



Grant Thornton

Audit Report

To the members of University Sport New Zealand Inc

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We have audited the financial report on pages 3 to 13. The financial report provides information about the past financial performance of University Sport New Zealand Inc and its financial position as at 31 December 2007. This information is stated in accordance with the accounting policies set out on pages 7 to 8.

Board's Responsibilities

The Board is responsible for the preparation of a financial report which fairly reflects the financial position of University Sport New Zealand as at 31 December 2007 and the results of operations and cash flows for the year ended on that date.

Auditor's Responsibilities

It is our responsibility to express an independent opinion to you on the financial report (except for the budget figures included in the financial report) presented by the Board.

Basis of Opinion

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

- the significant estimates and judgements made by the Board in the preparation of the financial report; and
- whether the accounting policies are appropriate to University Sport New Zealand's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with the New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report. We do not express an opinion upon the budget figures included in the financial report.

Other than in our capacity as auditors we have no relationship with or interests in University Sport New Zealand Inc.

Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion the financial report on pages 3 to 13 fairly reflects the financial position of University Sport New Zealand Inc as at 31 December 2007 and the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 17 June 2008 and our unqualified opinion is expressed as at that date.

Grant Thornton

GRANT THORNTON
WELLINGTON
17 June 2008

University Sport New Zealand Inc.
Financial Statements
For the Year Ended 31st December 2007

University Sport New Zealand Inc.
Schedule of Contents
For the Year Ended 31st December 2007

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University Sport New Zealand Inc.
Directory
As At 31st December 2007

Executive Director	D Pearce
President	H Hopkinson
Treasurer	I Galloway
Accountants	Curtis McLean Limited
Auditors	Grant Thornton
Bankers	ASB Bank Limited

University Sport New Zealand Inc.
Statement of Financial Performance
For the Year Ended 31st December 2007

	Note	Budget	2007	2006
Income				
Grants		45,000	45,000	45,000
Sponsorship		40,000	5,766	10,680
Levies		223,034	223,034	225,348
NZ University Blues		20,000	18,081	17,262
NZ University Games		230,000	232,661	172,481
International Competition	2	250,000	303,563	47,666
National Competition	3	3,000	57,331	72,163
Interest Received		25,000	30,035	25,672
Other Income		2,000	(2,000)	2,000
Total Income		838,034	913,471	618,272
Less: Expenses				
International Competition	4	258,000	301,635	53,355
National Competition	5	19,000	63,857	70,049
Administration	6	328,600	334,266	297,044
NZ University Blues	7	32,000	35,483	32,473
NZ University Games	8	170,000	182,083	108,139
Training & Development	9	24,000	14,616	12,101
Sports Council Grants	10	10,000	8,000	10,000
Total Expenses		841,600	939,940	583,161
Net Surplus (Loss) before Transfer to Reserves		(3,566)	(26,469)	35,111
Less:				
Transfer to (from) WUSG Reserve		-	-	(5,601)
Transfer to (from) WUC Reserve		-	5,912	-
Net Surplus after Transfer to Reserves		\$ (3,566)	\$ (32,381)	\$ 40,712



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University Sport New Zealand Inc.
Statement of Movements in Equity
For the Year Ended 31st December 2007

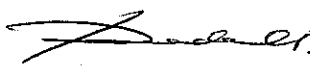
	2007	2006
Opening Accumulated Funds	284,667	249,555
Plus:		
Net Surplus after Transfers to Reserves	(32,381)	40,712
World University Summer Games Reserve Transfer	-	(5,601)
Accumulated Funds as at 31st December 2007	<u>\$252,286</u>	<u>\$284,666</u>



University Sport New Zealand Inc.
Statement of Financial Position
As At 31st December 2007

	Note	2007	2006
Current Assets			
ASB Bank Ltd		49,781	33,220
ASB Bank Ltd - Term Deposit		285,823	247,522
Accounts Receivable		4,897	55,533
Interest Receivable		119	2,461
Prepayments		-	9,012
Goods and Services Tax		7,899	2,576
		<hr/>	<hr/>
Total Current Assets		348,519	350,324
Fixed Assets	12	5,557	8,787
		<hr/>	<hr/>
Total Assets		354,076	359,111
Less Liabilities:			
Current Liabilities			
Accounts Payable		56,742	23,539
Holiday Pay Accrual		7,426	4,426
Income in Advance		-	19,654
Sports Council & International Liabilities		31,710	26,826
		<hr/>	<hr/>
Total Current Liabilities		95,878	74,445
		<hr/>	<hr/>
Total Liabilities		95,878	74,445
		<hr/>	<hr/>
Net Assets		\$258,198	\$284,666
		<hr/>	<hr/>
Represented By:			
Accumulated Funds as at 31st December 2005		216,034	248,414
World University Summer Games Reserve		36,252	36,252
World University Championship Reserve		5,912	-
		<hr/>	<hr/>
Total Accumulated Funds as at 31st December 2006		\$258,198	\$284,666
		<hr/>	<hr/>

