

Financial Statements

Hockey Foundation

For the year ended 31 December 2021

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOCKEY FOUNDATION

Opinion

We have audited the financial statements of Hockey Foundation (“the Foundation”), which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive revenue and expense, statement of changes in net assets/equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (“PBE Standards RDR”) issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (“ISAs (NZ)”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Foundation.

Trustees’ Responsibilities for the Financial Statements

The Trustees are responsible on behalf of the Foundation for the preparation and fair presentation of the financial statements in accordance with PBE Standards RDR, and for such internal control as the Trustee’s determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board’s website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>.

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Foundation's Trustee's, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Trustee's as a body, for our audit work, for this report or for the opinions we have formed.

BDO Auckland

BDO Auckland
Auckland
New Zealand
22 March 2022

Directory

Hockey Foundation For the year ended 31 December 2021

Nature of business

The Hockey Foundation has the following objectives; to promote and support participation in the amateur sport of hockey in New Zealand, and to educate New Zealanders through the amateur sport of hockey (by the promotion of participation in hockey and the education of the public as to the health benefits of hockey, both physical and mental, for themselves and the community in general).

Board of Trustees

Alan Brodie Lints (Chair)

Angela Turkington

Anthony Mark Morris

Dave Wigmore

Hamish Clentworth

Sarah Catherine Giltrap (Resigned Aug 2021)

Physical Address

AUT Millennium, 17 Antares Place, Rosedale, Auckland 0632

Postal Address

AUT Millennium, 17 Antares Place, Rosedale, Auckland 0632

Approval of Financial Statements

Hockey Foundation

For the year ended 31 December 2021

The Trustees are pleased to present the approved financial statements of the Hockey Foundation for year ended 31 December 2021.

The Trustees and management accept responsibility for the preparation of the financial statements and judgements used in them, and hereby adopt the financial statements as presented. They also accept the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. In the opinion of the Trustees and management, the financial statements for the year ended 31 December 2021 fairly reflect the financial position, financial performance and cash flows of the Hockey Foundation.

APPROVED



Alan Brodie Lints

Chair

Date: 15 March 2022



Anthony Mark Morris

Trustee

Date: 15 March 2022

Statement of Comprehensive Revenue and Expenses

Hockey Foundation

For the year ended 31 December 2021

	NOTES	2021	2020
Revenue			
Revenue from non-exchange transactions			
Donations		223,616	82,040
Total Revenue from non-exchange transactions	8	223,616	82,040
Revenue from exchange transactions			
Functions and events		2,576	-
Other operating revenue		86,788	30,372
Interest earned		15,276	19,936
Dividend income		22,501	14,919
Total Revenue from exchange transactions		127,141	65,227
Total Revenue		350,757	147,267
Expenses			
Other Expenses		342,094	220,756
Total Expenses	6	342,094	220,756
Surplus/(Deficit) for the Year		8,663	(73,489)
Total Other Comprehensive Income Revenue and Expenses		8,663	(73,489)

These Financials statements should be read in conjunction with the following "Notes to the Financial Statements"

Statement of Changes in Net Assets/Equity

Hockey Foundation

For the year ended 31 December 2021

	NOTES	2021	2020
Equity			
Accumulated Comprehensive Revenue and Expenses			
Surplus/(Deficit) for the Year		8,663	(73,489)
Retained Earnings brought forward		1,570,954	1,644,443
Total Accumulated Comprehensive Revenue & Expenses		1,579,617	1,570,954
Other Reserves	5	50,000	50,000
Total Equity		1,629,617	1,620,954

These Financial statements should be read in conjunction with the following "Notes to the Financial Statements"

Statement of Financial Position

Hockey Foundation

As at 31 December 2021

	NOTES	2021	2020
Assets			
Current Assets			
Cash and Cash Equivalents	3	24,859	111,289
Investments	4	1,617,536	1,633,969
Total Current Assets		1,642,395	1,745,258
Total Assets		1,642,395	1,745,258
Liabilities			
Current Liabilities			
Trade and Other Creditors	2	5,363	54
Employee Entitlements		5,348	2,183
Income in Advance		2,067	122,067
Total Current Liabilities		12,778	124,304
Total Liabilities		12,778	124,304
Net Assets		1,629,617	1,620,954
Accumulated Funds			
Accumulated Comprehensive Revenue and Expense		1,579,617	1,570,954
Other Reserves		50,000	50,000
Total Accumulated Funds		1,629,617	1,620,954

