

Annual Report

for the year ended
30 June 2005

presented to the House of Representatives
pursuant to the Public Finance Act 1989

Table of Contents

Chairperson's Report	2
Chief Executive's Report	3
Purpose	4
Highlights in 2004/05	4
Audit Report	5
Statement of Service Performance	7
• Output Class One – Being the Most Active Nation	
• Output Class Two – Winning in Events That Matter to New Zealanders	
• Output Class Three – Having the Most Effective Sport and Recreation Systems	
Cost of Service by Output Class	13
Financial Performance	14
Statement of Financial Performance	15
Statement of Movements in Accumulated Funds	15
Statement of Financial Position	16
Statement of Cash Flows	17
Statement of Commitments	18
Statement of Accounting Policies	19
Notes to the Financial Statements	21
SPARC Governance	28
Organisational Health and Capability	30
Equal Employment Opportunities Statement	31
Annex 1: Allocation of Investment Funds 1 July 2004 – 30 June 2005	32

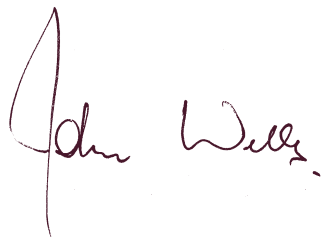
Chairperson's Report

2004/05 has been a year of significant achievement for the sport and recreation sector and SPARC. It has been four years since SPARC's inception, and the signs are that although SPARC and the sector have gone through a number of changes, we have also made significant gains in the process.

SPARC sets demanding goals and performance requirements and can point to some impressive runs on the board, with headway into the pre-school and primary education sector and increased investment in the regions. The sector is also demonstrating increased confidence in SPARC, with 2005 stakeholder satisfaction survey results reporting approximately half of stakeholders rating SPARC's performance as good to excellent, a major shift from the survey results of 2003.

SPARC invested \$19 million in high performance sport. This investment assisted in producing successful results in events such as the 2004 Athens Olympic Games, Paralympics Games and a number of World Championships. New Zealand finished 24th on the Athens medal table based on gold medals and 37th on total medals overall. A stunning result.

SPARC has critically reviewed its investment in high performance sport to determine what works and what doesn't. We've taken a future focused approach to identifying how we can build an increasingly effective platform to assist the NZ Olympic Committee's team's success at the Melbourne Commonwealth Games next year, the Beijing Olympic Games in 2008, and beyond.



John Wells
Chairperson

We recognise that we need to invest smartly to be competitive on the world stage.

To be successful we need to target sports with multiple medal potential, identify and chase 'achievable medals', and invest heavily in high performance programmes (coach and athlete development, international competition, high quality personnel), in addition to providing funding security to our best athletes and coaches.

Furthermore, getting our kids more active, encouraging them into physical activity and sport, and identifying and developing their talent through schools, club systems and National Sports Organisations, will eventually yield the medals that New Zealanders cherish.

SPARC is undertaking a major strategic review this year, which, with input from the sector, will set the organisation's strategic goals through to 2012. It's a great opportunity to review what we know about the relationship between ourselves and our stakeholders, and to look to the future.

I would like to thank the Board of SPARC, Chief Executive Nicholas Hill, and management and staff for their continuing passion and commitment. At SPARC, we have the opportunity to positively affect the lives of all New Zealanders. It's an opportunity we relish, in a nation born to move.

Chief Executive's Report

At SPARC, we're passionate about sport and recreation. We're committed to getting more New Zealanders more active, more often – the health, social, cultural, economic and environmental benefits of physical activity through sport and recreation are undeniable.

The SPARC-initiated *Talent Development Taskforce* in July 2004 emphasised the importance of children acquiring basic motor skills in early childhood and considered whether it is possible to identify sporting talent at a young age. SPARC is currently developing a framework to implement these findings. The framework will establish pathways to develop fundamental movement skills, detect talented athletes and subsequently develop their capability to compete to their full potential. It will also help New Zealanders enjoy confidence and competence to have quality sporting and physical recreation experiences throughout their lives.

SPARC's *Active Movement* physical activity guidelines for under-fives, launched in March 2005, are a precursor to the acquisition of basic motor skills. *Active Movement* targets parents and caregivers and highlights the crucial role movement plays in physical and mental development. The *Active Schools* initiative, launched in October 2004, aims to address falling physical activity levels among New Zealand primary school children by increasing awareness, skills and education regarding quality physical activity within school communities.

From 2006, we will be encouraging New Zealanders to develop their physical talent and, ultimately, to reach their potential. This will be supported by the work we're doing in the education sector to ensure that our children are physically literate and have positive sporting and recreational experiences from an early age.

Our work in the communities will only be strengthened by SPARC's decision to take a long-term approach to investing. SPARC's investment in the 17 Regional Sports Trusts, announced in April 2005, equates to \$30 million over three years, an increase of \$3 million on our previous investment. Several regions also benefited from a \$4.4 million *Active Communities* investment in July 2005. *Active Communities* is SPARC's investment in Territorial Authorities to plan and create active environments for their communities. This latest investment round brings SPARC's total *Active Communities* investment to \$5.8 million to date.

The Statement of Service Performance in this document outlines where progress has been made. In some areas we have not yet reached our targets, and our slight budget surplus indicates that some initiatives are still to be fully implemented. In other areas we have noted a 'partially achieved', where work is ongoing to ensure that all components of an initiative are completed. In the majority of our work, however, we have reached our targets and can point to substantial gains for the sector.



Nicholas Hill
Chief Executive

Purpose

SPARC (Sport & Recreation New Zealand) has been charged with improving the quality of life for all New Zealanders through sport and physical recreation – this includes the physical, mental, social, cultural, environmental and economic benefits that participation in sport and physical recreation offers.

The purpose of this Annual Report is to inform the stakeholders of SPARC about its performance against the goals identified in the Statement of Intent 2004/05.

Highlights in 2004/05

Being the Most Active Nation

- The Minister of Education announced that physical activity will be given greater priority in schools - physical activity now recognised alongside literacy and numeracy as a learning priority. Launch of *Active Schools* (an initiative to help primary schools) and *Active Movement* (resources for early childhood institutions)
- Release of *No Exceptions Strategy* to ensure that disabled people have more opportunities for quality sport and recreation experiences
- *Active Communities* investment increased significantly through partnerships with 32 territorial authorities

Winning Consistently in Events That Matter to New Zealanders

- New Zealand 24th on medal table at *2004 Olympic Games* and 26th on medal table at *2004 Paralympic Games* (based on gold medals). New Zealand won 36 medals at World Championship events
- Launch of *New Zealand Coaching Strategy*
- *Talent Identification Taskforce* review and report released
- *Rugby World Cup 2011* bid submitted by the New Zealand Rugby Union with SPARC support
- *Performance Enhancement Grants* launched for athletes

Having the Most Effective Sport and Recreation Systems

- *Nine Steps to Effective Governance* a user-friendly, concise tool to enhance organisational governance
- *Guidelines for Risk Management in Sport and Recreation*, promoting good risk management practices in sport and recreation organisations, released by Standards New Zealand, in association with SPARC and ACC
- Release of the *Research Strategy for Sport, Recreation and Physical Activity, 2006-2012* to facilitate a more integrated approach to research

Audit Report

To the readers of Sport & Recreation New Zealand's financial statements for the year ended 30 June 2005

The Auditor-General is the auditor of Sport & Recreation New Zealand (SPARC). The Auditor-General has appointed me, Ajay Sharma, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of Sport & Recreation New Zealand, on his behalf, for the year ended 30 June 2005.

UNQUALIFIED OPINION

In our opinion:

the financial statements of Sport & Recreation New Zealand on pages seven to 27:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
 - Sport & Recreation New Zealand's financial position as at 30 June 2005;
 - the results of its operations and cash flows for the year ended on that date; and
 - the service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 21 October 2005, and is the date at which our opinion is expressed.

