

NEW ZEALAND OLYMPIC COMMITTEE INC
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2021

New Zealand Olympic Committee Incorporated
Consolidated Financial Statements
Statement of Comprehensive Revenue and Expense
For the Year Ended 31 December 2021

	Note	Group 2021 \$	Group 2020 \$	NZOC 2021 \$	NZOC 2020 \$
Revenue from exchange transactions					
Commercial Partners income		3,844,197	3,885,185	3,844,197	3,885,185
Commercial Partners income (Value in Kind)		910,004	184,000	910,004	184,000
Games income (Value in Kind)		735,635	169,400	735,635	169,400
Tokyo Games activation in NZ		826,221	-	826,221	-
Membership fees		8,100	8,100	8,100	8,100
Merchandise sales		343,860	211,193	343,860	211,193
		6,668,018	4,457,879	6,668,018	4,457,879
Revenue from non-exchange transactions					
Charitable Gaming Trusts income		21,000	61,750	21,000	61,750
Donations		2,284,880	1,750,939	2,486,129	1,888,216
Games Income		3,205,469	339,154	3,205,469	339,154
High Performance Sport NZ funding		2,945,362	637,500	2,945,362	637,500
Sport NZ funding		2,547,895	-	2,547,895	-
International Olympic Committee		187,288	234,260	187,288	234,260
Tokyo Games activation in NZ		84,667	-	84,667	-
Miscellaneous Income		18,782	314,232	18,782	314,232
		11,295,342	3,337,835	11,496,591	3,475,112
Total revenue	6	17,963,360	7,795,713	18,164,609	7,932,991
Expenses					
BlackGold programme costs		-	191,889	-	191,889
Commercial Partners sign on commission fees		220,330	159,436	220,330	159,436
Commercial Partners VIK		910,004	184,000	910,004	184,000
Donations - paid to Members		1,267,703	1,090,101	1,267,703	1,090,101
Education - Olympic Ambassadors in Schools		152,478	150,690	152,478	150,690
Foreign currency losses		42,455	20,434	42,455	20,434
Fundraising costs		54,640	-	54,640	-
Games expenditure - Tokyo 2020		8,494,791	-	8,494,791	-
Games expenditure - Future Games		122,215	170,886	122,215	170,886
Games expenditure - Lausanne 2020		-	271,397	-	271,397
Legal costs		122,223	146,674	122,223	146,674
Marketing campaign		640,345	596,016	640,345	596,016
Meeting costs		68,049	80,169	68,049	80,169
Merchandise		427,044	300,974	427,044	300,974
NZ Olympic Foundation programme costs		352,769	-	352,769	-
Other costs		469,197	607,606	458,194	524,049
Personnel costs		3,339,431	3,042,861	3,339,431	3,042,861
Premise costs		277,882	262,643	277,882	262,643
Public affairs and international relations		229,066	197,243	229,066	197,243
Special projects		310,157	-	310,157	-
Telephones		38,552	41,787	38,552	41,787
Tokyo Games activation in NZ		1,714,759	-	1,714,759	-
Travel and accommodation (excluding Games travel)		55,889	43,708	55,889	43,708
Website		59,104	54,846	59,104	54,846
		19,369,081	7,613,359	19,358,078	7,529,802
Total expenses	7	19,369,081	7,613,359	19,358,078	7,529,802
Surplus/(deficit) before net financing income		(1,405,722)	182,355	(1,193,469)	403,189
Net financing income	8	36,070	23,368	1,473	691
Surplus/(deficit) for the year		(1,369,651)	205,723	(1,191,997)	403,881
Other comprehensive revenue and expense					
Unrealised gains/(losses) on Investments	9	138,702	189,583	44,730	45,727
Total other comprehensive revenue and expense		138,702	189,583	44,730	45,727
Total comprehensive revenue and expense for the year		(1,230,949)	395,306	(1,147,266)	449,608

This statement must be read in conjunction with the notes to the financial statements

New Zealand Olympic Committee Incorporated
Statement of Changes in Equity
For the Year Ended 31 December 2021

	Group 2021 \$	Group 2020 \$	NZOC 2021 \$	NZOC 2020 \$
Opening balance	4,632,065	4,236,759	3,369,566	2,919,958
Surplus/(deficit) for the year	(1,369,651)	205,723	(1,191,997)	403,881
Other comprehensive revenue and expense Unrealised gain/(loss) on Investments	138,702	189,583	44,730	45,727
Total Equity	3,401,116	4,632,065	2,222,300	3,369,566