These Financial statements should be read in conjunction with the following "Notes to the Financial Statements"

Statement of Cash Flows

Hockey Foundation

For the year ended 31 December 2021

	NOTES	2021	2020
Cash Flow from Operating Activities			
Cash Receipts from Operations, events and donations		106,192	202,040
Interest income		15,276	19,936
Dividend income		22,501	14,919
Cash Payments to suppliers		(42,498)	(119,096)
Grants paid		(291,122)	(169,956)
Total Cash Flows from Operating Activities		(189,651)	(52,157)
Cash Flow from Investing Activities			
Sale/(Purchase) of investments		103,221	74,829
Total Cash Flows from Investing Activities		103,221	74,829
Net Increase/(Decrease) in Cash		(86,430)	22,672
Cash Balances			
Cash and cash equivalents at beginning of period		111,289	88,617
Cash and cash equivalents at the end of period	3	24,859	111,289
Net change in cash for period		(86,430)	22,672

These Financials statements should be read in conjunction with the following "Notes to the Financial Statements"

Notes to the Financial Statements

Hockey Foundation

For the year ended 31 December 2021

1.1 Basis of Preparation

The reporting entity is the Hockey Foundation. The Hockey Foundation is domiciled in New Zealand and registered under the Charities Act 2005. The significant accounting policies used in the preparation of these financial statements are set out below. These financial statements have been prepared on the basis of historical cost, as modified by the fair value measurement of non-derivative financial instruments measured at fair value through surplus or deficit. These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime ("PBE IPSAS RDR") and other applicable financial reporting standards as appropriate for Tier 2 Not-For-Profit entities and disclosure concessions have been applied. For the purposes of complying with NZ GAAP, the Hockey Foundation is a public benefit not-for-profit entity. The Trustees have elected to report in accordance with NZ GAAP during the lockdown period, the Hockey Foundation was operating.

Accounting policies

The accounting policies detailed in the following notes have been applied consistently to all periods presented in these financial statements. There have been no new accounting standards adopted by the Hockey Foundation for the year ended 31 December 2021. PBE FRS 48 Service Performance Reporting and PBE IPSAS 41 Financial Instruments are effective from 1 January 2022 and will require adoption in the financial statements for the year ending 31 December 2022.

1.2 Revenue

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

Revenue from non-exchange transactions

Non exchange transactions are those where the Group receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

The following specific recognition criteria in relation to the Group's non-exchange transaction revenue streams must also be met before revenue is recognised:

Donations

Donations revenue includes donations given from the general public, charitable organisations, philanthropic organisations and businesses. Donation revenue is recognised when received unless there are conditions attached to the grant in which case this is recognised when the conditions attached have been complied with. Where there are unfulfilled conditions attached to the donation and there is a requirement to repay any unspent monies, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue when the conditions are fulfilled.

Revenue from exchange transactions

Interest and dividend income

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

Dividend income is recognised when the Foundation's right to receive payment is established and the amount can be reliably measured.

1.3 Financial instruments

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

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

- The Hockey Foundation has transferred substantially all the risks and rewards of the asset; or
 - The Hockey Foundation has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- Hockey Foundation derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. Hockey Foundation also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

- Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, Hockey Foundation has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be reliably estimated.

Financial assets

Financial assets can be classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

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

Subsequent measurement

Financial assets at fair value through surplus or deficit

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

Loans and receivables

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

Financial liabilities

The Hockey Foundation's financial liabilities include trade and other creditors.

All financial liabilities are initially recognised at fair value and are measured subsequently at amortised cost using the effective interest method.

1.4 Cash and cash equivalents

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

1.5 Income Tax

The Hockey Foundation is a charitable trust wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

1.6 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except for receivables and payables, which are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of other receivables or other payables in the statement of financial position.

1.7 Equity

Equity is the community's interest in the Hockey Foundation, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

Accumulated comprehensive revenue and expense

Accumulated comprehensive revenue and expense is Hockey Foundation's accumulated surplus or deficit since its formation, adjusted for transfers to/from specific reserves.