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

BASIS OF OPINION

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed our audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in the opinion.

Our audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support the opinion above.

RESPONSIBILITIES OF THE BOARD AND THE AUDITOR

The Board is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of Sport & Recreation New Zealand as at 30 June 2005. They must also fairly reflect the results of its operations and cash flows and service performance achievements for the year ended on that date. The Board's responsibilities arise from the Public Finance Act 1989.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and of the Public Finance Act 1989.

INDEPENDENCE

When carrying out the audit we followed the independence requirements of the Auditor General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit, we have no relationship with or interests in Sport & Recreation New Zealand.

A handwritten signature in black ink that reads "Ajay Sharma". The signature is written in a cursive style with a horizontal line underneath the name.

Ajay Sharma
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Statement of Service Performance

Output Class One – Being the Most Active Nation

OBJECTIVE: Increased awareness amongst New Zealanders of the need for, and benefits of, regular activity through delivery of a nationwide <i>Push Play</i> campaign.		
Key Performance Indicator 2004/05	Performance Results	Status
<i>Push Play</i> campaign with widespread appeal (as determined by an independent evaluation) is delivered on time and within budget.	<i>Push Play</i> was delivered to a widespread audience as surveyed by the Continuous Monitor tool ¹ on time and within budget.	Achieved
68% awareness by adults of the need for physical activity (up from 65%). 68% of Māori aware of the need for physical activity (up from 65%). 53% of Pacific people aware of the need for physical activity (up from 50%).	These indicators have not yet been specifically measured however, the Continuous Monitor indicates good progress (adults – 66%, Māori – 66% and Pacific people – 68%). New survey measure being introduced to set a baseline for ongoing measurement.	Partially achieved
Promotion of <i>Push Play</i> message delivered through all contracted Regional Sports Trusts, 'revitalisation' sports, 50% of Territorial Authorities, 50% of schools and 200 commercial organisations.	<i>Push Play</i> promoted through all contracted Regional Sports Trusts, one revitalisation sport, 43% of Territorial Authorities, 96% of secondary schools (through <i>SportFit</i>) and 206 commercial organisations through the Corporate Challenge. Continuing to work with revitalisation sports and Territorial Authorities as their capacity allows.	Partially achieved (significant progress made)

¹The continuous monitor is a tool to monitor awareness of SPARC's social marketing and advertising initiatives. It tracks changes in the physical activity behaviours of the New Zealand population (aged 15+). The monitor interviews 50 people per week (by telephone) with results reported quarterly.

OBJECTIVE: To develop strategic partnerships aimed at improving participation opportunities at a community and regional level.

Key Performance Indicator 2004/05	Performance Results	Status
Investment in, and implementation of, agreed programmes with 10 or more Territorial Authorities and all contracted Regional Sports Trusts which increase participation and participation opportunities.	<i>Active Communities</i> partnerships with 32 Territorial Authorities established, involving eight physical activity projects worth \$5.8 million in several regions. All Regional Sports Trusts have investment agreements, schedules agreed and programmes in place.	Achieved
Development of strategic partnerships and regional physical activity plans in five regions.	Strategic partnerships and regional physical activity plans in place in five regions.	Achieved

OBJECTIVE: To increase participation within priority target groups.

Key Performance Indicator 2004/05	Performance Results	Status
48% or more of <i>Green Prescription (GRx)</i> patients more active 6-8 months after receiving a <i>GRx</i> .	<i>GRx</i> patient survey in May 2005 shows 51% still more active 6-8 months after receiving <i>GRx</i> .	Achieved
Delivery of increased physical activity opportunities by all schools contracted through <i>SportFit</i> programme.	100% of secondary schools contracted through <i>SportFit</i> programme delivering increased physical activity opportunities. 96% of all secondary schools contracted.	Achieved
Adoption of Junior Sport Strategy by seven priority sports and three revitalisation sports and all contracted Regional Sports Trusts.	Initiatives for children and young people being reviewed as part of strategic review.	Not achieved
Adoption of <i>Active Movement</i> by four key early childhood organisations.	<i>Active Movement</i> adopted by Kohanga Reo and Plunket. Also adopted by the New Zealand Heart Foundation and New Zealand Gymnastics. Progressing with Kindergarten, Montessori, Parents Centres and Playcentre. Resources well received.	Partially achieved (significant progress made)
1% increase in physical activity levels of young people. 3% increase in physical activity levels of Māori and Pacific people.	These indicators have not yet been specifically monitored. New survey measure being introduced to set a baseline for ongoing measurement.	Not achieved

Statement of Service Performance

Output Class Two – Winning in Events that Matter to New Zealanders

OBJECTIVE: To support sports with the greatest potential to succeed in international events important to New Zealanders		
Key Performance Indicator 2004/05	Performance Results	Status
20 performance sports score more than 40% and five score more than 60% on the High Performance Assessment Tool (HPAT).	17 performance sports score more than 40% and four performance sports score 60% or more on the HPAT. Work ongoing with sports.	Partially achieved (significant progress made)
90% of performance sports are satisfied with the value provided by New Zealand Academy of Sport (NZAS) Performance Directors as determined by annual survey.	19 out of 21 (90.5%) programmes have expressed satisfaction with Performance Directors and support provided by SPARC's High Performance Unit.	Achieved
Implementation of the recommendations of SPARC's <i>Talent Development Strategy</i> by 25% of sports receiving performance investment.	The <i>Talent Development Strategy</i> still in development. Six out of 21 performance sports (28.6%) received talent development investment in order to implement the Talent Identification Taskforce recommendations.	Not achieved

OBJECTIVE: To develop world class coaches.		
Key Performance Indicator 2004/05	Performance Results	Status
10 performance sports (50%) have detailed, documented elite coach succession plans.	17 of the 21 performance sports (81%) have completed elite coach succession plans by identifying coaches that are part of the carded coach programme.	Achieved
40 or more Prime Minister's Coach Scholarships for professional development achieve the development objectives (ongoing).	100 Prime Minister's Coach Scholarships awarded and achieving objectives.	Achieved
Retention rate of 60% of carded coaches for next year.	179 carded coaches as at July 2004 with 16 being decarded during the year. Retention rate of 90%.	Achieved

OBJECTIVE: To develop world-class athletes.

Key Performance Indicator 2004/05	Performance Results	Status
80% of carded athletes report services provided by the NZAS have positively impacted on their training environment and sporting performances, as determined through the annual satisfaction survey.	80% of athletes report that services provided by the NZAS have had a positive impact on their training environment and 85% of athletes report that services provided by the NZAS have positively contributed to improving their sporting performance.	Achieved
400 Prime Minister's Athlete Scholarships awarded to athletes.	479 Prime Minister's Athlete Scholarships awarded.	Achieved
250 or more athletes qualify for, and are allocated, a Performance Enhancement Grant.	296 athletes were awarded Performance Enhancement Grants – to a total amount of \$3.827 million.	Achieved

Statement of Service Performance

Output Class Three – Having the Most Effective Sport and Recreation Systems

OBJECTIVE: To support the development of capable and effective people and organisations.		
Key Performance Indicator 2004/05	Performance Results	Status
Provision of revitalisation support to three National Sports Organisations and three to five Regional Sports Trusts.	Revitalisation strategies in place in three National Sports Organisations (Athletics, Swimming and Bike NZ). Revitalisation strategy underway with three targeted Regional Sports Trusts.	Achieved
Implementation of Governance/ Leadership Programme across 70% of targeted National Sport and Recreation Organisations and Regional Sports Trusts.	Governance programme underway with 61% (16 out of 26) of targeted organisations.	Partially achieved
Delivery of quality business solutions to National Sport and Recreation Organisations and Regional Sports Trusts to improve capability (ongoing).	Targeted support has been provided to organisations including in areas such as risk management, human resource management, strategic and business planning, stakeholder management and key performance management.	Achieved
Recruitment of 15 dedicated coaching directors by performance and participation sports.	21 business cases, from performance and participation sports, for dedicated coaching directors have been approved. 16 recruited.	Achieved
Completion of the CoachForce pilot by at least three National Sports Organisations.	Five National Sports Organisations are now part of the CoachForce pilot (Soccer, Netball, Softball, Touch and Tennis). The pilot has been extended until the end of 2005.	Partially achieved (significant progress made)

OBJECTIVE: To improve the capacity of the sport and recreation sector.