For and on Behalf of the Board


 _____ **Treasurer**
Executive Director


 _____ **President**

17/06/08
 _____ **Date**



University Sport New Zealand Inc.
Statement of Cashflows
For the Year Ended 31st December 2007

	2007	2006
Cashflows from Operating Activities		
Cash was Provided From:		
Receipts from Levies	273,742	216,066
Receipt of GST	-	-
Interest Received	32,377	25,787
Sports Council Liabilities	-	-
Other Income	660,402	320,752
	966,521	562,605
Cash was Distributed To:		
Payments to Suppliers and Employees	908,453	569,005
GST Paid	3,206	8,667
	911,659	577,672
Net Cashflows from Operating Activities	54,862	(15,067)
Cashflows from Investing Activities		
Cash was Distributed To:		
Payment of Resident Withholding Tax	-	-
Purchase of Fixed Assets	-	4,630
Net Cashflows from Investing Activities	-	(4,630)
Net Increase (Decrease) in Cash Held	54,862	(19,697)
Add: Opening Cash Balance	280,742	300,439
Closing Cash Carried Forward	\$335,604	\$280,742
Closing Cash Comprises		
Cash on Hand	-	-
ASB Cheque Account	21,136	22,746
ASB Games Account	28,411	10,332
ASB Savings Account	234	142
Term Deposit	285,823	247,522
Cash at end of year	\$335,604	\$280,742



University Sport New Zealand Inc.
Notes to the Financial Statements
For the Year Ended 31st December 2007

1. Accounting Policies

Reporting Entity

The Financial Statements have been prepared in accordance with the requirements of the Constitution of University Sport New Zealand Inc. and generally accepted accounting principles. University Sport New Zealand Inc. is an Incorporated Society under the Incorporated Societies Act 1908.

Measurement Base

The accounting base recognised as appropriate for the measurement and reporting of results and the financial position, unless otherwise stated, is historic cost.

Specific Accounting Policies

The following are the particular accounting policies which have a material effect on the measurement of results and financial position.

Going Concern

The Financial Statements are prepared on a going concern basis, the validity of which depends on future funding being available. University Sport New Zealand Inc. is reliant upon the ongoing financial support of the ten student bodies. The Executive are of the opinion this financial support will be available for the subsequent year.

Differential Reporting

University Sport New Zealand Inc. qualifies for differential reporting because it is not publicly accountable and it is not deemed to be large. University Sport New Zealand Inc. has taken advantage of all differential reporting exemptions available except in respect of FRS-10.

Accounts Receivable

Accounts Receivable are valued at expected realisable value.

Depreciation

Fixed Assets have been depreciated using the following rates:

Computer Equipment	20.0% - 36.0%	Straight Line
	48.0%	Diminishing Value
Furniture & Equipment	13.0% - 28.8%	Straight Line
	18.0% - 60.0%	Diminishing Value
Leasehold Improvements	11.4%	Diminishing Value



University Sport New Zealand Inc.
Notes to the Financial Statements (Continued)
For the Year Ended 31st December 2007

Fixed Assets

Fixed Assets are recorded at cost less depreciation to date.

Goods and Services Tax

The Financial Statements have been prepared on a Goods and Services Tax exclusive basis. The GST payment due at Balance Date is included in Current Liabilities.

Changes in Accounting Policies

There have been no changes in accounting policies during the year. All policies have been applied on a basis consistent with previous years.