This statement must be read in conjunction with the notes to the financial statements

New Zealand Olympic Committee Incorporated
Statement of Financial Position
As at 31 December 2021

	Note	Group 2021 \$	Group 2020 \$	NZOC 2021 \$	NZOC 2020 \$
Current assets					
Cash and Cash equivalents	10	2,212,526	1,776,870	2,084,034	1,761,228
Investments	14	1,440,141	1,471,690	696,789	657,859
Accounts receivable	11	744,263	690,507	744,263	690,507
Inventory	12	164,778	189,506	164,778	189,506
Prepayments and other assets	13	457,370	1,327,871	457,370	1,327,871
Total current assets		5,019,079	5,456,443	4,147,236	4,626,972
Non-current assets					
Investments	14	306,974	433,028	-	-
Property, plant and equipment	19	194,739	93,798	194,739	93,798
Total non-current assets		501,713	526,826	194,739	93,798
Total assets		5,520,792	5,983,269	4,341,975	4,720,769
Current liabilities					
Accounts payable	20	1,181,956	650,621	1,181,955	650,621
IOC - Solidarity projects funds in advance	21	169,185	121,649	169,185	121,649
Other funds in advance	22	768,534	578,934	768,534	578,934
Total current liabilities		2,119,675	1,351,204	2,119,674	1,351,203
Total net assets		3,401,116	4,632,065	2,222,300	3,369,566
Equity					
Accumulated comprehensive revenue and expense		1,901,116	3,132,065	1,722,300	2,869,566
Edgar Olympic Foundation Endowment Fund	23	1,000,000	1,000,000	-	-
Yvette Williams Scholarship Fund	24	500,000	500,000	500,000	500,000
Total Equity		3,401,116	4,632,065	2,222,300	3,369,566

Authorised for and on behalf of the Board on 23 March 2022



Mike Stanley CNZM
President



Kereyn Smith MNZM
CEO and Secretary General

This statement must be read in conjunction with the notes to the financial statements

New Zealand Olympic Committee Incorporated
Statement of Cash Flows
For the Year Ended 31 December 2021

	Group 2021 \$	Group 2020 \$	NZOC 2021 \$	NZOC 2020 \$
Cash flows from/(to) operating activities				
Receipts from exchange transactions	5,183,860	5,034,684	5,183,860	5,307,907
Receipts from non-exchange transactions	9,745,342	2,782,593	9,946,591	2,909,429
Payments to suppliers	(11,329,347)	(5,035,820)	(11,329,347)	(4,952,264)
Payments to employees	(3,339,432)	(3,042,861)	(3,339,432)	(3,042,861)
Net cash inflow/(outflow) from operating activities	260,423	(261,403)	461,672	222,212
Cash flows from/(to) investing activities				
Interest and dividends received	36,070	23,368	1,473	691
Increase/(decrease) in investments	296,305	171,962	5,800	5,837
Purchase of property, plant and equipment	(157,140)	(60,739)	(157,140)	(60,739)
Net cash inflow/(outflow) from investing activities	175,235	134,592	(149,867)	(54,210)
Net increase/(decrease) in cash and cash equivalents	435,658	(126,811)	322,806	168,002
Cash and cash equivalents at the beginning of the year	1,776,870	1,903,682	1,761,229	1,593,227
Cash and cash equivalents at the end of the year	2,212,528	1,776,870	2,084,035	1,761,229

This statement must be read in conjunction with the notes to the financial statements

New Zealand Olympic Committee Incorporated

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2021

1 Reporting Entity

The reporting entity is New Zealand Olympic Committee Incorporated (NZOC), an Incorporated Society and a Charitable Organisation registered under the Incorporated Societies Act 1908 and the Charities Act 2005.

The NZOC is a public benefit not-for-profit entity for the purposes of financial reporting, in accordance with the Financial Reporting Act 2013.

These consolidated financial statements for the year ended 31 December 2021 comprise the controlling entity and its controlled entities (together referred to as the 'Group') and individually as 'Group entities'.

2 Basis of Preparation

The consolidated financial statements of the NZOC are presented. The consolidated financial statements comprise New Zealand Olympic Committee Incorporated (the 'Parent') and the controlled entities, Edgar Olympic Foundation and NZOC America Inc (together, the 'Group').