Key Performance Indicator 2004/05	Performance Results	Status
Implementation of the Government's Major Events Strategy.	Inter-Agency Events Group implementation: NZ Golf Open, Coast to Coast, bid assistance for the World Gliding Championships 2008, Lions Tour Official welcome and New Zealand PGA Championships all supported by Major Events Development Fund.	Achieved
Investment in the hosting of international sporting events in New Zealand.	Other events supported by SPARC Events Investment Fund include: ITU Triathlon World Cup bid costs, World Championship of Single Bowls, Ice Hockey Women's World Championships, the Rugby World Cup bid, the Commonwealth Judo Tournament and Trusthouse Women's Cycle Classic.	Achieved
Development of a sector funding framework and profile.	Sector funding profile completed; framework completion has been extended to December 2005.	Partially achieved (significant progress made)

OBJECTIVE: To develop a regulatory environment for the sport and physical activity sector.

Key Performance Indicator 2004/05	Performance Results	Status
Implementation of the national policy framework in partnership with key Government Agencies and non-Government Organisations.	National policy framework developed from discussion document to draft framework, on hold pending SPARC strategic review.	Partially achieved
Passage of the New Zealand Sports Drug Agency Amendment Bill.	New Zealand Sports Drug Agency Amendment Bill introduced and on legislative timetable for passing by the end of 2005. Subject to legislative priorities.	Partially achieved (significant progress made)
Resolution of sports disputes by the Sports Disputes Tribunal of New Zealand.	11 cases resolved between 1 July 2004 and 30 June 2005.	Achieved

OBJECTIVE: To develop a regulatory environment for the sport and physical activity sector.

Key Performance Indicator 2004/05	Performance Results	Status
Undertake the SPARC Facts 2005/06 Survey to measure physical activity rates of New Zealanders, utilising the validated long form questionnaire.	Scoping of survey began early 2005. Objectives and scope of the project were expanded during 2004/05, requiring further design and planning prior to commissioning project. Survey to be contracted and in the field by the end of 2005.	Partially achieved

Cost of Service by Output Class

The following table summarises budget versus actual cost of service by output class and makes a comparison with 2003/04 costs of services.

Actual 2003/04 \$000	Output Class	Actual 2004/05 \$000	Budget 2004/05 \$000
\$19,803	1. Being the most active nation	\$32,406	\$32,165
\$21,991	2. Winning in events that matter to New Zealanders	\$25,328	\$25,584
\$11,966	3. Having the most effective sport and recreation systems	\$14,473	\$14,737
\$53,760	Total Operating Expenditure	\$72,207	\$72,486

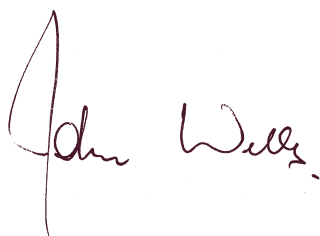
Financial Performance

Statement of Responsibility

The Board and Management of Sport & Recreation New Zealand accept responsibility for the preparation of these financial statements and the judgements used herein.

The Board and Management of Sport & Recreation New Zealand accept responsibility for 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 and Management of Sport & Recreation New Zealand, the financial statements and statement of service performance for the period ended 30 June 2005 fairly reflect the financial position, operations and performance of Sport & Recreation New Zealand.



John Wells
Chairman
21 October 2005



Nicholas Hill
Chief Executive
21 October 2005

Statement of Financial Performance

For the year ended 30 June 2005

Group Actual 2003/04 \$000	Parent Actual 2003/04 \$000		Note	Actual 2004/05 \$000	Budget 2004/05 \$000
		REVENUE			
28,217	28,217	NZ Lottery Grants Board		28,217	28,217
24,916	24,916	Vote Funding - Sport & Recreation		36,790	36,790
2,569	2,569	Contract Revenue		5,691	4,400
1,257	975	Other Revenue		1,627	800
56,959	56,677	Total Operating Revenue	1	72,325	70,207
		LESS COST OF SERVICES			
53,760	53,760	Total Operating Expenditure	2	72,207	72,486
3,199	2,917	Net Surplus/(Deficit)	10	118	(2,279)

Statement of Movements in Accumulated Funds

For the year ended 30 June 2005

Group Actual 2003/04 \$000	Parent Actual 2003/04 \$000		Note	Actual 2004/05 \$000	Budget 2004/05 \$000
6,195	1,298	Accumulated Funds at start of the Year		4,215	7,068
3,199	2,917	Net Surplus/(Deficit) for the Year		118	(2,279)
3,199	2,917	Total Recognised Revenues and Expenses for the Year		118	(2,279)
-	-	Transfer of NZ HPSC Trust Accumulated Funds	3	5,192	-
9,394	4,215	Accumulated Funds at End of the Year		9,525	4,789

Note: These statements are to be read in conjunction with the accounting policies and notes to the financial statements.

Statement of Financial Position

As at 30 June 2005

Group Actual 2004 \$000	Parent Actual 2004 \$000		Note	Actual 2005 \$000	Budget 2005 \$000
9,394	4,215	Accumulated Funds		9,525	4,789
9,394	4,215	Total Accumulated Funds		9,525	4,789
		Represented by:			
		CURRENT ASSETS			
348	348	Cash on hand and at Bank		436	70
20,869	15,690	Short-term Investments	4	17,922	9,756
1,493	1,493	Accounts Receivable	5	3,701	1,921
22,710	17,531	Total Current Assets		22,059	11,747
		LESS CURRENT LIABILITIES			
8,897	8,897	Accounts Payable and Provisions	6	7,236	4,240
238	238	Employee Entitlements	7	313	-
4,570	4,570	Funds Held on Behalf of Crown - PM Scholarship Fund	8	5,568	3,448
13,705	13,705	Total Current Liabilities		13,117	7,688
9,005	3,826	Working Capital Surplus		8,942	4,059
		NON-CURRENT ASSETS			
389	389	Fixed Assets	9	583	730
389	389	Total Non-Current Assets		583	730
9,394	4,215	Net Assets		9,525	4,789

Note: This statement is to be read in conjunction with the accounting policies and notes to the financial statements.

Statement of Cash Flows

For the year ended 30 June 2005

Group Actual 2003/04 \$000	Parent Actual 2003/04 \$000		Note	Actual 2004/05 \$000	Budget 2004/05 \$000
CASH FLOW FROM OPERATING ACTIVITIES					
Cash Inflow					
28,217	28,217	NZ Lottery Grants Board		28,217	28,217
24,916	24,916	Vote Sport and Recreation		36,790	36,790
5,000	5,000	Funds Received - Administered on Behalf of Crown	8	5,000	5,000
2,632	2,632	Contract Revenue		4,351	4,400
1,401	1,098	Other Revenue		1 625	785
62,166	61,863	Total		75,983	75,192
Cash Outflow					
52,312	52,321	Cash Disbursements to Operations		74,429	76,021
3,138	3,138	Funds Paid - Administered on Behalf of Crown	8	4,002	5,600
55,450	55,459	Total		78,431	81,621
6,716	6,404	Net Cash Inflow/(Outflow) from Operating Activities	10	(2,448)	(6,429)
CASH FLOW FROM INVESTING ACTIVITIES					
201	201	Purchase of Assets		424	600
(201)	(201)	Net Cash Inflow/(Outflow) from Investing Activities		(424)	(600)
CASH FLOW FROM FINANCING ACTIVITIES					
-	-	Transfer of NZ HPSC Trust accumulated funds	3	5,192	-
-	-	Net Cash Inflow/(Outflow) from Financing Activities		5,192	-
6,515	6,203	Net Increase (Decrease) in Cash Held		2,320	(7,029)
14,702	9,835	Opening Cash Balance as at 1 July		16,038	16,855
21,217	16,038	Closing Cash Balance as at 30 June		18,358	9,826
MADE UP OF					
348	348	Cash on Hand and at Bank		436	70
20,869	15,690	Short-term Investments		17,922	9,756
21,217	16,038	Total		18,358	9,826

Note: This statement is to be read in conjunction with the accounting policies and notes to the financial statements.

