



WELLINGTON REGIONAL SPORTS  
EDUCATION TRUST

FINANCIAL STATEMENTS  
FOR THE  
YEAR ENDED  
30 JUNE 2010

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## TRUST DIRECTORY

### WELLINGTON REGIONAL SPORTS EDUCATION TRUST

#### TRUSTEE / BOARD MEMBERS:

Ross Graham	Chairperson
Chris Morrison	Deputy Chairperson
David Steele	Audit Committee Chairperson
Murray McCaw	
Luvaine McDonald	
Rebecca Tuck	(on Leave)
David Clarke	
Sue Piper	

**CHIEF EXECUTIVE / SECRETARY:** Paul Cameron

**GENERAL MANAGER  
PROGRAMMES:** Tracey Diack

**BANKERS:** Westpac, Wellington  
ASB, Wellington

**AUDITOR:** Grant Thornton  
Chartered Accountants  
Wellington

**WELLINGTON REGIONAL SPORTS EDUCATION TRUST  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2010**

	Notes	2009-2010 \$	2008-2009 \$
<b>TRUST FUNDS</b>			
Accumulated funds	12	135,645	123,623
Operations Sustainability Reserve	13	450,000	450,000
		<b>585,645</b>	<b>573,623</b>
<b>REPRESENTED BY :</b>			
<b>CURRENT ASSETS</b>			
Cash & Deposits		1,068,721	902,867
KiwiSport Funding	6	602,072	-
Sundry Debtors & Prepayments		44,660	108,431
Accrued Income		11,242	6,463
<b>Total Current Assets</b>		<b>1,726,695</b>	<b>1,017,761</b>
<b>Non Current Assets</b>			
Fixed Assets	9, 14	69,467	92,439
<b>Total Non Current Assets</b>		<b>69,467</b>	<b>92,439</b>
<b>TOTAL ASSETS</b>		<b>1,796,162</b>	<b>1,110,200</b>
<b>CURRENT LIABILITIES</b>			
Sundry Creditors		178,913	175,802
Carillon Club	4	748	748
Income in Advance	5	323,438	233,153
KiwiSport Non-Operating Income in Advance	6	602,072	-
Holiday Pay Provision		64,793	71,173
Finance Leases	14	40,553	14,922
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,210,517</b>	<b>495,798</b>
<b>NON CURRENT LIABILITIES</b>			
Finance Leases less current portion	14	-	40,779
<b>Total Non Current Liabilities</b>		<b>-</b>	<b>40,779</b>
<b>TOTAL LIABILITIES</b>		<b>1,210,517</b>	<b>536,577</b>
<b>NET ASSETS</b>		<b>585,645</b>	<b>573,623</b>

\_\_\_\_\_  
Chairperson ( / /2010)

\_\_\_\_\_  
Audit Committee Chairperson ( / /2010)

WELLINGTON REGIONAL SPORTS EDUCATION TRUST  
 STATEMENT OF MOVEMENT  
 IN  
 TRUST FUNDS  
 FOR YEAR ENDED 30 JUNE 2010

	2009-2010 \$	2008-2009 \$
Accumulated funds at 1 July	123,623	147,172
Operating Surplus/(Deficit)	12,022	(23,549)
Transfer to Operations Sustainability Reserve	-	-
<b>Accumulated funds at 30 June</b>	<b>135,645</b>	<b>123,623</b>
Operations Sustainability Reserve	450,000	450,000
<b>Total Trust Funds at 30 June</b>	<b>585,645</b>	<b>573,623</b>

**WELLINGTON REGIONAL SPORTS EDUCATION TRUST**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR YEAR ENDED 30 JUNE 2010**