The purpose of controlled entities is to provide sustainable income for the long-term operations of the Parent. The Parent consolidates the controlled entities because it either has control over the entity or it owns 100% of the issued share capital.

a. Statement of Compliance and Basis of Preparation

These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity Standards Reduced Disclosure Regime ('PBE Standards RDR'), as appropriate for Tier 2 not-for-profit public benefit entities (Group and NZOC results are separately disclosed).

The Group qualifies as a Tier 2 reporting entity as for the current and prior periods it has had between \$2m and \$30m operating expenditure.

These financial statements were authorised for issue by the Board of Trustees on 23 March 2022.

b. Measurement Basis

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position, which are measured at fair value:

- Available-for-sale financial instruments
- The initial measurement of Value in Kind (VIK) assets received from non-exchange transactions.

c. Functional and Presentation Currency

The financial statements are presented in New Zealand dollars (\$), which is the controlling entity's functional and Group's presentation currency.

There has been no change in the functional currency of the Group or any significant controlled entities of the Group during the year.

3 Use of Judgements and Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

a. Judgements

Judgements made in applying accounting policies that have had the most significant effects on the amounts recognised in the consolidated financial statements include the following:

New Zealand Olympic Committee Incorporated
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2021

3 Use of Judgements and Estimates (continued)

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

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

4 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Group.

The significant accounting policies of the Group are detailed below:

a. Basis of Consolidation

Controlled entities are entities controlled by the NZOC, being where the NZOC has power to govern the financial and operating policies of another entity so as to benefit from that entity's activities. The financial statements of the Group's controlled entities are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

b. Revenue

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the Group, and measured at the fair value of consideration received or receivable.

The following specific recognition criteria in relation to the Group's revenue streams must also be met before revenue is recognised.

(i) Revenue from exchange transactions

(i) Membership fees

Membership fees are invoiced annually after the General Assembly and recognised as revenue.

(ii) Other exchange revenue

Revenue from the sale of goods or provision of services in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

(iii) Commercial partners

Income is recognised when invoiced and this approximates the degree to which benefits have been provided to the commercial partners unless it is specifically linked to a future event, in which case it is carried forward in the statement of financial position as income in advance. Invoices are raised when a sponsorship agreement is executed. Commercial partnership agreements are deemed executed through the actions of both parties contained in the agreement.

New Zealand Olympic Committee Incorporated
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2021

4 Significant Accounting Policies (continued)

Revenue includes goods and services value in kind (VIK) and is recorded at the agreed fair value. Expenditure VIK is recorded at the same fair value.

(iv) IOC Top Monies Sponsorship Programme

The IOC Top Monies Sponsorship Programme income is recognised over the quadrennial, which is 14% in 2021, 25% in 2022, 27% in 2023 and 34% in 2024 as per the terms of the IOC agreement.

Games income

Games income relates to the team uniform VIK sponsored by Peak for Tokyo 2020.

(ii) Revenue from non-exchange transactions

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

Inflows of resources from non-exchange transactions are only recognised as assets where both:

- It is probable that the associated future economic benefit or service potential will flow to the entity, and
- Fair value is reliably measurable.

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

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

Grants and Donations

Grants and Donations are recognised when they become receivable and subsequent receipt is considered probable unless the Group has a liability to repay the grant or donation if the conditions attached to the grant or donation are not fulfilled. A liability is recognised to the extent that such conditions are unfulfilled at the end of the reporting period.

Games income

Games income relates to the Tokyo Organising Committee accommodation subsidy (Value in Kind) and travel subsidies, IOC participant subsidies, postponement subsidies, games operation subsidy and travel reimbursement, covid tests and masks (Value in Kind) income.

(iii) Facilitation of External Funding

The NZOC does not recognise as income any funding received on behalf of other sporting organisations for which the NZOC is merely acting as a facilitator and receives no financial gain, this includes Solidarity income from the IOC.

c. Employee Benefits

Short-term benefits

Employee benefits that the Group or Parent expects to be settled within 12 months of reporting date are measured at nominal values based on accrued entitlements at current rates of pay on an undiscounted basis.

These include salaries and wages accrued up to reporting date, and annual leave earned but not yet taken at reporting date and expected to be settled within 12 months.

Defined contribution pension plans - KiwiSaver

Obligations for contributions to defined contribution pension plans are recognised as an expense in the Surplus/(deficit) when they are due.