	Budget	2007	2006
2. International Competition Income			
World University Summer Games	245,000	300,604	-
World University Winter Games	5,000	2,959	-
World University Championships	-	-	47,666
International Representation	-	-	-
Total International Competition Income	\$ 250,000	\$ 303,563	\$ 47,666
3. National Competition Income			
NZU Cricket	-	-	7,292
Uni Snow Games	3,000	57,331	64,871
NZU Rowing	-	-	-
Regional Competition	-	-	-
NZU Debating	-	-	-
External Events Grant	-	-	-
International Students Event	-	-	-
Total National Competition Income	\$ 3,000	\$ 57,331	\$ 72,163
4. International Competition Expenditure			
World University Summer Games	254,250	292,115	9,851
World University Winter Games	1,750	6,139	1,750
World University Championships	-	-	41,754
International Representation	2,000	3,381	-
Total International Competition Expenses	\$ 258,000	\$ 301,635	\$ 53,355



University Sport New Zealand Inc.
Notes to the Financial Statements (Continued)
For the Year Ended 31st December 2007

	Budget	2007	2006
5. National Competition Expenditure			
NZU Cricket	3,000	3,794	9,413
NZU Triathlon Champs	-	1,644	-
Uni Snow Games	-	56,780	56,061
NZU Rowing	1,000	675	300
Regional Competition	10,000	964	2,775
NZU Debating	1,000	-	500
External Events Grant	2,000	-	1,000
NZU Sailing	2,000	-	-
Total National Competition Expenses	\$ 19,000	\$ 63,857	\$ 70,049
6. Administration			
ACC Levies	2,400	3,654	2,364
Accounting Fees	10,000	10,002	9,994
Audit Fees	6,000	6,205	6,500
Bank Fees & Interest	600	730	580
Depreciation	5,000	3,230	4,383
Office Utilities	1,700	876	1,777
General Expenses	1,000	2,274	765
Board Expenses	4,500	7,089	5,651
USNZ General Meetings	2,000	1,581	2,603
Board Honorarium	8,500	5,578	10,300
Insurance	5,500	5,262	3,000
IT Costs	3,000	3,223	2,068
Legal Fees	2,000	-	1,175
Newsletter	2,000	582	-
Office Maintenance	200	64	1,591
Marketing	10,000	3,405	4,570
Memberships	700	684	660
Photocopying	2,300	1,936	1,492
Postage & Couriers	700	1,384	1,039
Recruitment	2,000	10,578	-
Office Rent	22,000	13,556	18,222
Salaries	213,000	224,864	192,402
Staff Training	2,000	731	1,031
Stationery	1,500	1,341	1,617
Telecommunications	14,000	11,580	16,070
Staff Travel & Meetings	3,000	4,387	1,246
Sub-Committee Expenses	3,000	2,933	3,862
USNZ Review Expenses	-	88	-
Wages - Temporary Staff	-	6,449	2,082
Total Administration Expenses	\$ 328,600	\$ 334,266	\$ 297,044



University Sport New Zealand Inc.
Notes to the Financial Statements (Continued)
For the Year Ended 31st December 2007

	Budget	2007	2006
7. NZ University Blues Expenditure			
Travel	1,000	890	2,002
Audio-Visual	7,000	7,224	4,178
Catering	12,500	14,215	10,247
Venue	-	-	1,300
Trophies & Scrolls	5,000	6,123	6,600
Panel Meeting Costs	500	464	116
Entertainment & Speakers	3,000	3,174	5,265
Miscellaneous	3,000	3,393	2,765
Total NZ University Blues Expenses	\$ 32,000	\$ 35,483	\$ 32,473
8. NZ University Games Expenditure			
Administration	15,000	16,207	17,645
Functions & Ceremonies	25,000	27,816	10,506
Human Resources	14,000	14,777	356
Medical	8,000	8,000	2,718
Marketing	30,000	30,666	19,852
Pre-Games Costs	25,000	28,411	11,723
Sports Events	46,000	48,812	35,320
Transport	4,000	4,483	3,166
Volunteers	3,000	2,911	6,853
Total NZ University Games Expenses	\$ 170,000	\$ 182,083	\$ 108,139
9. Training & Development			
CDO Training & Development	5,000	6,079	3,518
Presidents' Induction	3,500	2,012	4,249
Sports Council Training	1,000	-	-
On-campus liaison/development	5,000	1,654	3,571
Recreation Campaign	2,000	1,214	142
Schools Sport Liaison	3,000	3,657	621
University Sport Forum	2,000	-	-
Maori Sports Development	2,000	-	-
Student Sport Journalism	500	-	-
Total Training & Development Expenses	\$ 24,000	\$ 14,616	\$ 12,101



University Sport New Zealand Inc.
Notes to the Financial Statements (Continued)
For the Year Ended 31st December 2007

	Budget	2007	2006
10. Sports Council			
Sports Council Grants Pool	10,000	-	-
Debating	-	-	1,000
Fencing	-	-	125
Hockey	-	-	1,000
Rowing	-	2,000	2,075
Soccer	-	2,000	1,000
Rugby League	-	2,000	2,000
Volleyball	-	-	1,000
Golf	-	2,000	1,500
Triathlon	-	-	300
Total Sports Council Expenses	\$ 10,000	\$ 8,000	\$ 10,000

11. Taxation

University Sport New Zealand is exempt from income tax under section CW 39 of the Income Tax Act 2004 due to its status as an amateur sports body.