OPERATING INCOME	Notes	2009-2010	2008-2009
<b>Contract Income</b>			
SPARC	2	958,967	1,406,649
CToW Grant	2	37,700	180,000
E & CCT Grant	2	56,320	95,400
Health Contracts	2	476,509	165,604
Other Contract Income	2	174,645	145,092
<b>Total Contract Income</b>		<b>1,704,141</b>	<b>1,992,745</b>
Other Grants	2	356,123	435,548
Interest	2	48,602	65,294
Activity Fee	2	182,710	194,826
Sponsorship	2	79,944	80,779
Rental Income	2	33,557	30,345
Resource Sales	2	6,689	11,939
<b>Total Operating Income</b>		<b>2,411,766</b>	<b>2,811,476</b>
<b>OPERATING EXPENSES</b>			
<b>Programme Expenses</b>			
Salaries & Wages	3	1,093,841	1,330,473
Personnel Costs	3	23,044	28,528
Vehicle Expenses	3, 15	55,794	65,460
Promotion and Communication	3	151,081	167,225
Resources	3	30,470	28,478
Programme Delivery	3	392,788	451,055
Corporate Expenses	3, 15	111,908	108,164
Other Expenses	3	3,603	4,888
<b>Total Programme Expenses</b>		<b>1,862,529</b>	<b>2,184,271</b>
<b>Administration Expenses</b>			
Salaries & Wages	3	312,600	349,114
Corporate Services	3, 15	96,248	108,984
Other Administration Expenses	3, 15	86,134	137,494
Audit Fee	3	3,000	3,500
Loss on Disposal of Assets	3		1,350
<b>Total Administration Expenses</b>		<b>497,982</b>	<b>600,442</b>
Depreciation	3	39,233	50,312
<b>Total Operating Expenses</b>		<b>2,399,744</b>	<b>2,835,025</b>
<b>Net Surplus/(Deficit) before Non Operating Activities</b>		<b>12,022</b>	<b>(23,549)</b>
<b>NON-OPERATING INCOME</b>	6	55,702	-
<b>NON-OPERATING EXPENSES</b>	6	(55,702)	-
<b>Net Surplus/(Deficit) for the Year</b>		<b>12,022</b>	<b>(23,549)</b>

WELLINGTON REGIONAL SPORTS EDUCATION TRUST  
NOTES TO AND FORMING PART OF  
THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010

1. STATEMENT OF ACCOUNTING POLICIES

**Reporting Entity**

Wellington Regional Sports Education Trust is a Charitable Trust registered under the Charitable Trusts Act 1957.

The financial statements of Wellington Regional Sports Education Trust have been prepared in accordance with generally accepted accounting practice.

**Measurement Base**

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

**Comparatives**

Comparatives have been reclassified from that reported in the 30 June 2009 financial statements where appropriate to ensure consistency with the presentation of the current year's performance and results. The reclassifications have not affected the previously reported financial performance or position for the year ended 30 June 2009.

**Specific Accounting Policies**

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

- Accounts receivable are stated at their estimated realisable value.
- Fixed assets are stated at cost less aggregate depreciation.
- Depreciation has been calculated based on the estimated useful life of assets employed.

Furniture & Fittings	20-40%	SL
Computer Equipment	40%	SL
Sports equipment	20-40%	SL
Motor Vehicles	31.25%	DV
Leasehold Improvements	7.8%	SL

**Sport and Recreation New Zealand (SPARC) KiwiSport Funding:** Funding held by The Wellington Regional Sports Education Trust until all funds paid to successful recipients.

**Non-Operating Income and Expenditure – Kiwisport:** Funding received by Wellington Regional Sports Education Trust from SPARC for KiwiSport is recognised in the Statement of Financial Performance as Non-Operating Income/Expenditure when it is disbursed to recipients.

**Sport and Recreation New Zealand (SPARC) Contract Payments:** SPARC contract payments are taken to the Statement of Financial Performance as Operating Income when the costs for which the payments have been provided have been incurred and the requirements under the contracts with SPARC have been met.

**Taxation:** The Trust is exempt from income tax in terms of section CW41 & CW42 of the Income Tax Act 2007.

The financial statements have been prepared on a GST exclusive basis.

**Differential Reporting:** The Trust qualifies for differential reporting as it is not publicly accountable and not large. The Trust has taken advantage of all available differential reporting exemptions.

**WELLINGTON REGIONAL SPORTS EDUCATION TRUST**  
**NOTES TO AND FORMING PART OF**  
**THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**Leased Assets**

Finance Leases (as lessee)

Assets under finance leases are recognised as non-current assets in the statement of financial position. Leased assets are recognised initially at the lower of the present value of the minimum lease payments or their fair value. A corresponding liability is established and each lease payment allocated between the liability and interest expense.

