



2021 Financial Statements

Canterbury Hockey Association Incorporated



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For the Year Ended 31 December 2021

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Canterbury Hockey Association Incorporated



Directory

Year ending 31 December 2021

Nature of Organisation	To administer and develop hockey in the Canterbury region
Address	240 Wooldridge Road Harewood Christchurch
Board	Mark Beatson (Chair) Simon Munt (Deputy Chair) Murray Chesterman Rachel Morrison Penny Gough Martin Perry (21 June 2021)
Auditors	Ashton Wheelans
Legal Advisors	Simpson Grierson
Bankers	ANZ Bank
IRD Number	52-925-142

Canterbury Hockey Association Incorporated



Statement of Financial Performance

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
Operating Revenue			
Affiliation Fees		349,770	278,977
Match and Practice Turf Fees		548,189	556,290
Programme Registrations		65,756	52,260
Representative Player Contributions		56,713	9,651
Sponsorship		75,474	36,071
Grants		241,046	173,401
Interest		1,733	4,484
Sundry and Tournament Income	2	184,612	237,311
Total Operating Revenue		1,523,293	1,348,445
Operating Expenses			
Administration Expenses		38,456	40,856
Audit Fees		6,924	5,425
Electricity		39,847	34,060
Repairs and Maintenance		17,106	19,498
Functions and Events		16,188	8,669
Hockey NZ Affiliation Fees		68,087	82,692
Insurance		8,992	9,033
Operating Leases		2,736	2,805
Payments to Coaches, Umpires and Supervisors		133,985	88,625
Professional Fees		4,256	21,614
Representative Programme Expenses	3	132,606	10,967
Staff Expenses		551,630	477,709
Turf Leases		381,152	295,927
Vehicles Expenses		20,577	10,696
Sundry Expenses	4	86,984	113,094
Total Operating Expenses before Depreciation		1,509,527	1,221,672
Operating Surplus before Depreciation		13,766	126,773
Depreciation	9	36,920	35,224
Operating Surplus		(23,154)	91,549
Hockey Academy South Underwrite	5	-	44,632
Surplus (Deficit) for the Year		(23,154)	46,917

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Canterbury Hockey Association Incorporated



Statement of Movements in Members Equity

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
Opening Equity		<u>1,381,240</u>	<u>1,334,323</u>
Plus Net Surplus (deficit) for the year		<u>(23,154)</u> <u>(23,154)</u>	<u>46,917</u> <u>46,917</u>
Closing Equity	14	<u>1,358,086</u>	<u>1,381,240</u>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Canterbury Hockey Association Incorporated



Statement of Financial Position

As at 31 December 2021

	Note	2021 \$	2020 \$
Current Assets			
Bank Accounts	6	911,848	917,998
Accounts Receivable	8	43,388	59,075
GST Refund		21,961	1,460
Total Current Assets		977,197	978,533
Non Current Assets			
Advance	11	522,258	522,258
Property, Plant & Equipment	9	193,391	166,324
Total Non Current Assets		715,649	688,582
Total Assets		1,692,847	1,667,115
Current Liabilities			
Accounts Payable	10	216,831	157,668
Undistributed Grant Funding		80,575	77,993
Funds Held	7	37,354	50,214
Total Current Liabilities		334,760	285,875
Total Liabilities		334,760	285,875
Net Assets		1,358,086	1,381,240
Members' Equity			
Equity	14	1,358,086	1,381,240
Total Members' Equity		1,358,086	1,381,240

Approved for and on behalf of the Board on

by:

Chairman

Board Member

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Canterbury Hockey Association Incorporated
Notes to and forming part of the Financial Statements



For the Year Ended 31 December 2021

1 Statement of Accounting Policies

The Association is an incorporated society, incorporated under the Incorporated Societies Act 1908. The financial statements of the Association are a special purpose financial report which have been prepared in accordance with the association's accounting policies. These financial statements have been prepared for the members.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis have been applied.

Specific Accounting Policies

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

(a) Revenue

Revenue is recognised in the year in which it is earned. Sponsorship is recognised as revenue in the period to which it relates. Grants which are conditional are initially recorded in the Statement of Financial Position, but are transferred and recognised as revenue in the year the condition upon which the grant is obtained is met. Any grants unspent are held until the relevant expenditure is incurred or are returned to the original donor. Grants which have no obligations or conditions attached are recognised as revenue in the period to which they relate.

(b) Expenses

Expenses have been classified by their function to the Association.

(c) Inventories

Inventories are recognised at lower of cost and net realisable value, determined on a first-in first out-basis.

(d) Accounts Receivables

Accounts receivable have been recorded at their expected realisable value.