New Zealand Olympic Committee Incorporated
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2021

4 Significant Accounting Policies (continued)

d. Finance Income and Expenses

Finance income comprises interest income, dividend income, changes in the fair value of available-for-sale financial assets that may be reclassified to the surplus/(deficit), and foreign currency gains. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise foreign currency losses and changes in the fair value of available-for-sale financial assets that may be reclassified to the surplus/(deficit).

e. Financial Instruments

Financial instruments are recognised by the Group when it becomes a party to the contractual provisions of the

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

Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group classifies financial assets into the following categories: loans and receivables and available-for-sale financial assets that may be reclassified to surplus/(deficit).

(i) Loans and Receivables

Loans and Receivables are financial assets with fixed or determinable payments that are not quoted in an active market.

Receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses (refer Note 4(f)). They comprise trade and other receivables, which are stated at expected realisable value.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with maturities of three months or less.

(ii) Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the above categories of financial assets.

Available-for-sale financial assets are subsequently measured at fair value that is the quoted market price in an active market, with gains or losses (other than foreign exchange gains or losses) recognised in other comprehensive income.

Upon derecognition, the accumulated gain or loss within net assets/equity is reclassified to surplus or deficit.

Available-for-sale financial assets comprise the portfolio investments managed by ANZ and Forsyth Barr as per note 14.

Financial Liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The Group also derecognises financial assets and financial liabilities when there have been significant changes to the terms and/or the amount of contractual payments to be received/paid. Financial instruments are initially measured at fair value, and for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs. Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below.

New Zealand Olympic Committee Incorporated
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2021

4 Significant Accounting Policies (continued)

(j) Amortised Cost Financial Liabilities

Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities.

Financial liabilities classified as amortised cost are subsequently measured at amortised cost using the effective interest method.

Financial liabilities classified as amortised cost comprise cash and cash equivalents (bank overdrafts), trade and other payables and borrowings.

f. Impairment of Non-derivative Financial Assets

A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

g. Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

h. Property, Plant and Equipment

Property, plant and equipment are shown at cost, less accumulated depreciation and impairment losses. Where material parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation

Depreciation is provided on a straight-line or diminishing value basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. Depreciation is charged to the profit and loss. The useful lives and associated depreciation rates of major classes of assets have been estimated for current and prior period as follows:

Asset Classification and Depreciation Rates

	Depreciation Rates
Computer Equipment	33.0 - 33.3%
Office Equipment	10.0 - 33.3%
Fixtures and Fittings	15.0 - 33.0%
Games Plant	20.0 - 33.0%

i. Deferred Expenditure

Items of expenditure are deferred to the extent that they are: (i) recoverable out of future revenue, do not relate solely to revenue which has already been brought to account and will contribute to the future earning capacity of the Committee; or (ii) paid in advance in relation to expenditure programs of subsequent years. Deferred expenditure is amortised over the shorter of the period in which the related benefits are expected to be realised or four years. Expenditure deferred in previous periods is reviewed annually to determine the amount (if any) that is no longer recoverable or relates to expenditure programs of prior years. All such amounts are recognised as an expense in that period.

5 Changes in Accounting Policy

There are no changes in accounting policy for the year ended 31 December 2021.

New Zealand Olympic Committee Incorporated
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2021

