-	20
35	NZ Orienteering Federation	20	-	-	-	-	-	-	-	-	-	-	-	-	20
24	Wrestling New Zealand	20	-	-	-	-	-	-	-	-	-	-	-	-	20
15	Archery New Zealand Inc	15	-	-	-	-	-	-	-	-	-	-	-	-	15
15	NZ Power Boat Association	15	-	-	-	-	-	-	-	-	-	-	-	-	15
17	Gliding New Zealand	15	-	-	-	-	-	-	-	-	-	-	-	-	15
10	New Zealand Polocrosse Inc	10	-	-	-	-	-	-	-	-	-	-	-	-	10
10	NZ Confederation of Billiard Sports Inc	10	-	-	-	-	-	-	-	-	-	-	-	-	10
-	NZ Ice Hockey Association	10	-	-	-	-	-	-	-	-	-	-	-	-	10
18	NZ Darts Council	10	-	-	-	-	-	-	-	-	-	-	-	-	10
208	NZ Curling Association	10	-	-	-	-	-	-	-	-	-	-	-	-	10
9	New Zealand Powerlifting Federation	9	-	-	-	-	-	-	-	-	-	-	-	-	9
14	Synchro Swim New Zealand	9	-	-	-	-	-	-	-	-	-	-	-	-	9
6	New Zealand Ice Skating Association	6	-	-	-	-	-	-	-	-	-	-	-	-	6
6	New Zealand Petanque Association	6	-	-	-	-	-	-	-	-	-	-	-	-	6
6	Ice Speed Skating New Zealand	6	-	-	-	-	-	-	-	-	-	-	-	-	6
68	Shearing Sports New Zealand	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50	University Sport New Zealand	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50	Boys' Brigade NZ	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	NZ Rafting Association Incorporated	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Education Outdoors New Zealand	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55,901	TOTAL	11,513	1,572	325	1,805	391	721	69	850	172	34,042	5,881	6,302	3,236	66,878

Other investments

2012/13 \$000	ORGANISATION	BUSINESS IMPROVEMENTS	EVENTS	HP INFRASTRUCTURE INVESTMENT	RECREATION	YOUNG PEOPLE	PM SCHOLARSHIPS	INVESTMENT CONSULTING	2013/14 \$000
FACILITIES PARTNER									
-	AUT Millennium Ownership Trust	-	-	1,500	-	-	-	-	1,500
-	Harbour Access Trust	-	-	200	-	-	-	-	200
5,350	The Home of Cycling Charitable Trust	-	-	1,500	-	-	-	-	1,500
(125)	Apollo Projects Ltd	-	-	-	-	-	-	-	-
61	Max Russell Consultancy Limited	-	-	-	-	-	-	-	-
2	VIP Security Limited	-	-	-	-	-	-	-	-
979	Schools	-	-	-	-	898	-	-	898
903	Other Organisations	16	105	-	26	232	178	472	1,028
7,170	TOTAL	16	105	3,200	26	1,130	178	472	5,126

Investing in Local Authorities

2012/13 \$000	ORGANISATION	ACTIVE COMMUNITIES	EVENTS	FACILITIES	YOUNG PEOPLE	2013/14 \$000
2012/13	Organisation	Active Communities	Events	Facilities	Young People	2013/14
83	Hutt City Council	121	-	-	-	121
20	Tasman District Council	100	-	-	20	120
197	Auckland Council	67	-	-	-	67
110	Upper Hutt City Council	50	-	-	-	50
-	Waipa District Council	-	-	50	-	50
60	Tauranga City Council	40	-	-	-	40
69	Marlborough District Council	20	-	-	19	39
50	Thames-Coromandel District Council	30	-	-	-	30
70	Hamilton City Council	30	-	-	-	30
187	Whakatane District Council	15	-	-	15	30
15	Taupo District Council	-	15	-	15	30
145	Far North District Council	-	-	-	25	25
20	Gisborne District Council	-	-	-	20	20
95	Christchurch City Council	-	-	10	10	20
15	Selwyn District Council	-	-	-	15	15
151	Wellington City Council	14	-	-	-	14
13	Southland District Council	-	-	-	13	13
12	Ashburton District Council	-	-	-	12	12
12	South Taranaki District Council	-	-	-	12	12
10	Queenstown Lakes District Council	-	-	-	10	10
10	Masterton District Council	-	-	-	10	10
10	Buller District Council	-	-	-	10	10
10	Chatham Islands Council	-	-	-	10	10
10	Clutha District Council	-	-	-	10	10
10	Central Hawkes Bay District Council	-	-	-	10	10
10	Kaipara District Council	-	-	-	10	10
10	Gore District Council	-	-	-	10	10
10	Wairoa District Council	-	-	-	10	10
10	Rangitikei District Council	-	-	-	10	10
10	Carterton District Council	-	-	-	10	10
10	Ruapehu District Council	-	-	-	10	10
10	Kaikoura District Council	-	-	-	10	10
10	Grey District Council	-	-	-	10	10
10	Mackenzie District Council	-	-	-	10	10
10	Central Otago District Council	-	-	-	10	10
10	Waimate District Council	-	-	-	10	10
10	South Wairarapa District Council	-	-	-	10	10
10	Waitomo District Council	-	-	-	10	10
10	Hurunui District Council	-	-	-	10	10
10	Westland District Council	-	-	-	10	10
10	Stratford District Council	-	-	-	10	10
10	Tararua District Council	-	-	-	10	10
10	Opotiki District Council	-	-	-	10	10
10	Otorohanga District Council	-	-	-	10	10
30	Waitaki District Council	(63)	-	-	10	(54)
47	Rotorua District Council	-	-	-	-	-
20	Waimakariri District Council	-	-	-	-	-
20	New Plymouth District Council	-	-	-	-	-
1,678	TOTAL	424	15	60	424	923

Appendix 2: Functions of the Sport NZ Group

Sport New Zealand

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

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

High Performance Sport New Zealand

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

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

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

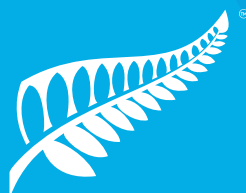
Appendix 3: Board and key management personnel interests register

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

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

The following interests were registered by Board and Key Management Personnel pertaining to partners and suppliers of the Sport NZ Group.

Board and key management personnel		Organisation	Position
Donald Mackinnon	Board member Sport NZ and HPSNZ	NZ Cricket	Director
		Swarbrick, Beck, Mackinnon	Partner
Simon Wickham	Board member HPSNZ	New Zealand Olympic Committee	Deputy Chair, Board member and selector
Michael Stanley	Board member HPSNZ	New Zealand Olympic Committee	President
		Millennium Institute of Sport and Health	CEO
Peter Cox	Board member HPSNZ	House of Travel	Director
		Cyclone Computers Limited	Director
		Duncan Cotterill	Board member
		Commodore Hotel	Director
Paul Allison	Board member Sport NZ	Halberg Trust	Trustee
		NZ Audi quattro Winter Games	Trustee
Joanna Perry	Board member Sport NZ	Rowing New Zealand	Director
Darrin Sykes	Board member Sport NZ	Touch New Zealand	Director
		Sport Wellington	Trustee
Peter Miskimmin	Sport NZ CEO and HPSNZ ex-officio Board member	Hockey New Zealand	National selector of men's Black Sticks



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