Leased assets are depreciated on the same basis as equivalent property, plant and equipment.

**Changes in Accounting Policies**

There have been no changes in Accounting Policies. All policies have been applied on a basis consistent with those used last year.

2.

**2009-10**

<b>OPERATING INCOME</b>	<b>Wgtn</b>	<b>Wai</b>	<b>Kapiti</b>	<b>Total</b>
	\$	\$	\$	\$
<b>Contract Income</b>				
SPARC	939,967	19,000	-	958,967
CToW Grant	37,700	-	-	37,700
E & CCT Grant	-	56,320	-	56,320
Health Contracts	476,509	-	-	476,509
Other Contract Income	86,020	31,975	56,650	174,645
<b>Total Contract Income</b>	<b>1,540,196</b>	<b>107,295</b>	<b>56,650</b>	<b>1,704,141</b>
Other Grants	282,803	70,250	3,070	356,123
Interest	48,602	-	-	48,602
Activity Fee	178,585	3,673	452	182,710
Sponsorship	78,222	1,722	-	79,944
Rental Income	26,934	1,310	5,313	33,557
Resource Sales	6,511	178	-	6,689
<b>Total Operating Income</b>	<b>2,161,853</b>	<b>184,428</b>	<b>65,485</b>	<b>2,411,766</b>

**2008-09**

<b>OPERATING INCOME</b>	<b>Wgtn</b>	<b>Wai</b>	<b>Kapiti</b>	<b>Total</b>
	\$	\$	\$	\$
<b>Contract Income</b>				
SPARC	1,387,649	19,000	-	1,406,649
CToW Grant	165,600	-	14,400	180,000
E & CCT Grant	-	95,400	-	95,400
Health Contracts	165,604	-	-	165,604
Other Contract Income	72,768	12,324	60,000	145,092
<b>Total Contract Income</b>	<b>1,791,621</b>	<b>126,724</b>	<b>74,400</b>	<b>1,992,745</b>
Other Grants	360,689	69,970	4,889	435,548
Interest	65,294	-	-	65,294
Activity Fee	168,461	12,778	13,587	194,826
Sponsorship	79,945	834	-	80,779
Rental Income	25,032	-	5,313	30,345
Resource Sales	11,939	-	-	11,939
<b>Total Operating Income</b>	<b>2,502,981</b>	<b>210,306</b>	<b>98,189</b>	<b>2,811,476</b>

WELLINGTON REGIONAL SPORTS EDUCATION TRUST  
NOTES TO AND FORMING PART OF  
THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE 2010