12. Fixed Asset Schedule

The following gives details of the cost of assets and depreciation written off to date:

<u>This Year</u>	<u>Cost or Valuation</u>	<u>Depreciation For Year</u>	<u>Accumulated Depreciation</u>	<u>Book Value 2006</u>
Computer Equipment	29,411	1,566	27,715	1,696
Office Furniture & Equipment	49,528	1,664	45,667	3,861
	<u>78,939</u>	<u>3,230</u>	<u>73,382</u>	<u>5,557</u>

<u>Last Year</u>	<u>Cost or Valuation</u>	<u>Depreciation For Year</u>	<u>Accumulated Depreciation</u>	<u>Book Value 2005</u>
Computer Equipment	29,411	3,010	26,149	3,262
Office Furniture & Equipment	49,528	1,373	44,003	5,525
	<u>78,939</u>	<u>4,383</u>	<u>70,152</u>	<u>8,787</u>



University Sport New Zealand Inc.
Notes to the Financial Statements (Continued)
For the Year Ended 31st December 2007

13. Cash Flow Reconciliation

	2007	2006
Net Surplus (Deficit) for Year (as per Statement of Financial Performance)	(32,381)	40,712
Plus:		
Transfer to WUSG Reserve	-	-
Transfer to WUC Reserve	5,912	-
Net Decrease in Interest Receivable	2,342	115
Net Increase in Income in Advance	-	18,154
Net Increase in Accounts Payable	31,087	-
Net Increase in Sports Council Liabilities	7,884	20
Net Receipt of GST	-	-
Net Decrease in Accounts Receivable & Prepayments	59,648	-
Depreciation	3,230	4,383
	110,103	22,672
	77,722	63,384
Less:		
Transfer from WUSG Reserve	-	5,601
Transfer from WUC Reserve	-	-
Net Increase in Interest Receivable	-	-
Net Increase in Accounts Receivable & Prepayments	-	63,649
Net Decrease in Accounts Payable	-	534
Net Decrease in Income in Advance	19,654	-
Net Payment of GST	3,206	8,667
Net Decrease in Sports Council Liabilities	-	-
	22,860	78,481
Net Cash Flows From Operating Activities	\$54,862	(\$15,067)
(as per Cash Flow Statement)		

14. Contingent Liabilities and Capital Commitments

The Society is liable for the sublease of the current premises situated at 73-89 Boulcott Street, Wellington.

	2007	2006
Within 1 year	20,312	15,234
1 - 2 years	20,312	20,312
2 - 5 years	55,859	76,171



University Sport New Zealand Inc.
Notes to the Financial Statements (Continued)
For the Year Ended 31st December 2007

The Society is also liable for the finance lease of a photocopier with Fuji Xerox New Zealand Limited.

	2007	2006
Within 1 year	1,572	1,572
1 - 2 years	262	1,572
2 - 5 years	-	262

At Balance Date the Society had no other capital commitments or contingent liabilities (2005 Nil).

15. Nature of Business

University Sport New Zealand is one of two national University Student Bodies. University Sport New Zealand is supported both financially, through student levies and actively by student participation in university tournaments, USNZ tours and coaching activities, and the World University Games.

University Sport New Zealand administers the affairs and oversees the programmes of these tournaments and events.

16. Gaming Trust Grants Received by USNZ in 2007

The following financial grants were received from Gaming Trusts in 2007:

NZCT	\$3,000*	NZ University Cricket Champs 2007
NZCT	\$50,000	NZ University Games 2007
Canterbury		
Community Trust	\$10,000	NZ University Games 2007
Lion Foundation	\$20,000	NZ University Games 2007
NZCT	\$11,000**	NZ University Blues Awards 2007
NZCT	\$75,000	World University Games 2007

* \$1,000 returned to NZCT unspent

** \$746 returned to NZCT unspent