6	Group 2020 \$	NZOC 2020 \$	Revenue	Group 2021 \$	NZOC 2021 \$
			Revenue from exchange transactions:		
			<u>Commercial Partners income</u>		
	1,654,050	1,654,050	Worldwide Global Partners	1,235,362	1,235,362
	2,231,135	2,231,135	NZ Commercial Partners	2,608,835	2,608,835
	184,000	184,000	NZ Commercial Partners (Value in Kind)	910,004	910,004
	<u>4,069,185</u>	<u>4,069,185</u>		<u>4,754,201</u>	<u>4,754,201</u>
			<u>Games income</u>		
	-	-	Tokyo Summer Olympics 2020 (Value in Kind)	735,635	735,635
	169,400	169,400	Lausanne 2020 Winter Olympic Youth Games	-	-
	<u>169,400</u>	<u>169,400</u>		<u>735,635</u>	<u>735,635</u>
			<u>Tokyo Games activation in NZ</u>		
	-	-	NZHQ Fanzone	693,741	693,741
	-	-	Giant Skateboard Roadshow	132,481	132,481
	<u>-</u>	<u>-</u>		<u>826,221</u>	<u>826,221</u>
			<u>Other</u>		
	8,100	8,100	Membership fees	8,100	8,100
	211,193	211,193	Merchandise sales	343,860	343,860
	<u>219,293</u>	<u>219,293</u>		<u>351,960</u>	<u>351,960</u>
	<u>4,457,879</u>	<u>4,457,879</u>	Total exchange revenue	<u>6,668,018</u>	<u>6,668,018</u>
			Revenue from non-exchange transactions:		
			<u>Charitable Gaming Trusts income</u>		
	82,750	82,750	Southern Trust	21,000	21,000
	(21,000)	(21,000)	Less deferred income - Southern Trust	-	-
	<u>61,750</u>	<u>61,750</u>		<u>21,000</u>	<u>21,000</u>
			<u>Donations</u>		
	1,091,603	1,089,873	BlackGold donations	1,265,196	1,266,444
	273,883	273,883	Olympic Council	354,305	354,305
	186,667	186,667	Sir Owen Glenn	629,118	629,118
	198,786	198,786	Misc donations	1,500	1,500
	-	210,442	Edgar Olympic Foundation	71,434	271,434
	-	(71,434)	Less deferred income - Edgar Olympic Foundation	(36,673)	(36,673)
	<u>1,750,939</u>	<u>1,888,216</u>		<u>2,284,880</u>	<u>2,486,129</u>
			<u>Games income</u>		
	126,900	126,900	Lausanne 2020 Winter Youth Olympic Games	-	-
	212,255	212,255	Tokyo 2020 Olympic Games	1,655,469	1,655,469
	-	-	Tokyo 2020 Olympic Games (Value in Kind)	1,550,000	1,550,000
	<u>339,154</u>	<u>339,154</u>		<u>3,205,469</u>	<u>3,205,469</u>
			<u>High Performance Sport NZ funding</u>		
	637,500	637,500	Tokyo 2020 Olympic Games	945,362	945,362
	-	-	Reset and Rebuild funding	2,000,000	2,000,000
	<u>637,500</u>	<u>637,500</u>		<u>2,945,362</u>	<u>2,945,362</u>
			<u>Sport NZ funding</u>		
	-	-	Tokyo - covid additional costs funding	2,547,895	2,547,895
	<u>-</u>	<u>-</u>		<u>2,547,895</u>	<u>2,547,895</u>
			<u>International Olympic Committee</u>		
	234,260	234,260	Solidarity funding for NZOC initiatives	187,288	187,288
	<u>-</u>	<u>-</u>	<u>Tokyo Games activation in NZ</u>		
	<u>-</u>	<u>-</u>	NZHQ Fanzone	84,667	84,667
				<u>84,667</u>	<u>84,667</u>
			<u>Miscellaneous income</u>		
	145,535	145,535	BlackGold programme funding	-	-
	168,696	168,696	Other	18,782	18,782
	<u>314,232</u>	<u>314,232</u>		<u>18,782</u>	<u>18,782</u>
	<u>3,337,835</u>	<u>3,475,112</u>	Total non-exchange revenue	<u>11,295,342</u>	<u>11,496,591</u>
	<u>7,795,713</u>	<u>7,932,991</u>	Total revenue	<u>17,963,360</u>	<u>18,164,609</u>

New Zealand Olympic Committee Incorporated
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2021

7	Group 2020 \$	NZOC 2020 \$	Total Expenses	Group 2021 \$	NZOC 2021 \$
	180,000	180,000	<i>Total expenses include the following:</i>	180,000	180,000
	42,441	42,441	Office rental	56,200	56,200
	19,990	19,990	Depreciation	26,500	26,500
			Audit fees		
8	Group 2020 \$	NZOC 2020 \$	Finance Income and Expenses	Group 2021 \$	NZOC 2021 \$
	691	691	Finance income		
			<i>Interest income on loans and receivables</i>		
	13,506	-	Interest on term deposits and bank balance	1,473	1,473
	19,251	-	<i>Income from financial assets available for sale</i>		
			Interest income	13,406	-
			Dividends	18,493	-
			Impairment of financial assets		
	(10,080)	-	Realised gain/(loss) on investments	2,698	-
	<u>23,368</u>	<u>691</u>	Total finance income	<u>36,070</u>	<u>1,473</u>
			Finance expense		
			Interest expense	-	-
	<u>23,368</u>	<u>691</u>	Net finance income/(expense)	<u>36,070</u>	<u>1,473</u>
9	Group 2020 \$	NZOC 2020 \$	Other Comprehensive Revenue and Expense	Group 2021 \$	NZOC 2021 \$
	189,583	45,727	Unrealised gain/(loss) on investments	138,702	44,730
	<u>189,583</u>	<u>45,727</u>	Total other comprehensive revenue and expense	<u>138,702</u>	<u>44,730</u>
10	Group 2020 \$	NZOC 2020 \$	Cash and Cash Equivalents	Group 2021 \$	NZOC 2021 \$
	1,761,228	1,761,228	Cash	2,084,034	2,084,034
	15,073	-	Edgar Olympic Foundation cash	128,037	-
	568	-	NZOC America Inc cash	455	-
	<u>1,776,870</u>	<u>1,761,228</u>	Total cash and cash equivalents	<u>2,212,526</u>	<u>2,084,034</u>
11			Receivables		
			Receivables for exchange transactions		
	531,303	531,303	Trade receivables from exchange transactions	710,439	710,439
	-	-	Doubtful debt provision	(37,911)	(37,911)
	159,204	159,204	Accrued Income	71,736	71,736
	<u>690,507</u>	<u>690,507</u>	Total trade receivables from exchange transactions	<u>744,263</u>	<u>744,263</u>
	<u>690,507</u>	<u>690,507</u>	Total receivables	<u>744,263</u>	<u>744,263</u>