Statement of Commitments

As at 30 June 2005

Group Actual 2003/04 \$000	Parent Actual 2003/04 \$000		Actual 2004/05 \$000
		NON-CANCELLABLE OPERATING LEASE COMMITMENTS	
237	237	Less than One Year	449
204	204	One to Two Years	399
43	43	Two to Five Years	503
484	484		1,351
		OTHER NON-CANCELLABLE CONTRACTS	
		The group has entered into non-cancellable contracts for the provision of services as follows:	
234	234	Less than One Year	-
		FUNDING COMMITMENTS	
14,118	14,118	Less than One Year	24,962
8,737	8,737	One to Two Years	7,577
6,418	6,418	Two to Five Years	3,400
29,273	29,273		35,939
29,991	29,991	Total Commitments	37,290

Note: This statement is to be read in conjunction with the accounting policies and notes to the financial statements.

Statement of Accounting Policies

REPORTING ENTITY AND STATUTORY BASIS FOR REPORTING

These are the financial statements of SPARC, which was established by the Sport and Recreation New Zealand Act 2002. This Act defines Sport & Recreation New Zealand as a Crown entity for the purposes of the Public Finance Act 1989.

From 14 July 2004, SPARC has assumed the activities of the disestablished New Zealand High Performance Sport Centres Trust, an entity formerly controlled by SPARC. The accumulated funds of the New Zealand High Performance Sport Centres Trust totalling \$5.192 million transferred to SPARC on that date.

The financial statements have been prepared in accordance with SPARC's governing legislation and the Public Finance Act 1989.

In addition, SPARC has reported on funds held and administered on behalf of the Crown.

REPORTING PERIOD

These financial statements are for the year ended 30 June 2005.

MEASUREMENT BASE

The historical cost basis of measurement has been applied in the preparation of these financial statements.

BASIS OF CONSOLIDATION

The financial statements include comparative information for the parent SPARC and its controlled entity, the New Zealand High Performance Sport Centres Trust (refer note 3). In 2003/04 the controlled entity was accounted for using the purchase method, which involved adding together corresponding assets, liabilities, revenues and expenses on a line-by-line basis. All significant inter-entity transactions were eliminated on consolidation.

GOODS AND SERVICES TAX

The financial statements are prepared on a GST-exclusive basis, with the exception of Accounts Payable and Accounts Receivable, which include GST invoiced. Where GST is irrecoverable as an input tax, it is recognised as part of the related assets or expense.

The amount of GST owing to or from the Inland

Revenue Department at balance date, being the difference between Output GST and Input GST, is included in Accounts Payable or Accounts Receivable.

TAXATION

SPARC is a Public Authority in terms of the Sport and Recreation New Zealand Act 2002 and is exempt from income tax under section CW31 of the Income Tax Act 1994.

REVENUE

Goods and Services

Revenue comprises the amounts received and receivable for goods and services supplied to customers in the ordinary course of business and is recognised when earned.

Grants Received

Grants received from the Crown and its agents have been accounted for as income in the Statement of Financial Performance. Any grants for which the requirements under the grant agreement have not been completed are carried as liabilities in the Statement of Financial Position.

Investment Income

Interest income is recognised when earned and is reported in the financial period to which it relates.

GRANT FUNDING EXPENDITURE

Grants are expensed against the financial year for which the grant has been approved.

COST ALLOCATION

The costs of outputs, as reported in the Statement of Objectives and Service Performance, report the costs of inputs and services purchased externally or provided internally, necessary to produce the outputs.

SPARC derives the costs of outputs using the following cost allocation system:

- Direct costs are charged directly to significant activities. Indirect costs are charged to significant core activities based on cost drivers and related activity/usage information.
- Indirect costs are the costs of providing internal corporate and support services.

SPARC allocates overheads (being the provision of corporate and support services) on the basis of management judgement of cost drivers that appropriately link indirect costs to the outputs.

FIXED ASSETS

Initial Recording

All assets costing more than \$2,000 are capitalised and recorded at historical cost, which is the value of consideration given to acquire or create the asset and any direct attributable costs of bringing the asset to working condition for its intended use.

Depreciation

Depreciation is provided on a straight line basis at rates that will allocate the costs of the assets over their estimated useful lives. The useful lives have been estimated as follows:

Audio-visual equipment	3 years
Furniture and fittings	5 years
Office equipment	5 years
Leasehold improvements	over the remaining term of the lease
Computer equipment	3 years

OPERATING LEASES

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. SPARC leases office premises, office equipment and information technology hardware. These leases are classified as operating leases. The lease payments are representative

of the pattern of benefits derived from the leased assets and accordingly charged to the Statement of Financial Performance in the period in which they are incurred.

ACCOUNTS RECEIVABLE

Accounts receivable are stated at their expected realisable value after providing for doubtful and uncollectible debts.

INVESTMENTS

Investments are stated at the lower of cost and net realisable value.

EMPLOYEE ENTITLEMENTS

Provision has been made for SPARC's liability for annual leave. The annual leave provision has been calculated on an actual accumulated entitlement basis at current rates of pay. This equates to the cash amount necessary to settle the obligation as at balance date.

FINANCIAL INSTRUMENTS

SPARC is party to financial instruments as part of its everyday operations. These financial instruments include bank accounts, short-term deposits, investments, debtors and creditors. Revenues and expenses in relation to all financial instruments are recognised in the Statement of Financial Performance. All financial instruments are recognised in the Statement of Financial Position at their estimated fair value, when a contractual obligation has been established. Specific methods and assumptions are disclosed in the individual policy statements associated with each item.

STATEMENT OF CASH FLOWS

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which SPARC invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of SPARC and the group and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies since the last audited financial statements.

Notes to the Financial Statements

NOTE1: OPERATING REVENUE COMPARISON

Group Actual 2003/04 \$000	Parent Actual 2003/04 \$000		Actual 2004/05 \$000	Budget 2004/05 \$000
28,217	28,217	NZ Lottery Grants Board	28,217	28,217
24,916	24,916	Vote Funding - Sport and Recreation	36,790	36,790
		Contract Revenue		
2,022	2,022	– Ministry of Education	4,689	4,400
425	425	– Pharmac	600	-
122	122	– Ministry of Health	122	-
-	-	– Sponsorship	280	-
2,569	2,569	Total Contract Revenue	5,691	4,400
		Other Revenue		
1,122	840	Interest	1,414	700
135	135	Sundry	213	100
1,257	975	Total Other Revenue	1,627	800
56,959	56,677	Total Operating Revenue	72,325	70,207

Operating revenue in 2004/05 is \$15.37 million above 2003/04 levels which primarily reflects:

- a \$11.87 million increase in Vote Sport and Recreation funding from the Crown for baseline services and new initiatives.
- a \$3.12 million increase in contracted programme services provided by SPARC (most of which relates to the *SportFit* programme funded by the Ministry of Education).

NOTE 2: OPERATING EXPENDITURE

Group Actual 2003/04 \$000	Parent Actual 2003/04 \$000		Actual 2004/05 \$000
		Operating expenditure consists of:	
40	40	External Audit Fees - Audit NZ	42
122	122	Board Members Remuneration	90
448	448	Rental of Premises	304
98	98	Rentals - Equipment	184
		Depreciation	
47	47	– Computer Equipment	69
14	14	– Office Furniture	16
11	11	– Audio-visual Equipment	11
110	110	– Leasehold Improvements	134
5,084	5,084	Personnel	6,830
38,142	38,142	Investments	50,903
		Programme Support	9,570
9,644	9,644	Other Operating Expenditure*	4,054
53,760	53,760	Total Operating Expenditure	72,207

* Other operating expenditure has been split in 2004/05 to separately identify investment and programme support costs. While a comparative investment figure could be identified for 2003/04, changes in expenditure classifications between years mean that an accurate comparative figure for Programme Support costs is not available.

