

Eastlink Tennis Trust
Performance Report
For the Year Ended 30 June 2019

<u>Schedule of Contents</u>	<u>Page</u>
Approval of Performance Report	1
Entity Information	2
Statement of Service Performance	4
Statement of Financial Performance	5
Statement of Financial Position	6
Statement of Cash Flows	7
Accounting Policies & Notes to the Performance Report	8
Independent Assurance Practitioner's Review Report	14

Eastlink Tennis Trust

Approval of Performance Report For the Year Ended 30 June 2019

The Trustees are pleased to present the approved performance report including the historical financial statements of Eastlink Tennis Trust for the year ended 30 June 2019.

APPROVED

For and on behalf of the Trustees

R. I. Blackburn

.....
Ralph Blackburn
Chairperson

Date: 1/10/2019



.....
Richard Owen
Treasurer

Date: 1/10/19



Eastlink Tennis Trust

Entity Information **As at 30 June 2019**

LEGAL NAME OF ENTITY

Eastlink Tennis Trust Incorporated

TYPE OF ENTITY AND LEGAL BASIS

Registered Charitable Trust, Incorporated Society - Governed by the Charities Act 2005 and Charitable Trusts Act 1957.

REGISTRATION NUMBER

Registered Charity: CC43762

ENTITY'S PURPOSE OR MISSION

The purpose of the Eastlink Tennis Trust is

- To own and provide assets to be used in the promotion of tennis and the playing of tennis in the Waikato;
- To specifically own the assets of the Waikato Tennis Centre on behalf of the tennis clubs in the Waikato;
- To provide facilities for the community to promote the playing of sport in general.

ENTITY STRUCTURE

Eastlink Tennis Trust is governed by a Constitution which allows for a Board of 7 officers. Eastlink Tennis Trust members are the Waikato tennis clubs affiliated to the Tennis Waikato Thames Valley association.

MAIN SOURCES OF THE ENTITY'S CASH AND RESOURCES

Eastlink Tennis Trust receives operating revenue from the following sources

- Court and facilities hire
- Lease/rental revenue from sports clubs located at the centre

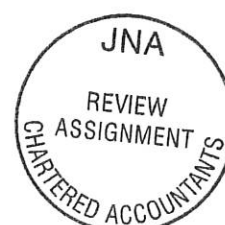
Grant applications are made to charitable funding agencies to meet significant maintenance and capital improvement costs and also assistance with operating costs.

Donations are sporadically received from tennis community members.

Eastlink Tennis Trust has also received revenue in the form of a naming rights agreement for the Indoor Arena with the Brian Perry Charitable Trust. The cash was received in a previous financial year with the revenue being recognised over the life of the agreement.

MAIN METHODS USED BY THE ENTITY TO RAISE FUNDS

Eastlink Tennis Trust's main methods of raising funds are the letting of the facilities at the Waikato Tennis Centre and applying for grant funding.



Eastlink Tennis Trust

Entity Information **As at 30 June 2019**

ENTITY'S RELIANCE ON VOLUNTEERS & DONATED GOODS OR SERVICES

Board member time is entirely voluntary as is tennis community member time to assist with certain maintenance activities such as working bees to paint the pavilion.

ADDITIONAL INFORMATION

From 1 July 2016 Eastlink Tennis Trust has been directly responsible for the operations of the Tennis Centre.

Prior to this date Tennis Waikato Bays ran the Centre and paid a lease.

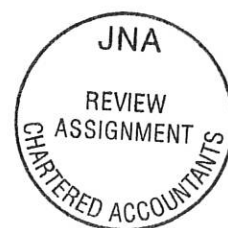
CONTACT DETAILS

Physical Address: 30 Old Farm Road, Hamilton East, Hamilton 3216

Postal Address: PO Box 4212 Hamilton, 3247

Phone: 07 856 8181

This statement should be read in conjunction with the Review Report.



Eastlink Tennis Trust

Statement of Service Performance For the Year Ended 30 June 2019

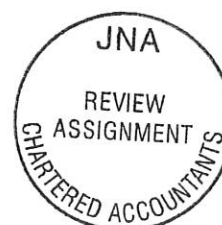
DESCRIPTION OF ENTITY'S OUTCOMES

To have the community make as much use of the Waikato Tennis Centre facilities as possible.
For the Centre facilities to be well maintained.