The carrying value of account receivables approximates their fair value.

New Zealand Olympic Committee Incorporated
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2021

	Group 2020	NZOC 2020			Group 2021	NZOC 2021
12	\$	\$	Inventory		\$	\$
	189,506	189,506	Merchandise		164,778	164,778
	189,506	189,506	Total Inventory		164,778	164,778
13	\$	\$	Prepayments and Other Assets		\$	\$
	178,394	178,394	Prepayments - Corporate Services		68,921	68,921
	1,141,299	1,141,299	Prepayments - Tokyo 2020 Olympics		-	-
	-	-	Prepayments - Marketing and NZHQ Wanaka		192,315	192,315
	-	-	Prepayments - Other Games		143,476	143,476
	8,178	8,178	Other Assets		52,658	52,658
	1,327,871	1,327,871	Total prepayments and other assets		457,370	457,370
14	\$	\$	Investments		\$	\$
	657,859	657,859	ANZ Balanced Portfolio Investment		696,789	696,789
	1,246,860	-	Edgar Olympic Foundation - Forsyth Barr Investment		1,050,326	-
	1,904,718	657,859			1,747,115	696,789
	1,471,690	657,859	Current		1,440,141	696,789
	433,028	-	Non-current		306,974	-
	1,904,718	657,859	Total investments		1,747,115	696,789
			The Yvette Williams Scholarship Fund are invested in a ANZ Balanced Portfolio Investment. The funds are made up of International fixed interest, property and equities, Australasian property and equities, NZ fixed interest and cash.			
			The Edgar Olympic Foundation investments are managed by Forsyth Barr Limited. The funds are made up of NZ equities, Australian equities, International equities, fixed interest, property and cash. It also includes various bonds which are classified as non-current investments above.			
15	\$	\$	Financial Instruments	Note	Group 2021	NZOC 2021
	1,777,438	1,761,228	Bank	10	2,084,034	2,084,034
	690,507	690,507	Trade receivables	11	744,263	744,263
	657,859	657,859	ANZ Balanced Portfolio	14	696,789	696,789
	1,246,860	-	Forsyth Barr	14	1,050,326	-
	(436,613)	(436,613)	Trade payables	20	(680,298)	(680,298)
	3,936,051	2,672,981			3,895,115	2,844,789
16	\$	\$	Employee Benefit Liabilities		Group 2021	NZOC 2021
	119,621	119,621	Holiday pay accrual		202,178	202,178
	119,621	119,621	Total employee benefit liabilities		202,178	202,178

New Zealand Olympic Committee Incorporated
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17	Group	NZOC	Operating Lease Commitments	Group	NZOC
	2020	2020		2021	2021
	\$	\$		\$	\$
			Leases as lessee		
			<i>Non-cancellable operating lease rentals are payable as follows:</i>		
	181,260	181,260	Less than one year	49,372	49,372
	45,000	45,000	Between one and five years	10,202	10,202
	226,260	226,260	Total leases	59,574	59,574

The NZOC has operating leases for 2 photocopiers and the premises.

The NZOC commenced an operating lease for the premises located at 350 Parnell Road, Parnell, Auckland, in April 2014 which expires in April 2022, with a right of renewal to 2024. NZOC intends to advise the Property Manager it wishes to renew the lease for another 2 years to April 2024. The annual rent under this agreement is \$180,000.

