

Waikato Tennis Trust
Performance Report
For the Year Ended 30 June 2022

<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	15

Waikato Tennis Trust

Approval of Performance Report For the Year Ended 30 June 2022

The Board is pleased to present the approved performance report including the historical financial statements of Waikato Tennis Trust for the year ended 30 June 2022.

APPROVED

For and on behalf of the Board

.....
Andrea McCartney
Chairperson

.....
Richard Owen
Treasurer

Date:

Date:

Waikato Tennis Trust

Entity Information As at 30 June 2022

LEGAL NAME OF ENTITY

Waikato 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 Waikato 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

Waikato Tennis Trust is governed by a Constitution which allows for a Board of 7 officers. Waikato 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

Waikato 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.

Waikato Tennis Trust has also received revenue in the form of a naming rights agreement for the Indoor Arena from 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

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

Waikato Tennis Trust

Entity Information **As at 30 June 2022**

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.

CONTACT DETAILS

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

Postal Address: PO Box 4212 Hamilton, 3247

Phone: 07 856 8181

Waikato Tennis Trust

Statement of Service Performance For the Year Ended 30 June 2022

DESCRIPTION OF ENTITY'S OUTCOMES

The main outcomes of the entity are to have the community make as much use of the Waikato Tennis Centre facilities as possible and to ensure the Centre facilities are well maintained.

DESCRIPTION AND QUANTIFICATION OF THE ENTITY'S OUTPUTS

DESCRIPTION	2022	2021
Tournament/Competition participants		1503
Groups/Sporting Bodies using the Centre		19
Membership of Clubs based at the Centre		425
Indoor Arena Tennis users/bookings		6818 / 1948
Number of juniors/seniors in coaching programme		170/25 (195)

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

Waikato Tennis Trust

Statement of Financial Performance For the Year Ended 30 June 2022

	Note	2022	2021
<u>REVENUE</u>			
Revenue from Providing Goods or Services	2	177,838	220,733
Donations, fundraising, and other similar revenue	3	62,155	109,187
Interest Received		41	6
<u>TOTAL REVENUE</u>		<u>240,034</u>	<u>329,926</u>
<u>OPERATING EXPENSES</u>			
Costs relating to providing goods or services	4	111,444	149,553
Employee & Volunteer Expenses	5	102,543	91,942
Other Expenses	6	83,143	83,154
<u>TOTAL EXPENSES</u>		<u>297,130</u>	<u>324,649</u>
<u>NET DEFICIT FOR YEAR</u>		<u>(57,096)</u>	<u>5,277</u>

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

Waikato Tennis Trust

Statement of Financial Position As at 30 June 2022

	Note	2022	2021
<u>CURRENT ASSETS</u>			
Bank Accounts and Cash	7	50,396	75,978
Debtors and Prepayments	8	26,098	27,754
		76,494	103,732
<u>CURRENT LIABILITIES</u>			
Creditors and Accrued Expenses	9	13,047	15,018
Revenue in Advance	10	31,240	48,332
GST Payable		4,586	10,037
Loans	11	16,886	21,617
		65,759	95,004
<u>WORKING CAPITAL</u>		10,735	8,728
<u>NON-CURRENT ASSETS</u>			
Property Plant & Equipment	12	2,081,186	2,157,147
		2,081,186	2,157,147
<u>NON CURRENT LIABILITIES</u>			
Loans	11	25,000	41,857
		25,000	41,857
<u>NET ASSETS</u>		2,066,921	2,124,018
REPRESENTED BY :			
<u>ACCUMULATED FUNDS</u>			
Opening Balance Equity		2,124,017	2,118,741
Net Loss		(57,096)	5,277
		2,066,921	2,124,018

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

Waikato Tennis Trust

Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
<u>Cash Flows from Operating Activities</u>		
Cash was received from:		
Donations, Fundraising and other similar receipts	45,064	98,865
Receipts from providing goods and services	178,579	213,753
Interest, dividends and other investment receipts	41	6
Goods and Services Tax	(5,451)	7,365
Cash was applied to:		
Payments to suppliers and employees	(217,565)	(251,856)
Interest Paid	(1,385)	(2,333)
Net Cash Flows from Operating Activities	<u>(717)</u>	<u>65,801</u>
<u>Cash Flows from Investing and Financing Activities</u>		
Cash was received from:		
Cash was applied to:		
Payments to acquire property plant and equipment	(3,275)	(6,976)
Repayments of loans borrowed from other parties	(21,587)	(20,608)
Net Cash Flows from Investing and Financing Activities	<u>(24,862)</u>	<u>(27,584)</u>
<u>Net Decrease in Cash</u>	<u>(25,580)</u>	<u>38,217</u>
Opening Cash	75,978	37,761
Decrease in Cash for the year	(25,580)	38,217
Closing Cash	<u>50,395</u>	<u>75,978</u>
This is represented by:		
ASB Current Account	38,234	63,768
ASB Savings on Call Account	11,495	11,242
Paypal	667	968
	<u>50,395</u>	<u>75,978</u>