NOTE 3: ACCUMULATED FUNDS

On 14 July 2004 the New Zealand High Performance Sports Centres Trust was disestablished as a separate entity and its activities and accumulated funds transferred to SPARC. \$5.192 million of New Zealand High Performance Sports Centres Trust accumulated funds previously recorded as part of the SPARC Group accounts are now included directly in SPARC's investment assets and accumulated funds. Separate disclosure of SPARC Parent and Group is no longer applicable.

NOTE 4: SHORT TERM INVESTMENTS

Group Actual 2003/04 \$000	Parent Actual 2003/04 \$000		Actual 2004/05 \$000
1,340	1,340	Bank of New Zealand	-
-	-	Hong Kong & Shanghai Bank	4,000
12,789	7,610	National/ANZ Bank	6,522
3,540	3,540	ASB Bank	4,000
3,200	3,200	Westpac	3,400
20,869	15,690	Total	17,922
5.69%	5.75%	Weighted Average Interest Rates	6.88%

NOTE 5: ACCOUNTS RECEIVABLE

Group Actual 2003/04 \$000	Parent Actual 2003/04 \$000		Actual 2004/05 \$000
1,420	1,420	Debtors	2,620
42	42	Accounts Receivable	1,081
31	31	Prepayments	-
1,493	1,493	Total	3,701

NOTE 6: ACCOUNTS PAYABLE AND PROVISIONS

Group Actual 2003/04 \$000	Parent Actual 2003/04 \$000		Actual 2004/05 \$000
4,997	4,997	Trade Creditors	3,499
3,898	3,898	Accrued Expenses	3,737
2	2	Provisions	-
8,897	8,897	Total	7,236

NOTE 7: EMPLOYEE ENTITLEMENTS

Group Actual 2003/04 \$000	Parent Actual 2003/04 \$000		Actual 2004/05 \$000
238	238	Annual Leave	313

NOTE 8: PRIME MINISTER'S SCHOLARSHIPS - FUNDS HELD AND ADMINISTERED ON BEHALF OF THE CROWN

Actual 2003/04 \$000		Actual 2004/05 \$000	Budget 2004/05 \$000
2,708	Funds Brought Forward	4,570	4,048
5,000	Funds Received Vote Sport & Recreation	5,000	5,000
(3,138)	Funds Disbursed	(4,002)	(5,600)
4,570	Balance Held on Behalf of the Crown	5,568	3,448

NOTE 9: FIXED ASSETS

2004/05	Cost \$000	Accumulated Depreciation \$000	Net Book Value \$000
Office Furniture	225	37	188
Audio-visual Equipment	36	23	13
Computer Equipment	289	102	187
Leasehold Improvements	474	279	195
Total	1,024	441	583
2003/04			
Office Furniture	140	21	119
Audio-visual Equipment	34	12	22
Computer Equipment	121	68	53
Leasehold Improvements	340	145	195
Total	635	246	389

NOTE 10: RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES WITH NET SURPLUS

Group Actual 2003/04 \$000	Parent Actual 2003/04 \$000		Actual 2004/05 \$000
3,199	2,917	Net Surplus/(Deficit) from Operations	118
182	182	Add/(Deduct) Non-Cash Items	
		Depreciation	230
182	182	Total	230
		Add/Deduct Movements in Other Working Capital Items	
520	470	(Increase)/Decrease in Receivables	(2,208)
2,815	2,835	Increase/(Decrease) in Current Liabilities	(588)
3,335	3,305	Total	(2,796)
6,716	6,404	Net Cash Inflow/(Outflow) from Operating Activities	(2,448)

NOTE 11: CONTINGENT LIABILITIES

There are no contingent liabilities as at 30 June 2005. (2004 – nil.)

NOTE 12: FINANCIAL INSTRUMENTS

Concentration of Credit Risk

There is no major concentration of credit risk with respect to any of SPARC's financial instruments. Counterparty risk in respect of short-term deposits is minimised by spreading investments over registered banks within independently determined preset limits based on credit ratings, thereby limiting the exposure to any one financial institution. SPARC is risk averse and its policies do not allow any transactions that are speculative in nature.

Interest Rate Risk

SPARC is primarily a short-term investor in on-call funds and bank bills, and as such the risk is minimal.

Fair Value

The fair value of financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

NOTE 13: EMPLOYEE REMUNERATION

SPARC has a total of 72 staff as at 30 June 2005.

The numbers of employees who received remuneration of \$100,000 or more during the 12-month period, with-in \$10,000 bands, are as follows:

Remuneration	Number of Employees	
	Actual 2003/04	Actual 2004/05
\$100,000 - \$110,000	5	4
\$110,001 - \$120,000	2	1
\$120,001 - \$130,000	2	1
\$130,001 - \$140,000	1	3
\$140,001 - \$150,000	1	2
\$150,001 - \$160,000	-	1
\$160,001 - \$170,000	1	-
\$190,001 - \$200,000	-	1
\$260,001 - \$270,000	1	1
	13	14

The Chief Executive's salary is within the band range \$260,001 - \$270,000.

NOTE 14: BOARD REMUNERATION

Members of the Board were paid the following fees during the period:

	Group Actual 2003/04 \$000	Group Actual 2004/05 \$000
John Wells (Chairperson)	51	29
Dr David Collins	4	7
Graham Condon	13	9
Liz Coutts	13	12
Chris Doig	10	4
Jane Huria (term expired March 2005)	6	5
Tina Karaitiana (appointed October 2004)	-	7
Bill Osborne (term expired October 2004)	7	-
Dr Jenny Ross	9	10
Dr Sarah Sandley	9	7
	122	90

NOTE 15: RELATED PARTIES TRANSACTIONS

SPARC is a wholly owned entity of the Crown and receives a major portion of its revenue from the Crown and the New Zealand Lottery Grants Board. All transactions entered into with other government departments and Crown entities are conducted at arm's length. These transactions are not considered to be related party transactions.

SPARC maintains an 'interests' register for Board members. The following interests were disclosed in the interests register.

During the period, SPARC utilised the services of Marsh Limited, an insurance broking firm. Mr John Wells, the Chairperson of SPARC, is also a director of the Advisory Board of Marsh Limited. These services were supplied on normal commercial terms to a value of \$13,790.

Some members of the Board of SPARC are also members of other governing bodies which are funded by SPARC or are contracted to SPARC for services:

Board Member	Organisation	Position
Graham Condon	Christchurch City Council	Councillor
Chris Doig	Halberg Trust	Director

SPARC staff are also required to disclose any interests they may have in organisations which are funded by SPARC or are contracted to SPARC for services. The following interests have been disclosed in the employee interests register:

Staff Member	Organisation	Position
John Reid	NZ Sports Turf Institute	Board Member
Nicky Sherriff	Softball NZ	Board Member
Lawrie Stewart	Physical Education NZ	Board Member
Dallas Seymour	NZ Olympic Committee (Athletes Commission)	Board Member
Roger Wood	University Sport NZ	Board Member

Payment details for these organisations are contained within Annex 1.

NOTE 16: DISCLOSURE FOR FRS-41

As a Crown entity, SPARC will adopt New Zealand equivalents of International Financial Reporting Standards in full for its financial year beginning 1 July 2007. Adoption of these standards may result in changes to accounting policies which will have an impact on SPARC's reported financial position and financial performance.

Current plans are in place to evaluate the changes in accounting policies and consider the impact on SPARC's financial position and financial performance. At this stage no reliable estimates can be made to quantify the impact on SPARC's results from adopting New Zealand equivalents to International Reporting Standards.