(e) Property, Plant & Equipment

Fixed assets are recorded at cost less accumulated depreciation.

Depreciation is calculated based on the expected useful life of the assets, using the diminishing value method.

The rates applied are as follows:

Office Equipment, 10% - 50%;

Motor Vehicles, 15% - 30%

Plant & Equipment, 10% - 50%;

Buildings, 4%.

(f) Goods and Services Taxation (GST)

Revenues and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST, with the exception of trade payables and trade receivables (where applicable).

(g) Income Tax

The Association is a Not for Profit Organisation and has been granted an exemption from income tax under CW46 of the Income Tax Act.

(h) Changes in Accounting Policies

There have been no changes in accounting policies in the year and all policies have been consistently applied throughout the year.

Canterbury Hockey Association Incorporated
Notes to and forming part of the Financial Statements



For the Year Ended 31 December 2021

2 Sundry Income

Included in Sundry Income is income from tournaments, income from functions. In 2020 it included the wage subsidy.

	2021	2020
3 Representative Programme		
Included in the Representative Programme expenses are the following items:		
Accommodation	56,740	5,043
Airfares	46,478	(287)
Ground Transport	9,057	4,565

4 Sundry Expenses

Included in Sundry Expenses are tournament expenses, development resources, recruitment and board costs.

5 Hockey Academy South Underwrite

In 2020, other Expense of \$44,632 is the agreed underwrite of the financial activities of Hockey Academy South which was liquidated during the 2020 financial year.

	2021	2020
6 Bank Accounts		
CHA Bank Accounts		
ANZ Operational Account	27,406	56,907
ANZ Business Call Account	156,028	521,805
ANZ Serious Saver Account	402,731	1,820
ANZ Supporters Account	686	925
ANZ Supporters Club -Serious Saver Account	99,300	98,828
ANZ Investment 1014	-	-
ANZ Investment 1015	-	-
ANZ Investment 1021	188,323	187,483
Total CHA Bank Accounts	<u>874,473</u>	<u>867,768</u>

Bank Accounts Held on Behalf of Masters, Representative Teams and Umpire Development Trust

ANZ Masters Account	24,273	37,982
ANZ Representative Team Accounts	3,078	16
ANZ Umpire Development Trust Account	3	3
ANZ Umpire Development Investment - 1022	10,021	12,229
Total Funds Held on Behalf	<u>37,376</u>	<u>50,230</u>
Total Bank Accounts	<u>911,848</u>	<u>917,998</u>

7 Funds Held

Funds held on behalf of others are not available for Canterbury Hockey's operations. Funds held on behalf of Masters, Representative Teams and Umpire Development Trust are recorded as a current liability in the Balance Sheet. They relate to the bank accounts which are not under the control of the Association.

	2021	2020
8 Accounts Receivable		
Accounts Receivable & Accrued Income	25,711	33,083
Sponsorship in Advance	(9,707)	(24,221)
Related Party Receivables	-	-
Prepayments	27,384	50,213
	<u>43,388</u>	<u>59,075</u>



For the Year Ended 31 December 2021

9 Property, Plant and Equipment

Fixed Assets and Depreciation are set out in the following schedule:

	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
	\$	\$	\$	\$
Fixed Assets 2021				
Office Equipment	102,980	11,119	83,186	19,794
Plant, Equipment & Uniforms	187,758	14,925	136,881	50,877
Buildings	152,814	3,809	61,390	91,424
Motor Vehicles	71,947	7,066	40,652	31,295
Total	515,499	36,919	322,109	193,390
Fixed Assets 2020				
Office Equipment	93,938	12,728	72,067	21,871
Plant, Equipment & Uniforms	172,370	16,431	121,955	50,415
Buildings	145,273	3,654	57,580	87,693
Motor Vehicles	53,155	2,412	46,810	6,345
Total	464,736	35,225	298,412	166,324

	2021	2020
10 Accounts Payable		
Accounts Payable	151,560	83,257
Accruals	32,019	32,513
Employee Entitlements	33,252	41,898
	<u>216,831</u>	<u>157,668</u>

11 Advance

This advance to Canterbury Artificial Surfaces Trust is unsecured, interest free and repayable on demand. However, repayment is not expected to be required within the next twelve months.

12 Related Party Transactions

Nick Harris is a Trustee of Canterbury Artificial Surfaces Trust (CAST). During the year the Association leased turfs from CAST and also held an advance in relation to CAST (see Note 11). Mark Beatson was the Chair of Hockey Academy South which was underwritten financially by the Association.