3.	<b>2009-10</b>				
	<b>OPERATING EXPENSES</b>	<b>Wgtn</b>	<b>Wai</b>	<b>Kapiti</b>	<b>Total</b>
		\$	\$	\$	\$
	<b>Programme Expenses</b>				
	Salaries & Wages	955,517	91,869	46,455	1,093,841
	Personnel Costs	19,797	1,860	1,387	23,044
	Vehicle Expenses	38,013	9,122	8,659	55,794
	Promotion and Communication	131,313	13,606	6,162	151,081
	Resources	28,081	1,609	780	30,470
	Programme Delivery	382,061	10,703	24	392,788
	Corporate Expenses	87,076	10,168	14,664	111,908
	Other Expenses	2,701	715	187	3,603
	<b>Total Programme Expenses</b>	<b>1,644,559</b>	<b>139,652</b>	<b>78,318</b>	<b>1,862,529</b>
	<b>Administration Expenses</b>				
	Salaries & Wages	278,721	28,717	5,162	312,600
	Corporate Services	92,157	2,462	1,629	96,248
	Other Administration Expenses	74,522	9,701	1,911	86,134
	Audit Fee	3,000	-	-	3,000
	Loss on Disposal of Assets	-	-	-	-
	<b>Total Administration Expenses</b>	<b>448,400</b>	<b>40,880</b>	<b>8,702</b>	<b>497,982</b>
	Depreciation	39,233	-	-	39,233
	<b>Total Expenses</b>	<b>2,132,192</b>	<b>180,532</b>	<b>87,020</b>	<b>2,399,744</b>
	<b>Surplus/(Deficit)</b>	<b>29,661</b>	<b>3,896</b>	<b>(21,535)</b>	<b>12,022</b>
	<b>2008-09</b>				
	<b>OPERATING EXPENSES</b>	<b>Wgtn</b>	<b>Wai</b>	<b>Kapiti</b>	<b>Total</b>
		\$	\$	\$	\$
	<b>Programme Expenses</b>				
	Salaries & Wages	1,122,018	146,594	61,861	1,330,473
	Personnel Costs	25,427	1,177	1,924	28,528
	Vehicle Expenses	47,124	9,673	8,663	65,460
	Promotion and Communication	135,774	18,727	12,724	167,225
	Resources	25,750	966	1,762	28,478
	Programme Delivery	431,334	10,147	9,574	451,055
	Corporate Expenses	84,893	8,771	14,500	108,164
	Other Expenses	3,049	1,381	458	4,888
	<b>Total Programme Expenses</b>	<b>1,875,369</b>	<b>197,436</b>	<b>111,466</b>	<b>2,184,271</b>
	<b>Administration Expenses</b>				
	Salaries & Wages	330,241	12,000	6,873	349,114
	Corporate Services	105,329	2,044	1,611	110,334
	Other Administration Expenses	123,041	11,701	2,752	150,436
	Audit Fee	3,500	-	-	3,500
	Loss on Disposal of Assets	1,350	-	-	1,350
	<b>Total Administration Expenses</b>	<b>563,461</b>	<b>25,745</b>	<b>11,236</b>	<b>600,442</b>
	Depreciation	50,312	-	-	50,312
	<b>Total Expenses</b>	<b>2,489,142</b>	<b>223,181</b>	<b>122,702</b>	<b>2,835,025</b>
	<b>Surplus/(Deficit)</b>	<b>13,839</b>	<b>(12,875)</b>	<b>(24,513)</b>	<b>(23,549)</b>

**WELLINGTON REGIONAL SPORTS EDUCATION TRUST  
NOTES TO AND FORMING PART OF  
THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE 2010**

**4 CARILLON CLUB**

The Carillon Club was formed in 1994 by a group of sports-minded Wellingtonians. The objective was to support talented young sports people in our region and give them every encouragement to advance their sporting careers and achievements.

The Carillon Club (current liability) reflects the amount of cash being held on its behalf by Wellington Regional Sports Education Trust.

**5 INCOME IN ADVANCE**

Income in advance consists of funding received during the year for projects or programmes that will be delivered in the 2010 – 11 year.

**6 NON-OPERATING INCOME IN ADVANCE**

**KIWISPORT NON-OPERATING INCOME IN ADVANCE**

KiwiSport Funding received during the year was \$657,773 excl GST.

KiwiSport Successful Recipients	Amount \$
<b>Non Contestable Funding</b>	
Taita College	1,850
Makoura College	1,761
Te Kura-a-iwi o Whakatapuranga Rua Mano	4,492
Bishop Viard College	2,190
Mana College	3,414
Wainuiomata High School	1,438
Otaki College	1,999
College Sport Wellington	30,427
Solway College	1,067
<b>Contestable Funding</b>	
YMCA of Greater Wellington Inc	7,064
<b>Total Funding disbursed during year</b>	<b>55,702</b>

Balance of \$602,072 shown as KiwiSport Non-Operating Income in Advance on the Statement of Financial Position.

**7 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

There were no capital commitments or contingent liabilities as at 30 June 2010 (2009: nil).

**8 RELATED PARTIES TRANSACTIONS**

The Trust has not undertaken any material transactions with related parties. No related parties' debts have been written off or forgiven during the year.

WELLINGTON REGIONAL SPORTS EDUCATION TRUST  
NOTES TO AND FORMING PART OF  
THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE 2010

9 FIXED ASSETS

All fixed assets are recorded at original cost less depreciation.