SPARC Governance

SPORT AND RECREATION ACT 2002

SPARC is a Crown entity established under the Sport and Recreation Act 2002. The functions of SPARC are outlined in section eight of this Act.

MEMBERS OF THE BOARD

SPARC is governed by a Board that consists of between five and nine members. The Board members are appointed by the Minister for Sport and Recreation following recommendations from a nominations committee. Each Board member holds office for a term not exceeding three years but may be re-appointed.

A Chairperson for the Board is appointed by the Minister. The Chairperson and the Minister meet monthly and SPARC produces a formal report to the Minister every six months.

The Board's role is to:

- use its best endeavours to advance SPARC's mission;
- provide a range of services, including policy, management and service functions associated with the discharge of its statutory functions;
- maintain an effective governance regime; and
- monitor the performance of the Chief Executive and senior management.

Members of the Board during 2004/05 consisted of:

John Wells (Chairperson)

Dr David Collins QC

Graham Condon

Elizabeth Coutts

Christopher Doig

Tina Karaitiana

Jane Huria (term expired March 2005)

Dr Jenny Ross

Dr Sarah Sandley

BOARD COMMITTEES

The Board currently has two standing committees. Other special project committees are formed as required.

1. Audit, Finance and Risk Management Committee

Members:

Liz Coutts (Chairperson)

John Wells

Dr Sarah Sandley

The Audit, Finance and Risk Management Committee's role is to act on behalf of the Board and oversee all material aspects of SPARC reporting, control and audit functions - except those specifically related to the responsibilities of another standing committee of the Board. The Committee reviews, assesses and makes recommendations to the Board on:

- risk management;
- Annual Reports and other major regulatory filings;
- internal controls and regulatory compliances;
- internal audit programmes and responsibilities;
- external audit; and
- financial reporting and controls.

The Committee oversees SPARC's annual internal audit programme. The areas of emphasis for each year's programme are based on a risk assessment carried out by the internal auditors. SPARC's internal auditor is Ernst and Young. SPARC's external auditor is the Auditor-General, as specified by the Public Audit Act 2001. The Committee meets annually with the auditors, without the presence of management, to discuss matters of internal control.

2. Remuneration Committee

Members:

John Wells (Chairperson)

Jane Huria (term expired March 2005)

Dr David Collins QC

Christopher Doig

The Remuneration Committee's role is to:

- consider and make recommendations to the Board on the remuneration policies and practice;
- consider a report from the Chairperson on the performance of the Chief Executive during the preceding 12 months;
- consider and confirm recommendations from the Chief Executive on remuneration packages and other entitlements of the Chief Executive's direct reports; and
- oversee and review any external reporting, remuneration practices or policies or benchmarking as required or requested by other Crown entities.

BOARD ATTENDANCE

Board Member	Board		Audit, Finance and Risk Management Committee		Remuneration Committee		Special Projects Committees	
	Number Meetings	Meetings Attended	Number Meetings	Meetings Attended	Number Meetings	Meetings Attended	Number Meetings	Meetings Attended
John Wells	10	10	6✓✓✓	5	2	2		
David Collins	10	10			2	1		
Liz Coutts	10	9	6✓✓✓	6			4	3
Jenny Ross	10	10						
Graham Condon	10	10	4✓✓	4				
Chris Doig	10	7			1	1		
Dr Sarah Sandley	10	8	2✓	2	2	1		
Jane Huria*	8	5			1	1		
Bill Osborne**	2	0	4✓✓	1				
Tina Karaitiana***	8	8						

* Term on Board expired March 2005

** Term on Board expired October 2004

*** Joined Board October 2004

✓ Committee term January 2005 – Current

✓✓ Committee term July 2004 – December 2004

✓✓✓ Committee term July 2004 – Current

TE ROOPU MANAAKI

Te Roopu Manaaki is an independent body of national and regional representatives that provide strategic advice to the SPARC Board with respect to Māori interests. In addition, its role is to provide assistance to *He Oranga Poutama*, a SPARC programme targeted at increasing physical activity levels of Māori.

Organisational Health and Capability

In the Statement of Intent for 2004/05 SPARC noted its commitment to organisational health and capability. Four key values were identified as fundamental to the work of the organisation and the context in which staff work. There were: being people focused; displaying integrity; demonstrating leadership; and striving for excellence. The following summarises performance results against the objectives identified in the Statement of Intent.

OBJECTIVE:

To support the people who work for SPARC

- Responses to an internal staff survey indicate that the organisation provides an environment in which to grow and excel
- 100% of SPARC staff have performance agreements in place, have performance appraisals and contribute to professional development plans

OBJECTIVE:

To provide a healthy and safe working environment

- Responses to an internal staff survey indicate a healthy organisation culture
- Ongoing staff training is provided in OSH requirements and SPARC health and safety management procedures

OBJECTIVE:

To develop effective relationships with the sector

- Stakeholder survey responses indicate above average scores for overall performance, quality of relationship and quality of communications

OBJECTIVE:

To provide leadership across SPARC

- SPARC management has clear performance indicators at individual and team levels
- A stakeholder survey indicates that the leadership shown by SPARC is positive
- Olympic athletes indicated that the Taha Māori Strategy furthered their understanding of Māoritanga and New Zealand culture

OBJECTIVE:

To deliver excellent corporate practices

- 95% of all official correspondence and information requests completed within agreed timeframes and quality standards
- A contract and investment system is being implemented to ensure quality and effective contracts
- All key initiatives meet expected timeframes and budgets

OBJECTIVE:

To promote an innovative and dynamic organisation

- SPARC staff responses to an internal staff survey indicate that the organisation encourages innovation

OBJECTIVE:

To deliver high quality services to the sector

- Stakeholder survey responses indicate research services provided by SPARC are high quality and meaningful

Equal Employment Opportunities Statement

SPARC'S EQUAL EMPLOYMENT OPPORTUNITIES PROGRAMME FOR 2004/05 INCLUDED:

- a compliance audit of SPARC's understanding of its employment-related obligations, including equal employment opportunities;
- alignment with the strategic plan;
- maintenance of best practice (good employer obligations); and
- development of family-friendly policies.

The compliance audit included (amongst other matters) an assessment of SPARC's obligations under the Human Rights Act 1993 and best practice of 'good employers'. The results indicated a high level of SPARC understanding and compliance.

Consistent with the New Zealand Disabilities Strategy, SPARC has completed a significant amount of work on the *No Exceptions Strategy* for the sport and recreation sector. This strategy will assist SPARC, Regional Sports Trusts and National Sports Organisations to take responsibility for more and better opportunities for disabled people in sport and recreation. A Senior Advisor-Disabilities was appointed in August 2005.

Finally, SPARC strives to be flexible and adaptive to the needs of its employees and accordingly has formalised policies addressing 'family-friendly' work arrangements and the provision of appropriate technology to support individual work needs.