DESCRIPTION AND QUANTIFICATION OF THE ENTITY'S OUTPUTS

DESCRIPTION	2019	2018
Tournament/Competition participants	1450	1632
Groups/Sporting Bodies using the Centre	19	19
Membership of Clubs based at the Centre	465	380
Indoor Arena Tennis users/bookings	7438 / 2125	8061 / 2303
Outdoor Arena Tennis users/bookings	7724 / 2207	N/A
Number of juniors/seniors in coaching programme	38 / 24	118
Tennis Courts resurfaced	2	3

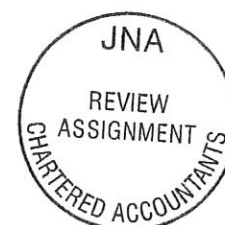
This statement should be read in conjunction with the Review Report.



Eastlink Tennis Trust

Statement of Financial Performance For the Year Ended 30 June 2019

	Note	2019	2018
<u>REVENUE</u>			
Revenue from Providing Goods or Services	2	119,686	117,338
Donations, fundraising, and other similar revenue	3	98,580	111,994
Interest Received		152	150
<u>TOTAL REVENUE</u>		<u>218,418</u>	<u>229,482</u>
<u>OPERATING EXPENSES</u>			
Costs relating to providing goods or services	5	89,887	83,196
Employee & Volunteer Expenses	4	49,483	57,564
Other Expenses	6	78,775	76,030
<u>TOTAL EXPENSES</u>		<u>218,145</u>	<u>216,790</u>
<u>NET SURPLUS FOR YEAR</u>		<u><u>273</u></u>	<u><u>12,692</u></u>



This statement should be read in conjunction with the Notes to the Performance Report and attached Review Report.

Eastlink Tennis Trust

Statement of Financial Position As at 30 June 2019

	Note	2019	2018
<u>CURRENT ASSETS</u>			
Bank Accounts and Cash	7	42,841	74,300
Debtors and Prepayments	8	<u>11,120</u>	<u>8,298</u>
		53,961	82,598
<u>CURRENT LIABILITIES</u>			
Creditors and Accrued Expenses	9	6,324	11,423
Revenue in Advance	10	67,920	106,543
GST Payable		<u>2,014</u>	<u>950</u>
		76,258	118,916
<u>WORKING CAPITAL</u>		<u>(22,297)</u>	<u>(36,318)</u>
<u>NON-CURRENT ASSETS</u>			
Property Plant & Equipment	12	<u>2,257,265</u>	<u>2,288,981</u>
		2,257,265	2,288,981
<u>NON CURRENT LIABILITIES</u>			
Loans	11	<u>103,359</u>	<u>121,327</u>
		103,359	121,327
<u>NET ASSETS</u>		<u>2,131,609</u>	<u>2,131,336</u>
REPRESENTED BY :			
<u>ACCUMULATED FUNDS</u>			
Opening Balance Equity		2,131,336	2,118,644
Net Surplus after Tax		<u>273</u>	<u>12,692</u>
		<u>2,131,609</u>	<u>2,131,336</u>

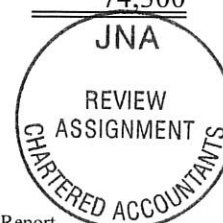


This statement should be read in conjunction with the Notes to the Performance Report and attached Review Report.

Eastlink Tennis Trust

Statement of Cash Flows For the Year Ended 30 June 2019

	2019	2018
<u>Cash Flows from Operating Activities</u>		
Cash was received from:		
Donations, Fundraising and other similar receipts	59,435	87,447
Receipts from providing goods and services	117,299	120,815
Interest, dividends and other investment receipts	152	150
Goods and Services Tax	1,064	1,441
Cash was applied to:		
Payments to suppliers and employees	(145,583)	(140,900)
Interest Paid	(5,524)	(6,726)
Net Cash Flows from Operating Activities	<u>26,842</u>	<u>62,227</u>
<u>Cash Flows from Investing and Financing Activities</u>		
Cash was received from:		
Receipts from the sale of property, plant and equipment	130	-
Cash was applied to:		
Payments to acquire property plant and equipment	(40,465)	(35,369)
Repayments of loans borrowed from other parties	(17,968)	(16,833)
Net Cash Flows from Investing and Financing Activities	<u>(58,303)</u>	<u>(52,201)</u>
<u>Net Decrease in Cash</u>	<u>(31,461)</u>	<u>10,026</u>
Opening Cash	74,301	64,275
Decrease in Cash for the year	(31,461)	10,026
Closing Cash	<u>42,841</u>	<u>74,301</u>
This is represented by:		
ASB Current Account	20,735	62,377
ASB Savings on Call Account	22,106	11,923
	<u>42,841</u>	<u>74,300</u>



This statement should be read in conjunction with the Notes to the Performance Report and attached Review Report.