18	Group	NZOC	Olympic Solidarity	Group	NZOC
	2020	2020		2021	2021
	\$	\$		\$	\$
	578,942	578,942	Funds received from International Olympic Committee	462,090	462,090
	(578,942)	(578,942)	Distributions to National Sporting Organisations and Athletes	(462,090)	(462,090)
	-	-		-	-

In 2021 NZOC provided financial support to 12 National Sporting Organisations, 9 athlete Tokyo Olympic Scholarships and 8 Beijing Winter Olympic Scholarships.

New Zealand Olympic Committee Incorporated
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2021

19	Property, Plant and Equipment	Computer Equipment \$	Office Equipment \$	Furniture & Fittings \$	Games Plant \$	Total \$
	2021					
	Opening cost	149,633	25,820	50,252	-	225,706
	Additions	21,402	14,547	121,191	-	157,140
	Disposals	-	-	-	-	-
	Closing cost	171,035	40,367	171,443	-	382,845
	2020					
	Opening cost	104,420	24,217	50,252	-	178,890
	Additions	54,690	6,049	-	-	60,739
	Disposals	(9,478)	(4,446)	-	-	(13,923)
	Closing cost	149,633	25,820	50,252	-	225,706
	2021 - Accumulated depreciation					
	Opening accumulated depreciation	78,138	34,293	19,474	-	131,908
	Current year depreciation	36,733	9,307	10,160	-	56,200
	Disposals	-	-	-	-	-
	Closing accumulated depreciation	114,870	43,600	29,634	-	188,104
	2020 - Accumulated depreciation					
	Opening accumulated depreciation	59,452	24,448	17,767	-	101,667
	Current year depreciation	27,884	12,849	1,707	-	42,441
	Disposals	(9,197)	(3,004)	-	-	(12,201)
	Closing accumulated depreciation	78,138	34,293	19,474	-	131,908

Group 2020 \$	NZOC 2020 \$	Property, Plant and Equipment Summary	Group 2021 \$	NZOC 2021 \$
77,223	77,223	Opening net book value	93,799	93,799
60,738	60,738	Additions	157,140	157,140
(1,722)	(1,722)	Disposals	-	-
(42,441)	(42,441)	Depreciation	(56,200)	(56,200)
93,799	93,799	Net book value	194,740	194,740

Group 2020 \$	NZOC 2020 \$	Payables and Accruals	Group 2021 \$	NZOC 2021 \$
436,613	436,613	Trade payables	680,299	680,298
94,387	94,387	Non-trade payables and accrued expenses	299,479	299,479
119,621	119,621	Holiday pay	202,178	202,178
650,621	650,621	Total trade payables and accruals	1,181,956	1,181,955

Trade payables are non-interest bearing and are normally settled on 30-day terms; therefore, the carrying value of trade and other payables approximates their fair value.

Group 2020 \$	NZOC 2020 \$	Funds in Advance	Group 2021 \$	NZOC 2021 \$
		<i>IOC - Solidarity projects funds in advance</i>		
61,435	61,435	ONOC - National Activities Programme	135,070	135,070
55,533	55,533	IOC - Tokyo 2020 Scholarships	12,532	12,532
4,681	4,681	IOC - Beijing 2022 Athlete Scholarships	4,651	4,651
-	-	IOC - Other Activities	16,932	16,932
121,649	121,649	Total solidarity funds in advance	169,185	169,185

New Zealand Olympic Committee Incorporated
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	Group 2020	NZOC 2020		Group 2021	NZOC 2021
22	\$	\$	Funds in Advance	\$	\$
			<i>Other Funds in Advance</i>		
			<i>Trusts</i>		
	21,000	21,000	Southern Trust	-	-
			<i>Other</i>		
	71,434	71,434	Edgar Olympic Foundation	36,673	36,673
	486,500	486,500	Other	194,223	194,223
	-	-	HPSNZ - future Games	287,638	287,638
	-	-	Sport NZ	250,000	250,000
	578,934	578,934	Total other funds in advance	768,534	768,534

	Group 2020	NZOC 2020		Group 2021	NZOC 2021
23	\$	\$	Edgar Olympic Foundation - Endowment Fund	\$	\$
	1,000,000	1,000,000	Opening balance	1,000,000	1,000,000
	1,000,000	1,000,000	Closing balance	1,000,000	1,000,000

The Edgar Olympic Foundation (EOF) was set up as a charitable trust in February 2009 to provide financial assistance to bona fide charitable purposes which further or are connected with the charitable objects of the NZOC. The funds are invested with Forsyth Barr in a private portfolio management service. An annual application for funding is sent from the NZOC to the EOF trustees, comprising two NZOC and one independent trustee for consideration and approval. In 2021 this funding was \$200,000 (2020: \$200,000).