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

Waikato Tennis Trust

Statement of Accounting Policies and Notes to the Performance Report For the Year Ended 30 June 2022

REPORTING ENTITY

Waikato Tennis Trust is a Charitable Trust incorporated initially under the Incorporated Societies Act 1908 on 8 July 1931. Waikato 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

Waikato 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

Waikato 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 Waikato 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.

f) FIXED ASSETS

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

Waikato Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2022

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**

Waikato 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. (2021: Nil)

Waikato Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2022

NOTES TO THE ACCOUNTS

ANALYSIS OF REVENUE

	2022	2021
2. REVENUE FROM PROVIDING GOODS OR SERVICES		
Indoor Court Use	10,536	14,979
Lease - Eastlink Cricket Club	1,043	1,043
Lease - Lugton Park Squash Club	13,816	14,002
Lease - Lugton Park Tennis Club	11,759	11,623
Lease - Werder Rackets	4,800	4,800
Lease - Squash Waikato	2,010	2,010
Miscellaneous Revenue	2,799	3,099
Non Tennis Hire	8,758	9,800
Outdoor Court Hire	1,721	8,783
Coaching Revenue	16,539	17,600
Coaching Revenue - Tu Manawa	223	-
Pavilion Hire	174	1,874
Pay 2 Play Revenue	34,712	39,500
Tournament Facilities Hire	1,363	3,000
Tournament Fees	20,671	56,533
Canteen Revenue	-	1,384
Affiliation Income	35,970	24,103
Inter-Club Fees	10,944	6,600
	<u>177,838</u>	<u>220,733</u>
3. DONATIONS, FUNDRAISING AND OTHER SIMILAR REVENUE		
Covid-19 Wage Subsidy	8,154	10,945
Covid-19 Resurgence Support	4,696	-
Donations - Revenue	2,500	545
Grants Received - Non Operational - NZCT	-	3,122
Grants Received Operational - Grassroots	-	20,000
Grants Received Operational - TAB Gaming	-	4,285
Grants Received Operational - Lion	12,727	15,070
Grants Received Operational - NZCT	5,000	3,581
Grants Received Operational - Trust Waikato	2,000	672
Grants Received Operational - Southern Trust	-	772
Grants Received - Non Operational - Trust Waikato	-	1,828
Grants Received Operational - Blue Sky	-	1,000
Grants Received - Non Operational - WEL	-	2,027
Grants Received Operational - WEL	-	3,025
Grants Received Operational - Sport Waikato	9,168	12,032
Grants Received Operational - HCC	-	8,000
Grants Received Operational - COGS	-	1,500
Sponsorship	5,714	6,149
Venue Naming Rights	12,196	14,634
	<u>62,155</u>	<u>109,187</u>

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

Waikato Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2022

	2022	2021
<u>ANALYSIS OF EXPENSES</u>		
4. COSTS RELATING TO PROVIDING GOODS OR SERVICES		
Accountancy	6,000	6,000
Affiliation Fees	17,776	12,617
Bank Charges	727	1,026
Bank Merchant Fees	1,148	1,148
Paypal Fees	358	1,287
Coaching Expenses	1,100	5,945
Coaching - Tu Manawa	960	-
Cleaning	4,103	8,869
Cleaning - Additional Cleans	-	1,184
Cleaning - Consumables	657	1,301
Computer Maintenance	477	239
Eftpos	864	816
Electricity - Pavilion Clubhouse	6,808	7,467
Electricity - Indoor Arena	5,621	6,896
Donations	-	200
Fire Equipment Testing	2,194	2,474
General Expenses	1,901	548
Insurance	17,276	19,045
Legal Expenses	600	-
Merchant Fees	180	156
Pay 2 Play costs	7,393	8,015
Petty Cash/Canteen	86	967
Photocopying	2,160	2,465
Printing, Stamps & Stationery	121	97
Rates	3,436	2,392
Rates - Water	1,042	647
Rent - HCC	2,577	1,933
Repairs & Maintenance	4,453	11,885
Replacement Equipment	3,208	1,059
Rubbish removal	1,210	2,650
Security Fire Monitoring	756	554
Security Monitoring	2,667	3,432
Subscriptions	266	865
Telephone & Internet	2,722	3,434
Tournament Expenses	10,597	30,911
Travelling Expenses	-	949
Vehicle Expenses	-	80
	111,444	149,553
5. EMPLOYEE & VOLUNTEER EXPENSES		
ACC Levies	462	1,052
Kiwisaver	1,596	826
Wages - Centre Manager	64,981	52,187
Wages - Maintenance	11,415	10,399
Wages - Administration	20,586	27,478
Wages - Tournament Referees	778	-
Wages - Cleaner	2,725	-
	102,543	91,942