Annex 1: Allocation of Investment Funds 1 July 2004 - 30 June 2005

A. Investing in National Governing Bodies

Total 2003/04 \$	Organisation	Total 2004/05 \$	National Development \$	Coaching \$	Talent Development \$	High Performance \$	Events \$	Service Delivery \$
1,215,500	Bike NZ	1,747,750	170,250	50,000	350,000	1,137,500	40,000	-
957,500	NZ Hockey Federation	1,505,000	205,000	50,000	-	1,250,000	-	-
1,277,000	NZ Rowing Association	1,091,000	91,000	-	250,000	750,000	-	-
575,000	NZ Swimming Federation	1,072,000	272,000	50,000	150,000	600,000	-	-
583,750	Basketball NZ	909,250	259,250	50,000	-	600,000	-	-
628,571	Athletics New Zealand	899,500	262,500	50,000	-	562,000	25,000	-
503,500	Triathlon New Zealand	811,667	30,000	-	200,000	575,000	6,667	-
479,688	NZ Golf Association (Inc)	785,938	385,938	50,000	-	350,000	-	-
596,000	NZ Softball Association Inc	736,000	186,000	50,000	-	500,000	-	-
1,068,250	Netball NZ Inc	706,500	256,500	50,000	-	400,000	-	-
744,100	Paralympics NZ	704,100	50,000	-	-	654,100	-	-
22,500	NZ Rugby Football Union (Inc)	682,500	260,000	50,000	-	350,000	22,500	-
347,416	NZ Shooting Federation Inc	655,000	55,000	-	-	600,000	-	-
1,964,500	Yachting New Zealand	646,500	71,500	-	125,000	400,000	-	50,000
395,688	NZ Cricket Council Inc	622,500	172,500	50,000	-	400,000	-	-
747,500	NZ Equestrian Federation Inc	620,000	70,000	50,000	-	500,000	-	-
215,000	NZ Gymnastics Association (Inc)	578,750	153,750	60,000	100,000	80,000	-	185,000
527,000	NZ Squash (Inc)	569,000	177,000	50,000	-	342,000	-	-
306,555	NZ Badminton Federation Inc	523,000	108,000	50,000	-	365,000	-	-
150,000	Soccer New Zealand	480,000	380,000	100,000	-	-	-	-
290,350	Women's Golf NZ Inc	420,625	278,125	-	-	142,500	-	-
638,250	NZ Bowling Association	375,700	101,500	50,000	-	194,200	30,000	-
310,000	The Halberg Trust	310,000	310,000	-	-	-	-	-
100,000	NZ Olympic Committee	300,000	-	-	-	300,000	-	-
275,000	YMCA	275,000	275,000	-	-	-	-	-
225,000	NZ Tennis	265,500	215,500	50,000	-	-	-	-
86,250	NZ Touch Association	250,000	200,000	50,000	-	-	-	-
175,000	Outdoor NZ	230,000	130,000	-	-	-	-	100,000
140,000	Surf Life Saving New Zealand Inc.	180,000	120,000	50,000	-	10,000	-	-
578,800	NZ Canoeing Federation Inc	163,800	10,800	-	-	153,000	-	-

Total 2003/04	Organisation	Total 2004/05	National Development	Coaching	Talent Development	High Performance	Events	Service Delivery
\$		\$	\$	\$	\$	\$	\$	\$
54,750	Motorsport Association of NZ	150,000	150,000	-	-	-	-	-
62,300	NZ Table Tennis Association	148,500	98,500	10,000	-	40,000	-	-
45,000	University of Sport NZ	145,000	45,000	-	-	100,000	-	-
34,500	NZ Snow Sports Council	138,000	138,000	-	-	-	-	-
137,000	NZ Judo Federation	121,000	61,000	50,000	-	-	10,000	-
22,500	New Zealand Indoor Sports Council	117,500	117,500	-	-	-	-	-
86,250	The Special Olympic foundation	115,000	115,000	-	-	-	-	-
21,000	NZ Boxing Association Inc	112,200	67,200	5,000	-	40,000	-	-
72,000	NZ Sports Turf Institute	111,500	111,500	-	-	-	-	-
276,000	NZ Recreation Association	105,000	105,000	-	-	-	-	-
33,750	Karate New Zealand	100,000	100,000	-	-	-	-	-
41,250	Motorcycling New Zealand	100,000	100,000	-	-	-	-	-
30,000	Physical Education New Zealand	100,000	100,000	-	-	-	-	-
112,500	Volleyball New Zealand	90,000	90,000	-	-	-	-	-
73,000	Outdoor Pursuits Centre of NZ	89,000	89,000	-	-	-	-	-
55,000	Scout Association of NZ	80,000	80,000	-	-	-	-	-
30,500	NZ Croquet Council	72,500	57,500	-	-	15,000	-	-
68,000	NZ Girl Guides Association	70,000	70,000	-	-	-	-	-
140,000	NZ Rugby Football League	70,000	70,000	-	-	-	-	-
43,000	NZ Federation of Sports Medicine	64,500	64,500	-	-	-	-	-
42,000	NZ Pony Clubs Association	63,000	63,000	-	-	-	-	-
6,000	NZ Amateur Weightlifting Association	62,400	17,400	5,000	-	40,000	-	-
48,750	Surfing New Zealand	59,500	59,500	-	-	-	-	-
23,000	NZ Outdoor Instructors Association	55,000	55,000	-	-	-	-	-
23,000	NZ Alpine Club	50,000	50,000	-	-	-	-	-
150,000	Sport Science New Zealand	50,000	50,000	-	-	-	-	-
27,000	NZ Water Ski Association	48,000	48,000	-	-	-	-	-
15,500	NZ Water Polo Association	46,500	46,500	-	-	-	-	-
44,000	The Spirit of Adventure Trust	44,000	44,000	-	-	-	-	-
35,000	NZ Secondary School Sports Council	39,375	39,375	-	-	-	-	-
30,000	NZ Riding for the Disabled Association	37,000	37,000	-	-	-	-	-
45,900	NZ Federation of Roller Sports	32,800	32,800	-	-	-	-	-
2,000	Synchro Swim New Zealand	32,600	3,600	-	-	29,000	-	-
80,000	NZ Indoor Bowls Association	32,000	32,000	-	-	-	-	-

Total 2003/04 \$	Organisation	Total 2004/05 \$	National Development \$	Coaching \$	Talent Development \$	High Performance \$	Events \$	Service Delivery \$
23,000	Royal NZ Aero Club	30,700	30,700	-	-	-	-	-
32,200	NZ Olympic Wrestling Union Inc	30,600	30,600	-	-	-	-	-
-	NZ Speedway	30,000	30,000	-	-	-	-	-
15,000	Girl's Brigade NZ (Inc)	26,000	26,000	-	-	-	-	-
22,000	Duke of Edinburgh Awards in NZ	25,000	25,000	-	-	-	-	-
25,000	NZ Australian Rules Football Council	24,000	24,000	-	-	-	-	-
22,000	Blind Sport New Zealand	24,000	24,000	-	-	-	-	-
18,000	Federated Mountain Clubs of NZ	24,000	24,000	-	-	-	-	-
5,100	NZ Kart Federation Inc	24,000	24,000	-	-	-	-	-
8,000	The Boy's Brigade in NZ	22,000	22,000	-	-	-	-	-
8,500	NZ Darts Council Inc	20,400	20,400	-	-	-	-	-
12,750	NZ Marching Association	18,000	18,000	-	-	-	-	-
12,750	NZ Orienteering Federation	18,000	18,000	-	-	-	-	-
5,000	Shearing Sports New Zealand	18,000	6,000	-	-	12,000	-	-
15,400	Gliding New Zealand Inc	16,800	16,800	-	-	-	-	-
-	NZ Polocrosse Council	16,200	16,200	-	-	-	-	-
10,000	NZ Fencing Association	14,700	14,700	-	-	-	-	-
24,000	NZ Curling Association	14,400	14,400	-	-	-	-	-
9,000	NZ Power Boat Association	14,400	14,400	-	-	-	-	-
15,000	NZ Ice Hockey Federation	14,000	12,000	-	-	-	2,000	-
5,000	NZ Petanque Association	11,000	9,000	-	-	-	2,000	-
7,500	NZ Powerlifting Federation	9,000	9,000	-	-	-	-	-
6,000	NZ Deaf Sports Association Inc	7,200	7,200	-	-	-	-	-
23,000	Diving New Zealand	7,200	7,200	-	-	-	-	-
5,000	Ice Speed Skating NZ Inc	6,000	6,000	-	-	-	-	-
100,000	NZ Sports Hall of Fame	-	-	-	-	-	-	-
50,000	YWCA of NZ Inc	-	-	-	-	-	-	-
45,000	Outward Bound Trust of NZ	-	-	-	-	-	-	-
30,000	NZ Underwater	-	-	-	-	-	-	-
17,000	NZ Billiards & Snooker Association Inc	-	-	-	-	-	-	-
10,000	NZ Mountain Guides Association	-	-	-	-	-	-	-
6,000	New Zealand Ice Skating Association	-	-	-	-	-	-	-
5,000	NZ Federation of Bodybuilders	-	-	-	-	-	-	-
4,500	NZ Archery Association	-	-	-	-	-	-	-