Eastlink Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2019

REPORTING ENTITY

Eastlink Tennis Trust is a Charitable Trust incorporated initially under the Societies Act 1908 on 8 July 1931. Eastlink Tennis Trust became a charity under the Charities Act 2005 from 8 March 2010.

MEASUREMENT BASE

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

1. **STATEMENT OF ACCOUNTING POLICIES**

a) **BASIS OF PREPARATION**

Eastlink Tennis Trust has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

b) **GOODS AND SERVICES TAX**

Eastlink Tennis Trust is registered for GST and the financial statements are prepared on a GST exclusive basis, except for Debtors and Creditors which are stated inclusive of GST.

c) **BANK ACCOUNTS AND CASH**

Bank Accounts and Cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

d) **ACCOUNTS RECEIVABLE**

Receivables are stated at their estimated realisable value after providing against debts where collection is doubtful. Bad debts are written off during the period in which they are identified.

e) **REVENUE**

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

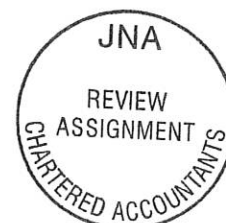
Donations, fundraising and other similar revenue

Donations are recognised as revenue upon receipt.

Grant revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled.

Revenue from legacies and estates that satisfies the definition of an asset is recognised as revenue when it is probable that future economic benefits or service potential will flow to the entity, and the fair value can be measured reliably.

The policies and notes should be read in conjunction with the Review Report.



Eastlink Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2019

f) **FIXED ASSETS**

Fixed Assets are initially recorded at cost less aggregate depreciation and have not been revalued.

g) **DEPRECIATION**

Depreciation is provided for on a straight line basis on all classes of assets.

Depreciation rates are calculated to allocate the asset cost over the useful lives of the assets in the following classes:

Asset Type	Depn% Useful Life	
Buildings	2%	50
Floor Coverings	10%	10
Court Resurfacing	20%	5
Court Lights	10%	10
Plant & Equipment	20%	5

h) **INCOME TAX**

Eastlink Tennis Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

i) **UNUSED DONATIONS AND GRANTS WITH CONDITIONS**

Grants with conditions are recognised as a current liability.

Revenue is recognised when the grant is applied in accordance with the grant conditions.

j) **CHANGES IN ACCOUNTING POLICIES**

There have been no changes in accounting policies during the financial year. (2018: Nil)

The policies and notes should be read in conjunction with the Review Report.



Eastlink Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2019

NOTES TO THE ACCOUNTS

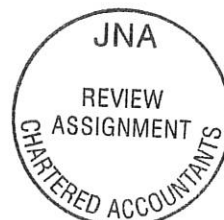
ANALYSIS OF REVENUE

	2019	2018
2. REVENUE FROM PROVIDING GOODS OR SERVICES		
Court Hire - Futsal	-	1,936
Holiday Programme Revenue	-	222
Indoor Court Use	24,084	20,997
Lease - Lugton Park Squash Club	13,740	12,295
Lease - Lugton Park Tennis Club	10,000	13,453
Lease - Werder Rackets	4,800	2,000
Miscellaneous Revenue	342	964
Non Tennis Hire	2,791	1,163
NZ Tennis Academy	5,881	10,377
Outdoor Court Hire	12,495	10,163
Coaching Revenue	2,986	-
Pavilion Hire	150	87
Pay 2 Play Revenue	38,469	26,995
Rent Offices - Tennis WTV	3,600	3,600
Tournament Facilities Hire - Tennis WTV	348	13,086
	<u>119,686</u>	<u>117,338</u>
3. DONATIONS, FUNDRAISING AND OTHER SIMILAR REVENUE		
Grant Received Operational - Grassroots	8,405	15,108
Grants Received - Non Operational - Grassroots	34,750	34,717
Grants Received Operational - Lion	17,000	20,000
Grants Received Operational - NZCT	4,500	10,000
Grants Received Operational - LiteClub	544	-
Grants Received Operational - Youthtown	-	16,650
Grants Received Operational - Akarana	865	85
Grants Received Operational - Dragon Community	1,400	800
Grants Received - Non Operational - Blue Sky	1,425	-
Grants Received Operational - Trust Waikato	5,000	-
Grants Received Operational - Southern Trust	5,000	-
Grants Received - Non Operational - NZRB	2,194	-
Grants Received Operational - Trillian Trust	2,500	-
Grants Received Operational - Blue Sky	363	-
Venue Naming Rights	14,634	14,634
	<u>98,580</u>	<u>111,994</u>