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

Waikato Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2022

	2022	2021
6. OTHER EXPENSES		
Audit & Review Fees	2,522	2,400
Interest	1,385	2,333
Depreciation	79,236	78,421
	83,143	83,154
<u>STATEMENT OF FINANCIAL POSITION</u>		
7. BANK ACCOUNTS AND CASH		
ASB Current Account	38,234	63,768
ASB Savings on Call Account	11,495	11,242
Paypal	667	968
	50,396	75,978
8. DEBTORS AND PREPAYMENTS		
Sundry Debtors	21,128	21,869
Prepayments	4,970	5,885
	26,098	27,754
9. CREDITORS AND ACCRUED EXPENSES		
Sundry Creditors	3,517	6,523
Provision for Holiday Pay	3,340	4,000
Kiwisaver payable	293	149
PAYE withholdings payable	2,000	1,273
Accrued expenses	2,900	2,760
ASB Credit Card - Steve	997	313
	13,047	15,018
10. REVENUE IN ADVANCE		
Grants not yet applied	31,240	36,136
Revenue in advance - Sponsorship	-	12,196
	31,240	48,332
11. LOANS		
ASB Mortgage - Current	16,886	21,617
ASB Mortgage	-	16,857
Friends of Tennis Loans	25,000	25,000
	41,886	63,474

ASB Mortgage

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

The balance as at 30/06/2022 was \$16,886.

The interest rate is floating and was 5.84% as at 30/06/2022.

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.

Waikato Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2022

12. **PROPERTY PLANT & EQUIPMENT**

	2022	2021
Buildings		
Opening Carrying Amount	2,025,756	2,082,692
Depreciation & Impairment	<u>(56,936)</u>	<u>(56,936)</u>
Closing Carrying Amount	<u>1,968,820</u>	<u>2,025,756</u>
Office Equipment		
Opening Carrying Value	3,561	3,613
Purchases	-	1,828
Depreciation & Impairment	<u>(2,076)</u>	<u>(1,880)</u>
Closing Carrying Amount	<u>1,485</u>	<u>3,561</u>
Courts		
Opening Carrying Amount	121,819	137,547
Purchases	-	2,027
Depreciation & Impairment	<u>(17,941)</u>	<u>(17,755)</u>
Closing Carrying Amount	<u>103,878</u>	<u>121,819</u>
Plant & Equipment		
Opening Carrying Amount	6,012	4,740
Purchases	3,275	3,122
Depreciation & Impairment	<u>(2,283)</u>	<u>(1,850)</u>
Closing Carrying Amount	<u>7,004</u>	<u>6,012</u>
Total Property Plant & Equipment		
Opening Carrying Amount	2,157,148	2,228,592
Purchases	3,275	6,977
Depreciation & Impairment	<u>(79,236)</u>	<u>(78,421)</u>
Closing Carrying Amount	<u>2,081,187</u>	<u>2,157,148</u>

There were no donated assets during the year. (2021: \$0).

13. **RELATED PARTIES**

Board member, Richard Owen, is a Director and Shareholder of Owen McLeod & Co Ltd. Owen McLeod & Co Ltd provided accounting services to Waikato Tennis Trust of \$6,000 for the year. (2021: \$6,000)

Board member, 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. (2021: \$20,000 loan).

14. **COMMITMENTS**

Waikato Tennis Trust has no capital commitments at balance date. (2021: Nil)

15. **CONTINGENT ASSETS & LIABILITIES**

Waikato Tennis Trust has no contingent liabilities of a material nature that are not disclosed in the accounts. (2021: Nil)

Waikato Tennis Trust
Statement of Accounting Policies and
Notes to the Performance Report
For the Year Ended 30 June 2022

16. **SIGNIFICANT EVENTS AFTER BALANCE DATE**
No events have occurred after balance date which have a significant effect on Waikato Tennis Trust. (2021: Nil)
17. **REVIEW**
These financial statements have been reviewed. Please refer to the Review Report.