Some board members and their immediate family members have connections with individual clubs. These relationships are recorded in an interest register and should involvement with a decision be considered a conflict of interest the board member would remove themselves from the voting process.

Canterbury Hockey Association Incorporated
Notes to and forming part of the Financial Statements



For the Year Ended 31 December 2021

13 Operating Leases

Payments made under operating leases are recognised in the Statement of Financial Performance on a straight line basis over the term of the lease. Non cancellable operating lease rentals for the photocopier used by the Association are payable as follows:

	2021	2020
Leases Current	2,736	2,736
Leases Non Current	4,332	7,068
	<u>7,068</u>	<u>9,804</u>

The Association has lease agreements in place for the use of the artificial surface hockey turfs in the province. The agreement with Canterbury Artificial Surfaces Trust in relation to the three turfs at Nunweek Park runs through to 31 December 2020 (with clear expectations of its on-going renewal annually), the lease balance payable as at 31 December 2020 was \$0. The agreement with the North West Christchurch Community Sporting Trust for the one turf at Marist Park @ St Bede's College covers the period till 1 April 2025.

Total payments due under agreements for turf leases as at 31 December 2020 are as follows:

	2021	2020
Turf Leases Current	257,100	257,100
Turf Leases Non Current	141,300	188,400
	<u>398,400</u>	<u>445,500</u>

14 Equity

	2021	2020
Accumulated Funds		
Accumulated Funds as at 1 January 2021	1,028,548	981,631
Operating Surplus (deficit) for the Year	(23,154)	46,917
Net Transfers between Reserves	-	-
Accumulated Funds as at 31 December 2021	<u>1,005,394</u>	<u>1,028,548</u>
Reserves		
Reserves at 31 December were:		
Turf Replacement Reserve	152,691	152,691
Turf Development Reserve	200,000	200,000
	<u>352,691</u>	<u>352,691</u>
Equity as at 31 December	<u><u>1,358,087</u></u>	<u><u>1,381,240</u></u>

The Reserves are intended to fund the development and on-going surface replacement of artificial turfs at Nunweek Park and any additional sites that may be developed with artificial surface hockey fields. The related funds are included within the cash balances disclosed in note 6.

Net Transfers Between Reserves were:

	2021	2020
General Reserve to Turf Replacement Reserve	-	-

15 Contingent Liabilities

There are no contingent liabilities at balance date (2020 nil).

16 Capital Commitments

There are no capital commitments at balance date (2020 nil).



Canterbury Hockey Association Incorporated Notes to and forming part of the Financial Statements

For the Year Ended 31 December 2021

17 Impact of COVID-19

During the comparative period, as a response to the worldwide COVID-19 pandemic, the New Zealand Government imposed a seven week nationwide lockdown for all non-essential businesses effective late March 2020 to restrict the spread of the virus in New Zealand.

The effect on the "entity" has been a drop in Affiliation Fees, Umpire Fees, Grant and Sponsorship and Turf Hire. The effects were partially offset with reduced Affiliation Fees charged by Hockey New Zealand, rent relief from CAST, Sport Canterbury's Community Resilience Fund and the wage subsidy.

18 Going Concern

New Zealand was at COVID-19 Protection Framework Red Level, Phase One at the date the performance report was approved. The committee has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern. The entity's operations continue to operate normally with the continued support of grant funding & donations.

19 Subsequent Events

No significant events have occurred subsequent to balance date which would have an effect on this performance report.

INDEPENDENT AUDITOR'S REPORT

To the Members of Canterbury Hockey Association Incorporated

Opinion

We have audited the special purpose financial statements of Canterbury Hockey Association Incorporated (the Association) on pages 3 to 10, which comprise the statement of financial position as at 31 December 2021 and the statement of financial performance and statement of movements in equity 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 of the Association for the year ending 31 December 2021 are prepared, in all material respects, in accordance with the Association's accounting policies.

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 Association in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* 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.

Ashton Wheelans provided sponsorship to the Association on the same basis as other sponsors. Except for this matter & other than in our capacity as auditor, we have no relationship with, or interests in, the Association.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The Association has prepared its financial statements in accordance with the accounting policies disclosed. These financial statements have been prepared for the board to report to its members. As a result, the financial statements may not be suitable for another purpose. Our report is not modified in respect of this matter; it is intended solely for the board & the association's members.

Board's Responsibility for the Financial Statements

The Board is responsible for the preparation of the financial statements in accordance with its accounting policies and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT

To the Members of Canterbury Hockey Association Incorporated

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 economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.



ASHTON WHEELANS

Chartered Accountants
Level 2, 83 Victoria Street
Christchurch

30 March 2022