ANALYSIS OF EXPENSES

4. EMPLOYEE & VOLUNTEER EXPENSES		
ACC Levies	-	90
Wages - Centre Manager	33,737	40,628
Wages - Maintenance	9,284	10,384
Wages - R Simmonds	6,462	6,462
	<u>49,483</u>	<u>57,564</u>

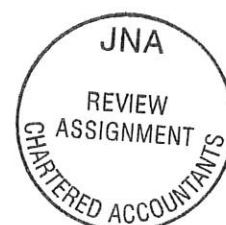
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Eastlink Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2019

	2019	2018
5. COSTS RELATING TO PROVIDING GOODS OR SERVICES		
Accountancy	6,000	6,316
Advertising Publicity & Website	210	-
Architect	-	3,825
Bank Charges	895	549
Bank Merchant Fees	1,148	1,148
Cleaning	12,970	6,163
Computer Maintenance	409	-
Consultancy	5,000	3,250
Eftpos	455	454
Electricity - Indoor Arena	7,485	5,903
Electricity - Pavilion Clubhouse	7,678	7,317
Donations	200	-
Fire Equipment Testing	-	471
General Expenses	422	155
Insurance	18,051	17,750
Kiwisaver	81	-
Merchant Fees	201	248
Pay 2 Play costs	7,444	-
Petty Cash/Canteen	151	-
Photocopying	1,508	2,528
Printing, Stamps & Stationery	124	-
Rates	2,625	5,603
Rates - Water	961	552
Rent - HCC	1,224	2,420
Repairs & Maintenance	7,679	12,141
Rubbish removal	2,523	1,167
Security Fire Monitoring	847	848
Security Monitoring	967	845
Subscriptions	-	828
Telephone & Internet	2,629	2,715
	<u>89,887</u>	<u>83,196</u>
6. OTHER EXPENSES		
Audit & Review Fees	1,200	1,000
Interest	5,524	6,726
Depreciation	71,584	68,304
Loss on sale of assets	467	-
	<u>78,775</u>	<u>76,030</u>
<u>STATEMENT OF FINANCIAL POSITION</u>		
7. BANK ACCOUNTS AND CASH		
ASB Current Account	20,735	62,377
ASB Savings on Call Account	22,106	11,923
	<u>42,841</u>	<u>74,300</u>

The policies and notes should be read in conjunction with the Review Report.



Eastlink Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2019

	2019	2018
8. DEBTORS AND PREPAYMENTS		
Sundry Debtors	5,572	2,663
Prepayments	<u>5,548</u>	<u>5,635</u>
	<u>11,120</u>	<u>8,298</u>
9. CREDITORS AND ACCRUED EXPENSES		
Sundry Creditors	2,906	5,247
Provision for Holiday Pay	1,170	4,705
PAYE withholdings payable	636	321
Accrued expenses	1,380	1,150
ASB Credit Card - Steve	<u>232</u>	<u>-</u>
	<u>6,324</u>	<u>11,423</u>
10. REVENUE IN ADVANCE		
Grants not yet applied	25,934	50,445
Revenue in advance - Sponsorship	41,464	56,098
Revenue in advance - Activities	<u>522</u>	<u>-</u>
	<u>67,920</u>	<u>106,543</u>
11. LOANS		
ASB Mortgage	78,359	96,327
Friends of Tennis Loans	<u>25,000</u>	<u>25,000</u>
	<u>103,359</u>	<u>121,327</u>

ASB Mortgage

The ASB Mortgage is for a term of 15 years terminating on 1 March 2023.

The balance as at 30/06/2019 was \$78,359.

The interest rate is floating and was 6.20% as at 30/06/2019.

The ASB Mortgage is secured via a mortgage over the Indoor Centre.

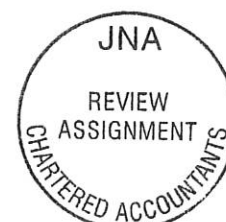
Friends of Tennis Loans

Friends of Tennis Loans are repayable after a minimum of a 10 year term. The loans are unsecured. In lieu of interest the Trust gives free court hireage for a number of hours per week depending on the loan value.

12. PROPERTY PLANT & EQUIPMENT

	2019	2018
Buildings		
Opening Carrying Amount	2,198,209	2,257,338
Depreciation & Impairment	<u>(58,581)</u>	<u>(59,129)</u>
Closing Carrying Amount	<u>2,139,628</u>	<u>2,198,209</u>
Office Equipment		
Opening Carrying Value	1,282	2,042
Depreciation & Impairment	<u>(176)</u>	<u>(760)</u>
Closing Carrying Amount	<u>1,106</u>	<u>1,282</u>
Courts		
Opening Carrying Amount	87,468	45,760
Purchases	36,836	49,595
Depreciation & Impairment	<u>(11,795)</u>	<u>(7,887)</u>
Closing Carrying Amount	<u>112,509</u>	<u>87,468</u>

The policies and notes should be read in conjunction with the Review Report.