2010	Cost	Depreciation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$
Computer Equipment	332,839	18,968	316,272	16,567
Furniture & Fittings	118,775	1,228	117,111	1,664
Sports Gear	40,324	2,756	31,028	9,297
Motor Vehicles	127,383	15,060	94,806	32,577
Leasehold Improvements	15,917	1,221	6,555	9,362
<b>Total</b>	<b>635,238</b>	<b>39,233</b>	<b>565,772</b>	<b>69,467</b>

2009	Cost	Depreciation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$
Computer Equipment	317,974	21,113	297,304	20,670
Furniture & Fittings	117,380	3,372	115,883	1,497
Sports Gear	40,324	1,669	28,272	12,052
Motor Vehicles	127,383	22,938	79,746	47,637
Leasehold Improvements	15,917	1,220	5,334	10,583
<b>Total</b>	<b>618,978</b>	<b>50,312</b>	<b>526,539</b>	<b>92,439</b>

10 LETTER OF CREDIT

“Westpac hold a guarantee by the way of letter of credit for payroll processing \$52,000 (2009:\$52,000), this is secured by deposit 81 0027 which has a balance of \$104,000”.

11 NON CANCELLABLE COMMITMENTS

Commitments under non-cancellable operating leases.

	2009-10	2008-09
	\$	\$
Current	129,914	127,078
Non-current	1,120	14,552

12 MOVEMENT IN ACCUMULATED FUNDS

	2009-10	2008-09
	\$	\$
Opening balance	123,623	147,172
Add Operating Surplus/ (Deficit)	12,022	(23,549)
Transfer to Operations Sustainability Reserve	-	-
<b>Closing Balance</b>	<b>135,645</b>	<b>123,623</b>

WELLINGTON REGIONAL SPORTS EDUCATION TRUST  
NOTES TO AND FORMING PART OF  
THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE 2010

**13 OPERATIONS SUSTAINABILITY RESERVE**

	2009-10	2008-09
	\$	\$
Opening balance	450,000	450,000
Transfer from Accumulated Funds	-	-
Closing Balance	<b>450,000</b>	<b>450,000</b>

The Operations Sustainability Reserve is determined by Trustees annually at a level sufficient to cover commitments for fixed or non-cancellable operating expenses in the event that there is a significant change in the forecast income levels.

**14 FINANCE LEASE OBLIGATIONS**

Wellington Regional Sports Education Trust has 5 motor vehicle finance leases. They are included in the Fixed Assets' balance in the Statement of Financial Position. The finance charges for the 2010 financial year were \$6,370 (2009: \$8,226).

Finance Leases	2009-10	2008-09
	\$	\$
Current	40,553	14,922
Non-current	-	40,779
Closing Balance	<b>40,553</b>	<b>55,701</b>

**15 OPERATING LEASE OBLIGATIONS**

Rental expense for premises and vehicles under Operating leases are including with totals for the year as follows:

Operating Leases	2009-10	2008-09
	\$	\$
Rental	128,206	119,860
Vehicle	24,535	32,403
Total Operating Leases	<b>152,741</b>	<b>152,263</b>

# Audit Report

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## **To the Stakeholders of the Wellington Regional Sports Education Trust**

We have audited the financial statements on pages 4 to 12. The financial statements provide information about the past financial performance of the Wellington Regional Sports Education Trust and its financial position as at 30 June 2010. This information is stated in accordance with the accounting policies set out on pages 7 and 8.

### **Board of Trustees' Responsibilities**

The Board are responsible for the preparation of the financial statements that fairly reflects the financial position of the Wellington Regional Sports Education Trust as at 30 June 2010 and the financial performance for the year ended on that date.

### **Auditors' Responsibilities**

It is our responsibility to express an independent opinion on the financial statements presented by the Board.

### **Basis of Opinion**

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Board in the preparation of the financial statements; and
- whether the accounting policies used are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

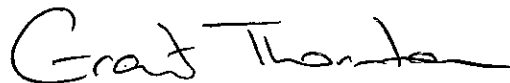
We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditors, we have no relationship with or interests in the Wellington Regional Sports Education Trust.

### **Unqualified Opinion**

In our opinion the financial statements on pages 4 to 12 fairly reflect the financial position of the Wellington Regional Sports Education Trust as at 30 June 2010 and the financial performance for the year ended on that date.

Our audit was completed on 13 October 2010 and our unqualified opinion is expressed as at that date.



**Grant Thornton New Zealand Audit Partnership**  
Wellington, New Zealand  
22 October 2010