	Group 2020	NZOC 2020		Group 2021	NZOC 2021
24	\$	\$	Yvette Williams Scholarship Fund	\$	\$
	500,000	500,000	Opening balance	500,000	500,000
	500,000	500,000	Closing balance	500,000	500,000

The Glenn Family Foundation donated \$500,000 in November 2013. It was named the 'Yvette Williams Scholarship' with a purpose of continuing the Yvette Williams legacy. The NZOC awards a scholarship annually to an athlete/team who demonstrates the same qualities as Yvette as an athlete and to assist them compete and perform internationally. In 2021, the scholarship was awarded to Elliott Connolly.
In 2021 the earnings from the ANZ Balanced Portfolio investment were \$38,984 (2020: \$40,582).

25 **Capital Commitments**
The Group have entered into a Sale and Purchase agreement to purchase some land in Christchurch and build a Jennian Home, which at completion will be sold, the agreed purchase price for land and buildings is \$573,963. (2020: \$nil)

26 **Related Party Transactions**
Related party transactions with controlled entities
The Parent has a related party relationship with Edgar Olympic Foundation (EOF) and NZOC America Inc (NZOCA Inc). The New Zealand Olympic Committee Inc, as Parent, consolidates the EOF and NZOCA Inc because it is the sole beneficiary of their activities. In 2021 EOF made donations to NZOC of \$200,000 (2020: \$200,000). NZOC America Inc made donations to NZOC in 2021 of \$381,719 (2020: \$343,465)

Annette Purvis (NZOC Board member) is also a Board member of High Performance Sport NZ, which provides funding to NZOC.

	Group 2020	NZOC 2020		Group 2021	NZOC 2021
27	\$	\$	Key Management Personnel	\$	\$
	1,314,728	1,314,728	Wages and salaries paid to Senior Management Team	1,330,970	1,330,970

The Group classifies its key management personnel into one of two classes:

New Zealand Olympic Committee Incorporated
Notes to the Consolidated Financial Statements
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Board members: there are 8 Board members on the NZOC Board. No payments or fees were made during 2021 (2020: nil) Senior management team (SMT): is made up of 6 personnel and is responsible for reporting to the Board.

28

Contingent Assets

In December 2020, a revised Deed of Gift was signed with a donor company owned by Sir Owen Glenn for a \$1.9m donation over 3 years. The income will be recognised in future years as invoiced under the terms of the deed.

29

Contingent Liabilities

The Group and NZOC had no contingent liabilities as at 31 December 2021 (2020: \$nil).

30

Events subsequent to Balance date

On 23 January 2022, the Prime Minister Jacinda Ardern announced all of New Zealand would move into the red traffic light level, which limited a maximum of 100 guests to both indoor and outdoor events. As a result of this change, the planned 27 January 2022 Olympic Gala was postponed to December 2022. In addition planned hosting events at NZHQ Wanaka for the Beijing Winter Olympics and Queens Baton Relay events were re-scoped.

Independent Auditor's Report

To the Members of New Zealand Olympic Committee Incorporated

Opinion

We have audited the consolidated and separate financial statements of New Zealand Olympic Committee Incorporated (the committee) and its subsidiaries (the group), which comprise:

- the consolidated and separate statement of financial position as at 31 December 2021;
- the consolidated and separate statement of comprehensive revenue and expense for the year then ended;
- the consolidated and separate statement of changes in net assets/equity for the year then ended;
- the consolidated and separate statement of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements on pages 2 to 17 present fairly, in all material respects, the financial position of the group and committee as at 31 December 2021, and their financial performance and cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We are independent of New Zealand Olympic Committee Incorporated and the group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the New Zealand Olympic Committee or any of its subsidiaries.

Responsibilities of the board for the consolidated and separate financial statements

The board is responsible, on behalf of the committee and group, for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the board determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the board is responsible, on behalf of the committee and group, for assessing their ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the committee and group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 this consolidated and separate financial statements. A further description of the auditor's responsibilities for the audit of the consolidated and separate financial statements is located at the XRB's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/>

Who we report to

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

A handwritten signature in blue ink that reads 'RSM'.

RSM Hayes Audit
Auckland

8 April 2022