Total 2003/04	Organisation	Total 2004/05	National Development	Coaching	Talent Development	High Performance	Events	Service Delivery
\$		\$	\$	\$	\$	\$	\$	\$
4,500	New Zealand Sheep Dog Trial Association	-	-	-	-	-	-	-
2,500	Recreational Aircraft Association of NZ	-	-	-	-	-	-	-
2,500	NZ Rodeo Cowboys Association	-	-	-	-	-	-	-
18,740,318	Totals	22,334,055	8,114,588	1,080,000	1,175,000	11,491,300	138,167	335,000

B. Investing in Regional Academies of Sport

Total 2003/04	Organisation	Total 2004/05	National Development	Coaching	Talent Development	High Performance	Events	Service Delivery
\$		\$	\$	\$	\$	\$	\$	\$
2,514,082	NZ Academy of Sport – North	2,352,249	-	-	-	-	-	2,352,249
1,287,693	NZ Academy of Sport – South Island	1,180,190	-	-	-	-	-	1,180,190
822,979	NZ Academy of Sport – Central	738,956	-	-	-	-	-	738,956
4,624,754	Totals	4,271,395	-	-	-	-	-	4 271,395

C. Investing in Iwi-based Organisations

Total 2003/04	Organisation	Total 2004/05	National Development	Coaching	Talent Development	High Performance	Events	Service Delivery
\$		\$	\$	\$	\$	\$	\$	\$
80,000	Ngati Porou Hauora Inc	140,000	-	-	-	-	-	140,000
-	He Oranga Poutama	135,200	-	-	-	-	-	135,200
76,433	Te Papa Takaro O Te Arawa	102,400	-	-	-	-	1,000	101,400
65,600	Mataatua Sports	67,600	-	-	-	-	-	67,600
65,600	Te Runanga O Turanganui A Kiwa	67,600	-	-	-	-	-	67,600
33,100	Te Runanga O Te Whanau A Apanui	34,800	-	-	-	-	1 000	33,800
32,500	Te Wharekura O Rakaumanga	33,800	-	-	-	-	-	33,800
130,600	Ngai Tahu Development	1,000	-	-	-	-	1,000	-
25,000	Te Tohu Taakaro O Aotearoa	-	-	-	-	-	-	-
508,833	Totals	582,400	-	-	-	-	3,000	579,400

D. Investing in Regional Sports Trusts

Total 2003/04	Organisation	Total 2004/05	Core Investment	Green Prescription	He Oranga Poutama	Regional Sports Directors	Coaching	Push Play Day	Other
\$		\$	\$	\$	\$	\$	\$	\$	\$
35,466	The RST Alliance	35,466	-	-	-	-	-	-	35,466
-	Auckland Regional Physical Activity Sports Trusts	500,000	-	-	-	-	-	-	500,000
803,373	Sport Waikato	1,125,250	468,865	155,470	202,800	76,772	140,000	8,750	72,593
770,543	Canterbury/ Westland Sports Trust	964,458	521,498	72,500	-	91,540	130,000	8,587	140,333
616,030	Sport Auckland	915,823	603,617	111,500	67,600	53,417	-	7,192	72,497
549,844	Sport Wellington Region	910,321	496,861	72,500	67,600	88,961	130,000	7,732	46,667
573,750	Sport Counties/Manukau	878,078	470,228	-	135,200	51,151	100,000	6,832	114,667
481,835	Harbour Sport	840,479	404,435	90,000	67,600	39,147	130,000	5,797	103,500
694,312	Sport Northland	817,158	349,720	60,000	171,600	55,838	130,000	5,000	45,000
698,024	Sport Bay of Plenty	654,511	348,926	-	67,600	61,108	130,000	5,617	41,260
414,652	Sport Hawke's Bay	600,589	350,446	46,680	101,400	47,661	50,000	4,402	-
250,750	Sport Otago	536,390	358,718	40,000	-	-	133,000	4,672	-
367,272	Sport Taranaki	524,216	285,243	-	67,600	38,014	104,000	3,862	25,497
313,352	Sport Tasman	501,519	354,747	52,620	-	39,615	50,000	4,537	-
312,768	Sport and Recreation Wanganui	453,278	275,622	20,000	67,600	35,806	50,000	4,250	-
311,318	Sport Manawatu	414,411	299,078	-	67,600	43,331	-	4,402	-
336,442	Sport Waitakere	304,651	259,696	-	-	30,283	-	4,672	10,000
344,619	Sport Southland	302,819	229,029	30,000	-	39,883	-	3,907	-
249,400	Sport Gisborne	258,884	193,701	20,000	-	32,000	-	3,187	9,996
8,123,750	Totals	11,538,301	6,270,430	771,270	1,084,200	824,527	1,277,000	93,398	1,217,476

E. Investing in Territorial Authorities

2003/04 \$	Council	2004/05 \$
200,000	North Shore City Council	429,500
-	Auckland City Council	350,000
33,000	Christchurch City Council	230,000
-	Tauranga City Council	200,000
-	Hastings District Council	150,000
169,949	Rotorua District Council	129,096
38,510	Tasman District Council	118,270
44,000	Masterton District Council	75,000
102,304	Taupo District Council	48,004
83,811	Hutt City Council	36,250
10,915	Far North District Council	10,915
-	Waimakariri District Council	10,000
-	Upper Hutt City Council	9,600
-	Papakura District Council	9,000
8,794	Gisborne District Council	8,794
7,911	Marlborough District Council	7,911
6,563	Whakatane District Council	6,563
5,743	Southland District Council	5,743
5,507	South Taranaki District Council	5,507
5,462	Selwyn District Council	5,462
5,089	Ashburton District Council	5,089
5,000	Banks Peninsula District Council	5,000
5,000	Buller District Council	5,000
5,000	Carterton District Council	5,000
5,000	Central Hawke's Bay District Council	5,000
5,000	Central Otago District Council	5,000
5,000	Chatham Islands County Council	5,000
5,000	Clutha District Council	5,000
5,000	Grey District Council	5,000
5,000	Hurunui District Council	5,000
5,000	Kaikoura District Council	5,000
5,000	Kaipara District Council	5,000
5,000	Mackenzie District Council	5,000
5,000	Opotiki District Council	5,000
5,000	Otorohanga District Council	5,000
5,000	Queenstown Lakes District Council	5,000
26,500	Rangitikei District Council	5,000
5,000	Ruapehu District Council	5,000

2003/04 \$	Council	2004/05 \$
5,000	South Wairarapa District Council	5,000
5,000	Stratford District Council	5,000
5,000	Tararua District Council	5,000
5,000	Waimate District Council	5,000
5,000	Wairoa District Council	5,000
5,000	Waitaki District Council	5,000
5,000	Waitomo District Council	5,000
5,000	Westland District Council	5,000
30,000	Thames-Coromandel District Council	-
21,000	Timaru District Council	-
925,058	Totals	1,975,704

F. Other Investments

2003/04 \$		2004/05 \$
	<i>SportFit</i> investments in Schools	5,357,117
	Performance Enhancement Grants for Individual Athletes and Coaches	4,077,000
	Rugby World Cup Bid 2011	544,343
	Miscellaneous Investments	222,657
	Total	10,201,117

Comparative figures in Annex 1 have been provided only where they were included in the 2003/04 Annual Report. Note that these comparatives were disclosed on a cash basis.

Investment allocations are now recorded on an accrual basis and the total investments in Annex 1 reconcile with the Investments figure for 2004/05 disclosed in Note 2 to the Financial Statements.



ISBN 1-877356-43-3