1.8 Other reserves

The Group's other reserve relate to the Gilmore bequest, which is to be used for under 19 Girls Players and Umpire Scholarships.

1.9 Significant accounting judgements, estimates and assumptions

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

Revenue recognition - non-exchange revenue (conditions vs. restrictions)

Revenue from non-exchange transactions is recognised as revenue when there are no contractual restrictions imposed by the giver requiring repayment in the event that the revenue is unspent at balance date. Management make a judgement on the value received (where the revenue stream is not received in cash or not easily measurable) and as to the existence of any conditions and restrictions attached to the revenue stream.

COVID-19 pandemic

In December 2019, a new virus, COVID-19, was detected in Wuhan, China. The virus was soon common in other countries and on 11 March 2020, the World Health Organisation declared that the outbreak be considered a pandemic.

The outbreak of this pandemic has resulted in a substantial reduction in economic activity throughout the world as governments have introduced measures (such as the closure of national borders, the closure of non-essential businesses, the cancellation of public events and imposition of restrictions on individuals) in an attempt to reduce the transmission of the virus.

In mid-February 2021, community transmission of COVID-19 was detected in Auckland, and the New Zealand Government again placed restrictions on businesses, organisations and individuals within New Zealand. Those restrictions were fully lifted by mid-March 2021.

In mid - August 2021 New Zealand moved to a level 4 lockdown, of which Auckland remained in until mid September. Auckland remained in lockdown until December 2021.

During the lockdown period, the Hockey Foundation was operating at limited capacity, which resulted in revenue falling below forecast levels.

Notes to the Financial Statements

Hockey Foundation

For the year ended 31 December 2021

2. Categories of financial assets and liabilities (carrying amounts)	2021	2020
Financial Assets (within statement of financial position)		
<i>Loans and receivables</i>		
Cash and deposits at bank with maturities of less than 3 months	24,859	111,289
Investments	675,772	805,213
<i>Fair Value through Surplus or Deficit</i>		
Investments	941,764	828,756
Total Financial Assets (within statement of financial position)	1,642,395	1,745,258
Financial Liabilities - at amortised cost		
Trade and Other Creditors	5,363	54
Total Financial liabilities - at amortised cost	5,363	54
3. Cash and cash equivalents		
Cash at bank and deposits	24,859	111,289
Total Cash and cash equivalents	24,859	111,289
4. Investments		
Cash investments at bank and financial institutions	188,740	519,882
Fixed interest deposits	487,032	285,331
Property	-	34,220
Equity securities (New Zealand and internationally publicly listed and other)	941,764	794,536
Total Investments	1,617,536	1,633,969
Current	1,617,536	1,633,969
Total Investments	1,617,536	1,633,969
5. Hockey Foundation - Breakdown of Other Reserves		
Chica Gilmore		
Balance at start of year	50,000	50,000
Balance at end of year	50,000	50,000
Total Other Reserves	50,000	50,000

The Chica Gilmore bequest is to be used for Under 19 Girls Players and Umpires Scholarships.

6. Related Parties

Hockey New Zealand Incorporated

During the year 2021 the Hockey Foundation granted \$30,000 to Hockey New Zealand Incorporated.
(2020: \$30,000).

Key management personnel

The key management personnel are the members of the governing body which is comprised of the Board of Trustees of Hockey Foundation. No remuneration is paid to Board of Trustees.

7. Other Operating Revenue	2021	2020
Craigs Investment - Realised Gains (Losses)	7,889	18,227
Craigs Investment - Unrealised Gains (Losses)	78,899	12,145
Total Other Operating Revenue	86,788	30,372

The realised and unrealised Gains (Losses) relates to Hockey Foundation investment activity through Craig Investments.

8. Revenue from non-exchange transactions	2021	2020
Donations Received	223,616	82,040
Total Revenue from non-exchange transactions	223,616	82,040

9. Contingent Liabilities and Guarantees (Parent & Group)

There are no contingent liabilities or guarantees as at the reporting date. (2020: nil)

10. Events occurring after the reporting date

There were no events subsequent to reporting date that would affect the financial statements.