Eastlink Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2019

	2019	2018
Plant & Equipment		
Opening Carrying Amount	2,022	1,900
Purchases	3,629	652
Sales	(130)	-
Depreciation & Impairment	(1,032)	(530)
Loss on Disposals	(467)	-
Closing Carrying Amount	<u>4,022</u>	<u>2,022</u>
Total Property Plant & Equipment		
Opening Carrying Amount	2,288,981	2,307,040
Purchases	40,465	50,247
Sales	(130)	-
Depreciation & Impairment	(71,584)	(68,306)
Loss on Disposals	(467)	-
Closing Carrying Amount	<u>2,257,265</u>	<u>2,288,981</u>

No assets were donated during the year.

13. RELATED PARTIES

Trustee, Richard Owen, is the owner of Owen McLeod & Co Ltd. Owen McLeod & Co Ltd provided accounting services to Eastlink Tennis Trust of \$6,000 for the year. (2018: \$4,500)

Trustee, Richard Owen, has loaned funds to the Trust as part of the 'Friends of Tennis Loans' scheme. The loan is for \$20,000 from the 12 September 2016 for a minimum of 10 years. In lieu of interest Richard Owen is granted 4 hours of indoor court time per week free of charge subject to normal booking conditions. (2018: \$20,000 loan).

Trustee, Bruce Irving, has loaned funds to the Trust as part of the 'Friends of Tennis Loans' scheme. The loan is for \$5,000 from the 22 September 2016 for a minimum of 10 years. In lieu of interest Bruce Irving is granted 1 hours of indoor court time per week free of charge subject to normal booking conditions. (2018: \$5,000 loan).

14. COMMITMENTS

Eastlink Tennis Trust has no capital commitments at balance date. (2018: Nil)

15. CONTINGENT ASSETS & LIABILITIES

Eastlink Tennis Trust has no contingent liabilities of a material nature that are not disclosed in the accounts. (2018: Nil)

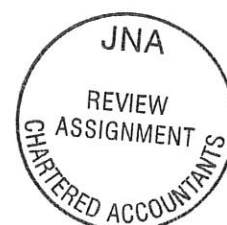
16. SIGNIFICANT EVENTS AFTER BALANCE DATE

No events have occurred after balance date which have a significant effect on Eastlink Tennis Trust. (2018: Nil)

17. REVIEW

These financial statements have been reviewed. Please refer to the Review Report.

The policies and notes should be read in conjunction with the Review Report.



INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT

To the Members of Eastlink Tennis Trust Incorporated

We have reviewed the accompanying performance report of Eastlink Tennis Trust Incorporated which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2019, the statement of financial position as at 30 June 2019, and the statement of accounting policies and other explanatory information.

Executive Committee Responsibility for the Performance Report

The Executive Committee are responsible on behalf of the entity for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b) the preparation and fair presentation of the performance report which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit), and
- c) for such internal control as the Executive Committee determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the performance report. We conducted our review of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400 (Revised), Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity, and the review of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Those standards require us to conclude whether anything has come to our attention that causes us to believe that the performance report, taken as a whole, is not prepared in all material respects in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit). Those standards also require that we comply with ethical requirements.

A review of the performance report in accordance with ISRE (NZ) 2400(Revised) and ISAE (NZ) 3000 (Revised) is a limited assurance engagement. We will perform procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained. The procedures selected depend on our judgement, including the areas identified where a material misstatement is likely to arise and includes performing procedures to obtain evidence and evaluating whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

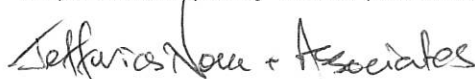
The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and ISAE (NZ) 3000 (Revised). Accordingly, we do not express an audit opinion on the performance report.

Other than in our capacity as assurance practitioner we have no relationship with, or interests in, Eastlink Tennis Trust Incorporated.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are not suitable; or that
- b) the performance report does not fairly, in all material aspects:
 - the financial position of Eastlink Tennis Trust Incorporated as at 30 June 2019, and of its financial performance and cash flows for the year then ended; and the entity information and its service performance for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).



Jefferies Nock & Associates

03 October 2019

Hamilton